
PENINSULA ENERGY LIMITED

ABN 67 062 409 303

NOTICE OF EXTRAORDINARY GENERAL MEETING

TIME: 11.00am (WST)

DATE: Thursday 24 September 2015

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

VENUE

An Extraordinary General Meeting of the Shareholders of Peninsula Energy Limited to which this Notice of Meeting relates will be held at 11.00am (WST) on Thursday 24 September 2015 at:

Subiaco Arts Centre
180 Hamersley Road
SUBIACO WA 6008

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

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 5:00pm (WST) on Tuesday 22 September 2015.

VOTING IN PERSON

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

VOTING BY PROXY

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.

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; or
 - 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.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an Extraordinary General Meeting of Shareholders of Peninsula Energy Limited will be held at Subiaco Arts Centre, 180 Hamersley Road, Subiaco at 11.00am (WST) on Thursday 24 September 2015.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Extraordinary 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

1. RESOLUTION 1 – CONSOLIDATION OF SHARES

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

"That, in accordance with section 254H of the Corporations Act and for all other purposes, and as described in the Explanatory Statement to this notice, the issued Share capital of the Company be consolidated on the basis that a number of Shares be consolidated into one Share on the basis of a ratio of 40 for 1, with fractional entitlements rounded up to the nearest whole number."

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – 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 420,000,000 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.

3. RESOLUTION 3 – ISSUE OF SHARES TO MR NEIL WARBURTON IN LIEU OF DIRECTOR'S FEES UNDER SALARY SACRIFICE PROGRAM

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

"That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue 727,760 Shares to Mr Neil Warburton (or his nominee) in lieu of director's fees under a salary sacrifice program on the terms and conditions set out in the Explanatory Statement."

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:

- (a) the proxy is the Chair; and
- (b) 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.

4. RESOLUTION 4 – APPROVAL FOR THE ISSUE OF SHARES TO MR JOHN SIMPSON

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

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is hereby given for the Company to issue Shares to Mr John Simpson (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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:

- (a) the proxy is the Chair; and
- (b) 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.

5. RESOLUTION 5 – APPROVAL OF LONG TERM INCENTIVE PLAN

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

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and section 260C(4) of the Corporations Act, and for all other purposes, approval is hereby given for the Company to adopt a Long Term Incentive Plan and for the issue of securities including ordinary fully paid shares in the capital of the Company, options to acquire such shares and Restricted Share Units under this Long Term Incentive Plan from time to time 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 Director (or his nominee), other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. 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:

- (a) the proxy is the Chair; and
- (b) 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.

6. RESOLUTION 6 – APPROVAL FOR THE ISSUE OF RESTRICTED SHARE UNITS TO MR JOHN SIMPSON UNDER THE LONG TERM INCENTIVE PLAN

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

“That, subject to Resolution 5 having been passed, for the purposes of ASX Listing Rule 10.14, Chapter 2E of the Corporations Act and for all other purposes, approval is hereby given for the Company to issue Restricted Share Units to Mr John Simpson under the Long Term Incentive Plan 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 Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. 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:

- (a) the proxy is the Chair; and
- (b) 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.

7. RESOLUTION 7 – APPROVAL FOR THE ISSUE OF UNLISTED OPTIONS TO MR NEIL WARBURTON

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

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue Unlisted Options to Mr Neil Warburton (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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:

- (a) the proxy is the Chair; and
- (b) 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.

8. RESOLUTION 8 – APPROVAL FOR THE ISSUE OF UNLISTED OPTIONS TO MR WARWICK GRIGOR

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

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue Unlisted Options to Mr Warwick Grigor (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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:

- (a) the proxy is the Chair; and
- (b) 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.

9. RESOLUTION 9 – APPROVAL FOR THE ISSUE OF UNLISTED OPTIONS TO MR JOHN HARRISON

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

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue Unlisted Options to Mr John Harrison (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr John Harrison (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:

- (a) the proxy is the Chair; and
- (b) 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.

10. RESOLUTION 10 – APPROVAL FOR THE ISSUE OF UNLISTED OPTIONS TO MR EVGENIJ IORICH

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

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue Unlisted Options to Mr Evgenij Iorich (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Evgenij Iorich (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:

- (a) the proxy is the Chair; and
- (b) 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.

