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**PENINSULA ENERGY LIMITED**

**ABN 67 062 409 303**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 11.00am (WST)

**DATE:** 29 November 2013

**PLACE:** Subiaco Arts Centre  
180 Hamersley Road  
SUBIACO WA 6008

*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

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### VENUE

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The Annual General Meeting of the Shareholders of Peninsula Energy Limited which this Notice of Meeting relates to will be held at 11.00 am (WST) on Friday, 29 November 2013 at:

Subiaco Arts Centre  
180 Hamersley Road  
SUBIACO WA 6008

### YOUR VOTE IS IMPORTANT

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

### VOTING ELIGIBILITY

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The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00 pm (WST) on 27 November 2012.

### VOTING IN PERSON

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

### VOTING BY PROXY

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and

- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders of Peninsula Energy Limited will be held at Subiaco Arts Centre, 180 Hamersley Road, Subiaco at 11.00am (WST) on 29 November 2013.

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.

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

### AGENDA

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#### 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 Energy Limited for the financial year ended 30 June 2013.

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#### 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 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 2013."*

**Short Explanation:** The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

##### Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and

- (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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**3. RESOLUTION 2 – RE-ELECTION OF MR MICHAEL BARTON AS A DIRECTOR**

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

*"That Mr Michael Barton, 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."*

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**4. RESOLUTION 3 – RE-ELECTION OF MR NEIL WARBURTON AS A DIRECTOR**

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

*"That Mr Neil Warburton, being a Director of the Company who was appointed on 28 February 2013, retires in accordance with the Company's Constitution and, being eligible for re-election, be re-elected as a Director of the Company."*

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**5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY – SHARES**

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

*"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will 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.

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**6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – SHARES, LISTED OPTIONS AND UNLISTED OPTIONS**

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 364,892,923 Shares, 189,744,320 Listed Options and 90,000,000 Unlisted 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.

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**7. RESOLUTION 6 – 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 issue of 21,077,635 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 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.

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**8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE - PLACEMENT SHARES AND LISTED OPTIONS**

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 issue of 80,000,000 Shares and 40,000,000 free attaching Listed 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.

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**9. RESOLUTION 8 – ISSUE OF SHARES TO JOHN SIMPSON UNDER SALARY SACRIFICE PROGRAM**

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Sections 195 and 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,025,778 Shares to Mr John Simpson (or his nominee) under a Salary Sacrifice Program on the terms and conditions set out in the Explanatory Statement.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr John Simpson (or his nominee) 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**10. RESOLUTION 9 – ISSUE OF SHARES TO ALFRED GILLMAN UNDER SALARY SACRIFICE PROGRAM**

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*"That, for the purposes of Sections 195 and 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 676,731 Shares to Mr Alfred Gillman (or his nominee) under a Salary Sacrifice Program on the terms and conditions set out in the Explanatory Statement."*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Alfred Gillman (or his nominee) 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and

- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**11. RESOLUTION 10 – ISSUE OF SHARES TO WARWICK GRIGOR UNDER SALARY SACRIFICE PROGRAM**

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Sections 195 and 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 225,168 Shares to Mr Warwick Grigor (or his nominee) under a Salary Sacrifice Program on the terms and conditions set out in the Explanatory Statement.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Warwick Grigor (or his nominee) 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
- (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**12. RESOLUTION 11 – ISSUE OF SHARES TO MICHAEL BARTON UNDER SALARY SACRIFICE PROGRAM**

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Sections 195 and 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 110,745 Shares to Mr Michael Barton (or his nominee) under a Salary Sacrifice Program on the terms and conditions set out in the Explanatory Statement.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Michael Barton (or his nominee) 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**13. RESOLUTION 12 – ISSUE OF SHARES TO NEIL WarBURTON UNDER SALARY SACRIFICE PROGRAM**

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Sections 195 and 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 225,168 Shares to Mr Neil Warburton (or his nominee) under a Salary Sacrifice Program on the terms and conditions set out in the Explanatory Statement.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Neil Warburton (or his nominee) 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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#### 14. RESOLUTION 13 – 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 purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue up to 450,000,000 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 for 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 a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed 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.

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#### BY ORDER OF THE BOARD

JONATHAN WHYTE  
COMPANY SECRETARY  
PENINSULA ENERGY LIMITED

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## EXPLANATORY STATEMENT

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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 Subiaco Arts Centre, Undercroft, 180 Hamersley Road, Subiaco, Western Australia on 29 November 2013 at 11.00am (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.

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### 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 2013 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.pel.net.au](http://www.pel.net.au).

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

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. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

## 2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

## 2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

***If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy***

***You must direct your proxy how to vote on this Resolution.*** Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

***If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member)***

You **do not** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, ***you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.***

***If you appoint any other person as your proxy***

You **do not** need to direct your proxy how to vote on this Resolution, and you **do not** need to mark any further acknowledgement on the Proxy Form.

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## 3. RESOLUTION 2 – RE-ELECTION OF MR MICHAEL BARTON 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.