11. RESOLUTION 11 – APPROVAL FOR THE ISSUE OF UNLISTED OPTIONS TO MR RICHARD LOCKWOOD

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

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue Unlisted Options to Mr Richard Lockwood (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Richard Lockwood (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:

- (a) the proxy is the Chair; and
- (b) 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.

12. RESOLUTION 12 – NON-EXECUTIVE DIRECTOR REMUNERATION

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

“That, for the purposes of clause 11.15 of the Constitution, ASX Listing Rule 10.17 and for all other purposes, Shareholders approve the maximum total aggregate fixed sum per annum to be paid to Non-Executive Directors be set at \$550,000 to be paid in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a Director (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:

- (a) the proxy is the Chair; and
- (b) 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.

13. 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 1,000,000,000 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 any 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.

BY ORDER OF THE BOARD

**JONATHAN WHYTE
COMPANY SECRETARY
PENINSULA ENERGY LIMITED**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Extraordinary General Meeting to be held at Subiaco Arts Centre, 180 Hamersley Road, Subiaco, Western Australia on 24 September 2015 at 11.00am (WST).

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

1. RESOLUTION 1 – CONSOLIDATION OF SHARES

1.1 Background

As announced to the ASX on 27 May 2015, the Company has commenced the application process to seek a secondary listing on the NYSE MKT LLC (**NYSE MKT**). The NYSE MKT listing will be a secondary listing with the Company maintaining its ASX listing. The Company is preparing initial registration documents with the US Securities and Exchange Commission (**SEC**).

The Board believes that access to North American capital markets will provide a number of benefits to Shareholders as a result of what the Board considers would lead to increased liquidity in the Shares of the Company and access to a broadened investor base that may otherwise be unattainable if the NYSE MKT listing did not occur.

As the largest generator of nuclear power in the world, the United States (**U.S.**) provides access to not only the largest pool of capital globally, but also access to an active market well versed in the benefits of nuclear power generation. The Company's research indicates that liquidity (volume and dollars traded) for dual listed U.S. focused uranium companies is significantly higher in the U.S. than on their home exchange, and with its flagship asset located in the U.S. Peninsula believes that strategically the NYSE MKT is clearly the preferred North American exchange for its secondary listing. The Company has reviewed a selection of uranium company peers which indicates that uranium companies with a listing on a U.S. exchange benefit from both higher liquidity and higher relative valuations than those that are not listed on a U.S. exchange.

In addition to the above, the Board considers that the smaller number of Shares on issue as a result of the Share consolidation would make the Company more attractive to potential investors, particularly in the North American markets, and will simplify the issuance of American Depositary Receipts (**ADRs**), as discussed in more detail below. It also, in the opinion of the Board, provides the Company with a more appropriate capital structure for a company which is completing the transition to a uranium producer.

A condition of listing on the NYSE MKT is that the Company's securities listed on the NYSE MKT have a market price of not less than U.S.\$2.00. As at the close of trading on 5 August 2015, the Company's Shares were trading at \$0.025. A number of factors, including economic and market conditions, will determine the actual post consolidation Share price.

The securities the Company is seeking to list and trade on the NYSE MKT will be ADRs, as opposed to ordinary shares.

Shares of foreign corporations may be issued and traded in the U.S. in three different forms: (i) as a direct listing of ordinary shares; (ii) as shares issued by the foreign corporation specifically for the U.S. market in a form adapted to the needs of U.S. investors; or (iii) through ADRs. ADRs currently are by far the most prevalent form through which non-U.S. issuers list and offer equity securities in the U.S.

An ADR is a negotiable (transferable) financial security, similar to a stock certificate, that is issued by a U.S. bank or depository to evidence the securities of a non-U.S. issuer that have been deposited with a custodian for the U.S. bank or depository. The ADR is traded on the NYSE MKT but represents a security (or fractions or multiples of securities) that is issued by a non-U.S. issuer. The ADR, which is a physical certificate, allows investors to hold shares in the equity of non-U.S. issuers.

An ADR can represent a fraction of a share, a single share, or multiple shares of a foreign security. Peninsula intends to bundle a specified number of ordinary shares as individual ADRs for the purposes of listing and trading on the NYSE MKT. As at the date of issuance of this Notice of Meeting, the number of post-consolidation Shares per ADR had not been finalised.

For these reasons, the Company has proposed to consolidate the Company's Share capital as set out below. The Board is considering its options for rewarding Shareholders for their loyalty throughout the consolidation process and will provide an update on the bonus or reward mechanism to Shareholders in due course.

1.2 General

Section 254H of the Corporations Act provides that the Company may, by ordinary resolution passed in general meeting, convert all or any of its shares into a smaller number of shares.

This Resolution proposes a consolidation of the Company's issued Share capital.

The Company currently has on issue 6,936,327,999 fully paid ordinary shares.

This Resolution proposes consolidating the ordinary shares on the basis of one (1) Share for every forty (40) Shares currently held. The result will be that each member will hold in number 1/40th of the Shares held prior to the consolidation.

	Current	Post consolidation (1 for 40 ratio)
Issued Shares	6,936,327,999	173,408,200 (approximately)*

* This number may vary due to the rounding up of fractional entitlements.

The consolidation will not involve the payment of or distribution of any amounts to members and will not affect the Company's paid up capital.

Fractional entitlements

Fractions of Shares resulting from the consolidation will be rounded up to the nearest whole number. Shares resulting from rounding up will be issued as fully paid up.

Example of effect of consolidation

For a Shareholder holding 100,000 Shares prior to the consolidation the effect of this Resolution will be as follows:

	Current	Post consolidation (1 for 40 ratio)
Number of Shares	100,000	2,500

Treatment of convertible securities

In accordance with ASX Listing Rule 7.21 and the terms of existing securities convertible into ordinary shares, the Company must amend the number of securities and/or the conversion price so that holders of convertible securities will not receive a benefit that ordinary Shareholders do not receive. In order to comply with this requirement, all the terms of the Company's convertible securities will be amended by consolidating (in the same ratio as its Share capital) the number of securities into which these securities may be converted and amending the conversion price in inverse proportion to that ratio. The result and effect on the number of securities which existing convertible securities are convertible into and their conversion prices will be as follows:

Convertible security class	Number of Shares convertible into pre-consolidation	Conversion price pre-consolidation	Number of Shares convertible into post consolidation (1 for 40 ratio)	Conversion price post consolidation (1 for 40 ratio)
Listed PENOC Options	786,926,064	\$0.03	19,673,152	\$1.20
Listed PENOD Options	1,733,313,722	\$0.05	43,332,843	\$2.00
Unlisted Options	90,000,000	\$0.08	22,500,000	\$3.20
Unlisted Options	8,000,000	\$0.04	200,000	\$1.60
Performance Rights D	25,000,000	\$0.08	625,000	\$3.20
Performance Rights E	25,100,000	\$0.12	627,500	\$4.80
Performance Rights F	25,200,000	\$0.16	630,000	\$6.40

Reasons for consolidation

Refer to section 1.1 for reasons for the proposed Share consolidation.

Australian tax implications

Members should obtain independent advice of possible tax consequences of the proposed consolidation. Different tax implications may arise for Share traders or other taxpayers whose Shares are held on revenue account. Members who are tax resident of a country outside Australia should obtain independent tax advice regarding the tax effect of the consolidation in their jurisdiction.

Timetable

Event	Date
Meeting of members	24 September 2015
Notification to ASX that Share consolidation is approved	24 September 2015
Last day for trading in pre-consolidated Shares	25 September 2015
First day of trading in consolidated Shares (on deferred settlement basis)	28 September 2015
Last day to register transfers on a pre-consolidation basis	30 September 2015
Registration of Shares on a post-consolidation basis	1 October 2015
Last day for sending shareholding statements to Shareholders Deferred settlement trading ends	8 October 2015
Normal trading in consolidated Shares	9 October 2015

Member approval

Accordingly, Resolution 1 seeks member approval of the consolidation.