A Director who retires by rotation under clause 11.3 of the Constitution is eligible for re-election.

A profile of Mr Michael Barton is contained in the Company's Annual Report for the financial year ended 30 June 2013.

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## 4. RESOLUTION 3 – RE-ELECTION OF MR NEIL WARBURTON AS A DIRECTOR

Clause 11.12 of the Company's Constitution requires that a Director appointed to fill a casual vacancy or as an addition to the existing Directors shall hold office until the next annual general meeting and then be eligible for re-election.

Mr Neil Warburton was appointed as an addition to the existing directors on 28 February 2013. In accordance with Clause 11.12 of the Company's

Constitution, Mr Neil Warburton retires from office and offers himself for re-election as a Director.

A profile of Mr Neil Warburton is contained in the Company's Annual Report for the financial year ended 30 June 2013.

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## **5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY – SHARES**

### **5.1 General**

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 4, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 4.2 below).

The effect of Resolution 4 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

### **5.2 ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$76,993,043.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has quoted classes of two Equity Securities on issue, being the Shares (ASX Code: PEN), Listed Options (ASX Code: PENOC) and unlisted Options.

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (A) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (B) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (C) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
  - (D) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

### 5.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 4:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 5.3(a), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and

- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

**(10% Placement Capacity Period).**

**(c) Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

| Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2) | Dilution                |                                               |                               |                                                |
|--------------------------------------------------------------------|-------------------------|-----------------------------------------------|-------------------------------|------------------------------------------------|
|                                                                    | Issue Price (per Share) | \$0.013 (50% decrease in current issue price) | \$0.026 (Current issue price) | \$0.052 (100% increase in current issue price) |
| <b>3,411,270,895 (Current Variable A)</b>                          | <b>Shares issued</b>    | 341,127,089                                   | 341,127,089                   | 341,127,089                                    |
|                                                                    | <b>Funds raised</b>     | \$4,434,652.16                                | \$8,869,304.31                | \$17,738,608.63                                |
| <b>5,116,906,342 (50% increase in Variable A)*</b>                 | <b>Shares issued</b>    | 511,690,634                                   | 511,690,634                   | 511,690,634                                    |
|                                                                    | <b>Funds raised</b>     | \$6,651,978.24                                | \$13,303,956.48               | \$26,607,912.97                                |
| <b>6,822,541,790 (100% increase in Variable A)*</b>                | <b>Shares issued</b>    | 682,254,179                                   | 682,254,179                   | 682,254,179                                    |
|                                                                    | <b>Funds raised</b>     | \$8,869,304.33                                | \$17,738,608.65               | \$35,477,217.31                                |

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

- There are 3,411,270,895 Shares on issue comprising:
  - 2,961,270,895 existing Shares as at the date of this Notice of Meeting; and

- (b) 450,000,000 Shares which may be issued if Resolution 13 is passed at this Meeting.
- 2. The issue price set out above is the closing price of the Shares on the ASX on 22 October 2013.
- 3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- 4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- 5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- 6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- 7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- 8. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the development and construction of the Lance Projects in Wyoming, USA as well as the ongoing exploration program at the Lance Projects and Karoo Projects in South Africa and for working capital purposes; or
- (ii) as non-cash consideration for the acquisition of new projects, assets and investments; in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation under the 10% Placement Capacity**

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the allottees under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 28 November 2012 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 29 November 2012, the Company otherwise issued a total of 396,115,335 Shares, 302,522,098 Options and 32,700,000 performance rights which represents approximately 23.77% of the total diluted number of Equity Securities on issue in the Company on 29 November 2012, which was 3,073,005,183 Shares (on a fully diluted basis).

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 3.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the allottees of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

## 5.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 4.

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## 6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – SHARES, LISTED OPTIONS AND UNLISTED OPTIONS

### 6.1 General

In December 2012, the Company entered into a series of definitive agreements with investment funds managed by BlackRock Financial Management, Inc (**BlackRock**) which provided for the issuance of US\$22 million in senior secured notes and a placement of shares equivalent to a 10% interest in the Company (**Equity Subscription**).

On 19 December 2012, pursuant to the Equity Subscription, the Company issued a total of 293,004,848 Shares to BlackRock at 4 cents per Share and also 152,362,521 free attaching PENOC Options exercisable at 3 cents on or before 31 December 2015 (**Listed Options**), raising \$11,720,622. The Company also issued 71,888,075 Shares and 37,381,799 free attaching Listed Options to Pala Investments Holdings Limited (**Pala**) in accordance with Pala's right to maintain shareholding granted in a subscription agreement entered into by the Company and Pala on 16 December 2010.

Attached to the note facility above, the Company issued to BlackRock 90,000,000 unlisted options exercisable at 8 cents on or before 31 December 2017 (**Unlisted Options**).

BlackRock and Pala are not related parties of the Company.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares, Listed Options and Unlisted Options (**Share and Option 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 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.

## 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 Share and Option Ratification:

- (a) a total of 364,892,923 Shares, 189,744,320 Listed Options and 90,000,000 Unlisted Options were issued;
- (b) the Shares were issued at 4 cents each, the Listed Options were issued free attaching and the Unlisted Options were issued for nil consideration as part of the note facility described above in Section 6.1;
- (c) the Shares are fully paid ordinary shares in the capital of the Company and rank equally with the Company's current issued shares. The Listed Options were issued on the terms and conditions set out in Schedule 1. The Unlisted Options were issued on terms and conditions set out in Schedule 2;
- (d) the Shares and Listed Options were issued to BlackRock and Pala, as detailed above. The Unlisted Options were issued to BlackRock. BlackRock and Pala are not related parties of the Company; and
- (e) the funds raised from the issue of the Shares were used for development and pre Source Materials License (**SML**) construction activities at the Lance Project, and for working capital purposes.

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## 7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – SHARES

### 7.1 General

In December 2012, the Company entered into an agreement with ARSA, a subsidiary of Areva, to acquire their portfolio of uranium and molybdenum projects in the Karoo Basin of South Africa.

The share consideration for this acquisition was US\$5,000,000 in Peninsula Shares, based on the volume weighted average price (**VWAP**) of Peninsula Shares over the thirty (30) days immediately prior to the date of their issuance (**Share Consideration**).

US\$1,000,000 of the Share Consideration was payable within thirty (30) days of the signing of the share purchase agreement (**SPA**) and in accordance with this condition the Company issued 21,077,635 Shares to the vendor subsidiary of ARSA on 19 December 2012.

ARSA and its subsidiaries are not related parties of the Company.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Share 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 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.

## **7.2 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 21,077,635 Shares were issued;
- (b) the Shares were issued for nil consideration as detailed above in Section 7.1;
- (c) the Shares are fully paid ordinary shares in the capital of the Company and rank equally with the Company's current issued shares. There is a 24 month restriction on the sale of the Shares from the completion of the conditions precedent in the SPA with the exception of an annual off-market transfer;
- (d) the Shares were issued to Uramin Inc, a subsidiary of ARSA. Uramin Inc is not a related party of the Company; and
- (e) No funds were raised from the issue of the Shares.

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## **8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES AND LISTED OPTIONS**

### **8.1 General**

On 17 October 2013 the Company announced that it had placed 80,000,000 Shares at an issue price of 2.5 cents per Shares together with one free attaching Listed Option for every two Shares subscribed to sophisticated and institutional investors to raise \$2,000,000 (**Institutional Placement**).

The recipients of the Shares and attaching Listed Options were not related parties of the Company.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares and Listed Options (**Placement Ratification**).

A summary of ASX Listing Rule 7.4 is set out in section 7.1 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.

### **8.2 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) a total of 80,000,000 Shares and 40,000,000 Listed Options were issued;

- (b) the Shares were issued at 2.5 cents each and the Listed Options were free attaching;
- (c) the Shares are fully paid ordinary shares in the capital of the Company and rank equally with the Company's current issued shares. The Listed Options were issued on the terms and conditions set out in Schedule 1;
- (d) the Shares and Listed Options were issued to sophisticated and institutional clients of Hartleys Limited and Canaccord Genuity (Australia) Limited as well as to BlackRock under rights of pre-emption contained in a subscription agreement previously entered into, as detailed in Section 6.1; and
- (e) the funds raised under the Placement Facility will be used for pre SML construction activities at the Lance Projects, the ongoing exploration and feasibility program at the Karoo Projects in South Africa and for working capital purposes.

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## **9. RESOLUTIONS 8, 9, 10, 11 AND 12 – ISSUE OF SHARES TO DIRECTORS UNDER SALARY SACRIFICE PROGRAM**

### **9.1 Background**

In August 2013 the Company announced that the Directors and senior executives had unanimously agreed to adopt a salary sacrifice program (**SSP**) to re-direct the cash outflow of the Company in the lead up to the Lance Project's development. The SSP will reduce the cash component of director and senior executive remuneration in exchange for Shares.

Under the terms of the SSP the Executive Chairman Mr John (Gus) Simpson and Technical Director Mr Alfred Gillman have respectively agreed to accept 40% and 25% of their remuneration as Shares. In addition, the Non-executive Directors Messrs Neil Warburton, Michael Barton and Warwick Grigor have agreed to take 100% of their Director fees as Shares. Senior executives from the Company and its subsidiaries in the United States and South Africa have agreed to take up to 20% of their remuneration as Shares.

The Company has therefore agreed, subject to obtaining Shareholder approval, to issue a total of 3,263,589 Shares, being those Shares payable to Directors under the SSP as at the date of this Notice, to Messrs John Simpson, Alfred Gillman, Warwick Grigor, Michael Barton and Neil Warburton (**Related Parties**) on the terms and conditions set out below.

The purpose of the issue of Shares to the Related Parties is to ensure funds are directed to the Company's key priority, the advancement of the Lance Projects to production.