Directors' recommendation

The Board recommends that members vote in favour of the Resolution.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – LISTED OPTIONS

2.1 General

On 16 December 2014 the Company completed a placement of 840,000,000 Shares at \$0.02 per Share to Resource Capital Fund VI L.P. (**RCF VI**) to raise \$16,800,000 (**Placement**). RCF VI received one (1) free attaching listed PENOD Option exercisable at \$0.05 on or before 31 December 2018 for every two (2) new Shares subscribed for under the Placement (**Listed Options**). The subscription price and free attaching Option ratio of the Placement were the same as those offered under the subsequent entitlement offer to all Shareholders that opened in December 2014 and closed in January 2015.

RCF VI is not a Related Party of the Company.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Listed Options (**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 treated as though they had been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.2 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 Option Ratification:

- (a) a total of 420,000,000 Listed Options were issued;
- (b) the Listed Options were free attaching options issued for nil consideration as detailed above in section 2.1;
- (c) the Listed Options were issued on the terms and conditions set out in Schedule 1;
- (d) the Listed Options were allotted and issued to RCF VI, as part of the Placement. RCF VI is not a Related Party of the Company; and
- (e) no funds were raised from the issue as the Listed Options were free attaching to the Placement. The Placement raised \$16,800,000.

Directors' recommendation

The Board recommends that members vote in favour of the Resolution.

3. RESOLUTION 3 – ISSUE OF SHARES TO MR NEIL WARBURTON IN LIEU OF DIRECTOR'S FEES UNDER SALARY SACRIFICE PROGRAM

3.1 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 and until such time as project financing had been secured. The SSP reduced the cash component of director and senior executive remuneration in exchange for Shares.

Non-executive Director Mr Neil Warburton agreed to take 100% of his Director's fees for the period from the Company's 2013 annual general meeting to February 2015 as Shares. Once Peninsula completed its successful capital raising in February 2015, Mr Warburton reverted to receiving Director's fees in cash. The Company has therefore agreed, subject to obtaining Shareholder approval, to issue a total of 727,760 Shares, at an issue price which is calculated at the VWAP over the 5 days prior to the end of each month, being those Shares payable under the SSP from October 2014 to February 2015, to Mr Neil Warburton (who is a Related Party) on the terms and conditions set out below (**SSP Shares**).

Shareholder approval was previously received by the Company to issue SSP Shares to Mr Warburton for the period from the Company's 2013 annual general meeting to September 2014 and these SSP Shares were duly issued in December 2014.

If this Resolution 3 is not passed, Mr Warburton retains the right to receive in cash the portion of the Director's fees that he has to date elected not to receive.

3.2 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 SSP Shares to Mr Warburton under the SSP requires the Company to obtain Shareholder approval pursuant to Chapter 2E of the Corporations Act, unless one of the exceptions applies, as this constitutes giving a financial benefit and Mr Warburton is a Related Party of the Company by virtue of being a Director.

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 ASX Listing Rule 10.12 do not apply in the current circumstances, but that Shareholder approval is not required for the purposes of Chapter 2E of the Corporations Act as the issue of the SSP Shares comprises "reasonable remuneration" for the purposes of section 211 of the Corporations Act.

Notwithstanding the above, the Company has elected to seek Shareholder approval for the issue of the SSP Shares to Mr Warburton.

3.3 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 Mr Warburton:

- (a) the Related Party is Mr Neil Warburton and he is a Related Party by virtue of being a Director;
- (b) the maximum number of SSP Shares (being the nature of the financial benefit being provided) to be granted under Resolution 3 to Mr Warburton is 727,760 Shares (on a pre-consolidation basis);
- (c) the issue price of the SSP Shares is calculated as the VWAP over the 5 days prior to the end of each month, giving rise to the right to be placed each tranche of SSP Shares, and, accordingly, the SSP Shares will be issued at the following prices:

Month	Number of SSP Shares	Issue price
October 2014	124,230	2.41 cents
November 2014	136,959	2.19 cents
December 2014	161,314	1.86 cents
January 2015	142,455	2.11 cents
February 2015	162,802	1.84 cents

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

Highest	3.1 cents on 10 and 11 June 2015
Lowest	1.5 cents on 18 December 2015
Last	2.6 cents on 19 August 2015

- (f) Mr Warburton currently has an interest in the following securities in the Company:

Participating Director	Shares	PENOD Options ¹
Mr Neil Warburton	2,655,787	505,669