Where any of the Resolutions are not passed, the relevant Director retains the right to receive in cash the portion of their Directors' fees that they would otherwise have foregone.

### **9.2 Related Party Transaction**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

The issue of Shares to the Related Parties under the SSP requires the Company to obtain Shareholder approval because this constitutes giving a financial benefit and the Related Parties are related parties of the Company by virtue of being Directors.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of the Shares to the Related Parties.

### **9.3 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)**

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Shares to the Related Parties:

- (a) the related parties are Messrs John Simpson, Alfred Gillman, Warwick Grigor, Michael Barton and Neil Warburton and they are related parties by virtue of being Directors;
- (b) the maximum number of Shares (being the nature of the financial benefit being provided) to be granted under Resolutions 8 to 12 to the Related Parties is:
  - (i) to Mr John Simpson:  
2,025,778 Shares;
  - (ii) to Mr Alfred Gillman:  
676,731 Shares;
  - (iii) to Mr Warwick Grigor:  
225,168 Shares;
  - (iv) to Mr Michael Barton:  
110,745 Shares;
  - (v) to Mr Neil Warburton  
225,168 Shares;

- (c) the Shares will be granted to the Related Parties for nil cash consideration and no consideration. Accordingly, no loans will be made in relation to, and no funds will be raised from, the issue of the Shares;
- (d) the trading history of the Shares on ASX in the 12 months before the date of this Notice of Meeting is as follows:

|         |                              |
|---------|------------------------------|
| Highest | 5.5 cents on 9 November 2012 |
| Lowest  | 2.1 cents on 26 June 2013    |
| Last    | 2.6 cents on 22 October 2013 |

- (e) the Related Parties currently have an interest in the following securities in the Company:

| <b>Participating Director</b> | <b>Shares</b> | <b>Options</b>          | <b>Class D Performance Rights (expiring 13 October 2015)<sup>4</sup></b> | <b>Class E Performance Rights (expiring 13 October 2015)<sup>5</sup></b> | <b>Class F Performance Rights (expiring 13 October 2016)<sup>6</sup></b> |
|-------------------------------|---------------|-------------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Mr John Simpson               | 50,690,499    | 7,003,101 <sup>1</sup>  | 12,000,000                                                               | 12,000,000                                                               | 12,000,000                                                               |
| Mr Warwick Grigor             | 10,397,731    | 11,462,060 <sup>2</sup> | 2,000,000                                                                | 2,000,000                                                                | 2,000,000                                                                |
| Mr Michael Barton             | -             | -                       | 2,000,000                                                                | 2,000,000                                                                | 2,000,000                                                                |
| Mr Alfred Gillman             | 10,300,000    | 875,000 <sup>3</sup>    | 4,000,000                                                                | 4,000,000                                                                | 4,000,000                                                                |
| Mr Neil Warburton             | -             | -                       | 2,000,000                                                                | 2,000,000                                                                | 2,000,000                                                                |

<sup>1</sup> 7,003,101 Listed Options exercisable at \$0.03 on or before 31 December 2015.

<sup>2</sup> 11,462,060 Listed Options exercisable at \$0.03 on or before 31 December 2015.

<sup>3</sup> 875,000 Listed Options exercisable at \$0.03 on or before 31 December 2015.

<sup>4</sup> The Class D Performance Rights convert into fully paid ordinary shares in the Company upon the price of the Company's shares as traded on ASX is at least 8 cents or more for thirty (30) consecutive trading days and the Director remaining an employee of the Company for twelve (12) months from date of grant.

<sup>5</sup> The Class E Performance Rights convert into fully paid ordinary shares in the Company upon the price of the Company's shares as traded on ASX is at least 12 cents or more for thirty (30) consecutive trading days and the Director remaining an employee of the Company for twenty-four (24) months from date of grant.

<sup>6</sup> The Class F Performance Rights convert into fully paid ordinary shares in the Company upon the price of the Company's shares as traded on ASX is at least 16 cents or more for thirty (30) consecutive trading days and the Director remaining an employee of the Company for thirty-six (36) months from date of grant.

- (f) the Related Parties currently receive the following remuneration and emoluments from the Company:
- (i) Mr John Simpson receives remuneration of \$3,000 per day (in the previous financial year Mr Simpson received \$735,000 in salary and fees);
  - (ii) Mr Alfred Gillman currently receives remuneration of \$1,600 per day (in the previous financial year Mr Gillman received \$371,000 in salary and fees);

- (iii) Mr Warwick Grigor receives remuneration of \$36,000 per year plus superannuation (in the previous financial year Mr Grigor received \$36,000 in salary and fees);
  - (iv) Mr Michael Barton currently receives remuneration of \$36,000 per year including superannuation (in the previous financial year Mr Barton received \$36,000 in salary and fees); and
  - (v) Mr Neil Warburton currently receives remuneration of \$36,000 per year plus superannuation.
- (g) If all SSP Shares are issued to the Related Parties, a total of 3,263,589 Shares would be issued under Resolutions 8, 9, 10, 11 and 12. This will increase the number of Shares on issue from 2,961,270,895 to 2,964,534,484 (assuming that no other Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted as follows:

| Participating Director | Issued Shares as at the date of this Notice of Meeting | Number of SSP Shares to be issued | Issued Shares upon Issue of SSP Shares | Dilutionary effect if all SSP Shares to Directors are issued |
|------------------------|--------------------------------------------------------|-----------------------------------|----------------------------------------|--------------------------------------------------------------|
| Mr John Simpson        | 50,690,499                                             | 2,205,778                         | 52,896,277                             | 0.07%                                                        |
| Mr Alfred Gillman      | 10,300,000                                             | 676,731                           | 10,976,731                             | 0.02%                                                        |
| Mr Warwick Grigor      | 10,397,731                                             | 225,168                           | 10,622,899                             | 0.01%                                                        |
| Mr Michael Barton      | -                                                      | 110,745                           | 110,745                                | 0.00%                                                        |
| Mr Neil Warburton      | -                                                      | 225,168                           | 225,168                                | 0.01%                                                        |
| <b>TOTAL</b>           | <b>2,961,270,895</b>                                   | <b>3,263,589</b>                  | <b>2,964,534,484</b>                   | <b>0.11%</b>                                                 |

- (h) the Shares will be issued to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Shares will be issued on one date;
- (i) the primary purpose of the Issue of the Shares under the SSP is to ensure funds are directed to the Company's key priority, the advancement of the Lance Projects to production. On an annualised basis these measures will result in significant cash savings that will be re-directed to project development activities;
- (j) the SSP, including the Shares to be issued to the Related Parties, was approved by the Board. In making this determination, the Board considered it appropriate in the current market that the Company directs cash resources to the advancement of the Lance Projects ;
- (k) the Board believes that the issue of Shares pursuant to the SSP provides cost effective consideration to the Related Parties for their ongoing commitment and contribution to the Company in their respective roles as Directors of the Company. Given this purpose, the Board does not consider that there are any opportunity costs to the Company or benefits foregone by the Company in issuing the Shares upon the terms proposed; and
- (l) the Board acknowledges the grant of Shares to Messrs Warwick Grigor, Neil Warburton and Michael Barton is contrary to Recommendation 9.3

of the ASX Good Corporate Governance and Best Practice Recommendations. However, the Board considers the issue of Shares to Messrs Warwick Grigor, Neil Warburton and Michael Barton is reasonable in the circumstances, given that it will assist the Company in achieving its goals by aligning the interests of Messrs Warwick Grigor, Neil Warburton and Michael Barton with the interests of Shareholders, whilst directing the Company's cash to development activities.

- (m) Should approval not be obtained for Resolutions 8 to 12 then the Related Parties will be paid all remuneration amounts owing under the SSP in cash rather than Shares.
- (n) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 8 to 12.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

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## **10. RESOLUTION 13 – SHARE PLACEMENT FACILITY**

### **10.1 General**

Resolution 13 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the Directors to allot and issue up to 450,000,000 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 6.1 above.

The effect of passing Resolution 13 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.

### **10.2 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 450,000,000 Shares;
- (b) the Shares will be 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);

- (c) 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;
- (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. The allottees will be identified at the Directors discretion but the Shares will not be issued to related parties of the Company;
- (e) 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
- (f) the funds raised under the Placement Facility will be used for pre SML construction activities at the Lance Projects, the ongoing exploration and feasibility program at the Karoo Projects in South Africa and for working capital purposes.

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## GLOSSARY

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**10% Placement Capacity** has the meaning given in section 5.1 of this Notice.

**\$** means Australian dollars.

**Annual General Meeting** means the meeting convened by this Notice.

**ASX** means ASX Limited or the Australian Securities Exchange, as the context requires.

**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.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

**Company** means Peninsula Energy 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.

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

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

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the

Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Notice** or **Notice of Annual General Meeting** or **Notice of Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

**Listed Option** has the meaning as set out in Section 6.1 of the Explanatory Statement.

**Optionholder** means the holder of a Listed Option.

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

**Project Debt Finance** facility means the senior secured debt facility that comprises at least 50% of the aggregate amount of debt and equity funding required to develop the Lance Projects

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2013.

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

**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.

**Variable A** means "A" as set out in the calculation in section 5.2 of this Notice.

**WST** means Western Standard Time, Perth, Western Australia.

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## SCHEDULE 1 – TERMS AND CONDITIONS OF LISTED OPTIONS

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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 31 December 2015 (**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 issued 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.

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## SCHEDULE 2 – TERMS AND CONDITIONS OF UNLISTED OPTIONS

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- (a) Subject to paragraph (m), each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) Subject to paragraphs (j) and (l), the amount payable upon exercise of each Option will be \$0.08 (**Exercise Price**).
- (c) Each Option will expire at 5.00pm (WST) on 31 December 2017 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) The Options are exercisable at any time on or prior to the Expiry Date (**Option Period**).
- (e) The Options may be exercised during the Option Period by notice in writing to the Company in the manner specified on the Option certificate (Option Exercise Notice) and payment of the Exercise Price for each Option being exercised in Australian currency by bank cheque in favour of the Company, or a direct transfer to a bank account nominated by the Company.
- (f) A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (Exercise Date).
- (g) Within 2 Business Days after the Exercise Date (or such later date as may be agreed in writing between the Company and the Optionholder), the Company will:
  - (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Option Exercise Notice and for which cleared funds have been received by the Company;
  - (ii) register the Optionholder (or its nominee, which shall be an affiliate of the Optionholder) as the holder of the Shares issued pursuant to exercise of the Options;
  - (iii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
  - (iv) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(iii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (h) Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (i) If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (j) If at any time the issued capital of the Company is reconstructed prior to the Expiry Date, the Exercise Price in respect of each Option and/or the number of Options remaining unexercised at the relevant time will be adjusted to take account of the reconstruction in accordance with ASX Listing Rule 7.22.
- (k) There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (l) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the Exercise Price may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (m) If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
  - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
  - (ii) no change will be made to the Exercise Price.
- (n) The Company will not apply for quotation of the Options on ASX.
- (o) The Options are transferable subject to compliance with all applicable laws.

## SCHEDULE 3 – ISSUES OF EQUITY SECURITIES SINCE 29 NOVEMBER 2012

| Issue Date                                                 | Quantity    | Class                          | Recipients                                                                             | Issue price and discount to Market Price (if applicable) <sup>1</sup>                                                                                      | Form of consideration                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------|-------------|--------------------------------|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issue – 19 December 2012<br>Appendix 3B – 19 December 2012 | 364,892,923 | Shares <sup>2</sup>            | Funds held by BlackRock Financial Management Inc and Pala Investments Holdings Limited | \$0.04 (no discount, issued for Market Price)                                                                                                              | Cash<br>Amount Raised - \$14,595,717<br>Used to fund development and pre Source Materials License construction activities at the Lance Project, and for working capital purposes.<br>Approximately \$10m has been spent to date, the remainder of which will also be allocated as per the above. |
| Issue – 19 December 2012<br>Appendix 3B – 19 December 2012 | 189,744,320 | Quoted Options <sup>3</sup>    | Funds held by BlackRock Financial Management Inc and Pala Investments Holdings Limited | Nil cash consideration (free attaching to Shares)                                                                                                          | Non-cash<br>No consideration free attaching to Shares<br>Current value <sup>8</sup> = \$2,087,188.                                                                                                                                                                                               |
| Issue – 19 December 2012<br>Appendix 3B – 19 December 2012 | 90,000,000  | Un-Quoted Options <sup>7</sup> | Funds held by BlackRock Financial Management Inc                                       | Nil cash consideration (attached to the Notes issued by BlackRock)                                                                                         | Non-cash<br>No consideration<br>Current value <sup>8</sup> = \$810,000.                                                                                                                                                                                                                          |
| Issue – 19 December 2012<br>Appendix 3B – 19 December 2012 | 21,077,635  | Shares <sup>2</sup>            | Uramin Inc                                                                             | No issue price (non-cash consideration).<br>Shares were issued as part consideration for the acquisition of uranium/molybdenum properties in South Africa. | Non-cash<br>Consideration:<br><br>Current value <sup>8</sup> = \$548,019.                                                                                                                                                                                                                        |
| Issue – 20 December 2012<br>Appendix 3B – 21 December 2012 | 800,000     | Shares <sup>2</sup>            | Employees of Strata Energy Inc under existing contracts                                | No issue price (non-cash consideration)                                                                                                                    | Non-cash<br>Consideration: Performance based remuneration for services provided to the Company<br>Current value <sup>8</sup> =                                                                                                                                                                   |

|                                                            |            |                                          |                                                                                                                                                |                                                                                                                                                |                                                                                                                                            |
|------------------------------------------------------------|------------|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
|                                                            |            |                                          |                                                                                                                                                |                                                                                                                                                | \$20,800.                                                                                                                                  |
| Issue – 20 December 2012<br>Appendix 3B – 21 December 2012 | 17,777,778 | Quoted Options <sup>3</sup>              | Pala Investments Holdings Limited                                                                                                              | Nil cash consideration (issued under existing Equity Facility Agreement)                                                                       | Non-cash Consideration:<br><br>Current value <sup>8</sup> = \$195,556                                                                      |
| Issue – 13 February 2013<br>Appendix 3B – 14 February 2013 | 1,500,000  | Shares <sup>2</sup>                      | Employees of Peninsula Energy Limited under existing employment contracts.                                                                     | No issue price (non-cash consideration)                                                                                                        | Non-cash Consideration: Performance based remuneration for services provided to the Company<br><br>Current value <sup>8</sup> = \$39,000.  |
| Issue – 27 February 2013<br>Appendix 3Y – 27 February 2013 | 6,000,000  | Unlisted performance rights <sup>6</sup> | Peninsula director Neil Warburton pursuant to Company's Performance Rights Plan approved at the Shareholders meeting held on 29 November 2011. | No issue price (non-cash consideration)                                                                                                        | Non-cash Consideration: Performance based remuneration for services provided to the Company.<br><br>Current value <sup>8</sup> = \$34,000  |
| Issue – 5 April 2013<br>Appendix 3B – 5 April 2013         | 5,000,000  | Quoted Options <sup>3</sup>              | Rockbury Capital                                                                                                                               | No issue price (non-cash consideration). Options were issued as part consideration for services rendered under a financing services agreement. | Non-cash Consideration: A corporate advisory fee in relation to the Company's financing<br><br>Current value <sup>8</sup> = \$55,000.      |
| Issue – 29 May 2013<br>Appendix 3B – 31 May 2013           | 14,700,000 | Unlisted performance rights <sup>4</sup> | Employees pursuant to Company's Performance Rights Plan approved at the Shareholders meeting held on 29 November 2011.                         | No issue price (non-cash consideration)                                                                                                        | Non-cash Consideration: Performance based remuneration for services provided to the Company.<br><br>Current value <sup>8</sup> = \$83,300  |
| Issue – 11 June 2013<br>Appendix 3B – 11 June 2013         | 2,068,966  | Shares <sup>2</sup>                      | Strata Energy CEO Ralph Knode Annual Bonus which he elected to take in Shares                                                                  | No issue price (non-cash consideration)                                                                                                        | Non-cash Consideration: Performance based remuneration for services provided to the Company.<br><br>Current value <sup>8</sup> = \$53,793. |

|                                                              |            |                                          |                                                                                                                                        |                                         |                                                                                                                                     |
|--------------------------------------------------------------|------------|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Issue – 21 June 2013<br>Appendix 3B – 21 June 2013           | 12,000,000 | Unlisted performance rights <sup>5</sup> | Peninsula CFO David Coyne pursuant to Company's Performance Rights Plan approved at the Shareholders meeting held on 29 November 2011. | No issue price (non-cash consideration) | Non-cash Consideration: Performance based remuneration for services provided to the Company. Current value <sup>8</sup> = \$68,000  |
| Issue – 26 July 2013<br>Appendix 3B – 26 July 2013           | 4,500,000  | Shares <sup>2</sup>                      | Employees of Peninsula Energy Limited and Strata Energy Inc under existing employment contracts.                                       | No issue price (non-cash consideration) | Non-cash Consideration: Performance based remuneration for services provided to the Company Current value <sup>8</sup> = \$117,000. |
| Issue – 16 September 2013<br>Appendix 3B – 17 September 2013 | 419,624    | Shares <sup>2</sup>                      | Employees of Peninsula Energy Limited and Strata Energy Inc under salary sacrifice program                                             | No issue price (non-cash consideration) | Non-cash Consideration: Performance based remuneration for services provided to the Company. Current value <sup>8</sup> = \$10,910. |
| Issue – 18 October 2013<br>Appendix 3B – 18 October 2013     | 856,187    | Shares <sup>2</sup>                      | Employees of Peninsula Energy Limited and Strata Energy Inc under salary sacrifice program                                             | No issue price (non-cash consideration) | Non-cash Consideration: Performance based remuneration for services provided to the Company. Current value <sup>8</sup> = \$22,261. |

**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: PEN (terms are set out in the Constitution).
3. Quoted Options, exercisable at \$0.03 each, on or before 31 December 2016, ASX Code: PENOC.
4. Unlisted performance rights, in the classes as follows:
  - (a) 4,900,000 Class D performance rights issued under the Company's Performance Rights Plan expiring 13 October 2014, with a vesting conditions that the price of the Company's shares as traded on ASX is at least 8 cents or more for thirty (30) consecutive trading days and the Director remains an employee of the Company for twelve (12) months from the date of grant of the Class D Performance Rights. **(Class D Performance Rights Terms)**

- (b) 4,900,000 Class E performance rights issued under the Company's Performance Rights Plan expiring 13 October 2015, with a vesting conditions that the price of the Company's shares as traded on ASX is at least 12 cents or more for thirty (30) consecutive trading days and the Director remains an employee of the Company for twenty four (24) months from the date of grant of the Class E Performance Rights. **(Class E Performance Rights Terms)**
  - (c) 4,900,000 Class F performance rights issued under the Company's Performance Rights Plan 13 October 2016, with a vesting conditions that the price of the Company's shares as traded on ASX is at least 16 cents or more for thirty (30) consecutive trading days and the Director remains an employee of the Company for thirty six (36) months from the date of grant of the Class F Performance Rights. **(Class F Performance Rights Terms)**
5. Unlisted performance rights, in the classes as follows:
- (d) 4,000,000 Class D performance rights with Class D Performance Rights Terms
  - (e) 4,000,000 Class E performance rights with Class E Performance Rights Terms
  - (f) 4,000,000 Class F performance rights with Class F Performance Rights Terms
6. Unlisted performance rights, in the classes as follows:
- (g) 2,000,000 Class D performance rights with Class D Performance Rights Terms
  - (h) 2,000,000 Class E performance rights with Class E Performance Rights Terms
  - (i) 2,000,000 Class F performance rights with Class F Performance Rights Terms
7. Unquoted Options, exercisable at \$0.08 each, on or before 31 December 2017.
8. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.026) or Options (\$0.011) as the context requires on the ASX on the 22 October 2013. In respect of unquoted Equity Securities the value of performance rights is measured using the Monte-Carlo pricing model with Class D performance rights valued at \$43,600, Class E performance rights valued at \$65,400 and Class F performance rights valued at \$76,300. For those Performance Rights that pass the performance test (barrier), the share price at the test date is used to calculate the Performance Right price for the remainder of the time to expiry. The Performance Rights price is discounted back to the present at the risk free rate. For the Performance Rights that do not pass the performance test a zero value is recorded. This process is repeated for over 50,000 iterations. The average Performance Right value for these iterations where the Company satisfies the performance test represents the implied Performance Right value. The Australian Government 5year bond rate of 3.31% as at the date of valuation was used in the pricing model. The recent volatility of the share price of Peninsula was calculated by Hoadley's volatility calculator for 1, 2 and 3 year periods, using data extracted from Bloomberg. For the purpose of the valuation, a future estimated volatility level of 80% was used. The value of the unquoted options is measured using the Black Scholes options pricing model with the options valued at \$810,000. The Australian Government 5 year bond rate of 3.31% as at the date of valuation was used in the pricing model. The recent volatility of the share price of Peninsula was calculated by Hoadley's volatility calculator for 1,2 and 3 year periods, using data extracted from Bloomberg. For the purpose of the valuation, a future estimated volatility level of 80% was used.

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By mail:  
Peninsula Energy Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: +61 1300 554 474

## SECURITYHOLDER PROXY FORM

I/We being a member(s) of Peninsula Energy Limited and entitled to attend and vote hereby appoint:

### STEP 1

#### APPOINT A PROXY

☐

the Chairman  
of the Meeting  
(mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy. I/we appoint the Chairman of the Meeting as an alternate proxy to the person named.

If no person/body corporate is named, the Chairman of the Meeting, is appointed as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 11:00am (WST) on Friday, 29 November 2013, at Subiaco Arts Centre, Undercroft, 180 Hamersley Road, Subiaco, WA and at any adjournment or postponement of the meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items in which the chair is entitled to vote.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

### STEP 2

#### VOTING DIRECTIONS

##### Resolutions

|                                                                             | For                                 | Against                  | Abstain*                 |                                                                     | For                      | Against                  | Abstain*                 |
|-----------------------------------------------------------------------------|-------------------------------------|--------------------------|--------------------------|---------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| 1 Adoption of Remuneration Report                                           | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | 8 Issue of Shares to John Simpson under Salary Sacrifice Program    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Re-election of Mr Michael Barton as a Director                            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 9 Issue of Shares to Alfred Gillman under Salary Sacrifice Program  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Re-election of Mr Neil Warburton as a Director                            | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | 10 Issue of Shares to Warwick Grigor under Salary Sacrifice Program | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Approval of 10% Placement Capacity - Shares                               | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | 11 Issue of Shares to Michael Barton under Salary Sacrifice Program | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Ratification of Prior Issue - Shares, Listed Options and Unlisted Options | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | 12 Issue of Shares to Neil Warburton under Salary Sacrifice Program | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 Ratification of Prior Issue - Shares                                      | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | 13 Share Placement Facility                                         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 Ratification of Prior Issue - Placement Shares and Listed Options         | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> |                                                                     |                          |                          |                          |

**i** \* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### STEP 3

#### IMPORTANT - VOTING EXCLUSIONS

☐

If the Chairman of the 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 Items 1, 8 to 13 above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of those Items and that votes cast by him/her for those Items, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Items 1, 8 to 13 and your votes will not be counted in calculating the required majority if a poll is called on these Items. The Chairman of the Meeting intends to vote undirected proxies in favour of Items 1, 8 to 13.

### STEP 4

#### SIGNATURE OF SECURITYHOLDERS - THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Securityholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Securityholder 3 (Individual)

Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

PEN PRX302R



## HOW TO COMPLETE THIS PROXY FORM

### Your Name and Address

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the meeting.

### Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together. The appointment of the Chairman of the Meeting as your alternate proxy also applies to the appointment of the second proxy.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### Signing Instructions

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either securityholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's security registry.

### Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (WST) on Wednesday, 27 November 2013**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



**ONLINE** > [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



**by mail:**

Peninsula Energy Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



**by fax:**

+61 2 9287 0309



**by hand:**

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.  
This will assist in registering your attendance.**