¹The PENOD Options are exercisable at 5 cents on or before 31 December 2018

- (g) Mr Neil Warburton currently receives remuneration of \$75,000 per year (in the previous financial year Mr Warburton received \$57,000 in salary, salary sacrifice Shares and fees);
- (h) if all SSP Shares are issued to Mr Warburton a total of 727,760 Shares would be issued under Resolution 3. This will increase the number of Shares on issue from 6,936,327,999 to 6,937,055,759 (assuming that no Options are exercised and no other Shares are issued, and on a pre-consolidation basis) 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 Neil Warburton	2,655,787	727,760	3,383,547	0.01%
TOTAL	6,936,327,999	727,760	6,937,055,759	0.01%

- (i) the SSP Shares will be issued to Mr Warburton 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 SSP Shares will be issued on one date;
- (j) the SSP Shares to be issued will be issued as fully paid ordinary shares and shall rank pari passu with existing Shares;
- (k) the primary purpose of the issue of the SSP Shares is to ensure funds were directed to the Company's key priority, the advancement of the Lance Projects to production;
- (l) the SSP, including the SSP Shares to be issued to Mr Warburton, was approved by the Board. In making this determination, the Board considered it appropriate at the time that the Company directed cash resources to the advancement of the Lance Projects;
- (m) the Board believes that the issue of SSP Shares provides cost effective consideration to Mr Warburton for his ongoing commitment and contribution to the Company in his role as Director 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 SSP Shares upon the terms proposed;
- (n) the Board acknowledges the grant of SSP Shares to Mr Warburton is contrary to recommendation 8.3 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the issue of SSP Shares to Mr Warburton is reasonable in the circumstances, given that it will assist the Company in achieving its goals by aligning the interests of Mr Warburton with the interests of Shareholders;
- (o) should approval not be obtained for Resolution 3 then Mr Warburton will be paid all remuneration amounts owing under the SSP in cash rather than Shares; and
- (p) 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 Resolution 3.

Directors' recommendation

The Board, other than Mr Warburton (who declines to give a recommendation due to his material personal interest in the resolution) unanimously recommends that Shareholders vote in favour of the resolution.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to the Related Party as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Mr Warburton will not be included in the calculation of the Company's annual 15% placement capacity pursuant to ASX Listing Rule 7.1 or its additional 10% placement capacity pursuant to ASX Listing Rule 7.1A.

4. RESOLUTION 4 – ISSUE OF SHARES TO MR JOHN SIMPSON

4.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 22,222,222 Shares (on a pre-consolidation basis) to Mr John Simpson (or his nominee) on the terms and conditions set out below. If Resolution 4 is not passed, Mr Simpson will be paid a cash amount equivalent in value to the Shares that would have been issued under this resolution.

It is noted that 36,000,000 unvested performance rights held by Mr Simpson have been cancelled as part of the review of Peninsula's remuneration framework as detailed in section 5 of this Explanatory Statement.

4.2 Related Party transaction

The one-off Shares are to be issued to Mr John Simpson as reward and recognition for his significant contribution to the completion of permitting for the Lance Projects and successful completion of the \$69.4 million fundraising in February 2015 which funds Stage 1 of the Lance Projects in Wyoming, USA. The fundraising was achieved in a very challenging capital market for resources companies and was secured at a very low funding cost, in large part due to the efforts of Mr Simpson and the executive team. The issue of Shares also provides further incentive to enhance Shareholder value and secure the ongoing commitment of Mr Simpson to the continued growth of the Company, while preserving the Company's cash reserves.

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 the Shares to a Related Party requires that the Company obtain Shareholder approval because this constitutes giving a financial benefit and Mr Simpson is a Related Party of the Company by virtue of being a Director.

4.3 Listing Rule 10.11

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.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Shares as approval is being obtained under Listing Rule 10.11. The issue of Shares to Mr Simpson will not be included in the 15% calculation for the purposes of Listing Rule 7.1.

It is the view of the Directors that the exceptions set out in sections 210 to 216 of the Corporations Act and Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of the Shares to Mr Simpson (or his nominee).

4.4 Technical Information required by ASX Listing Rule 10.11 and section 219 of the Corporations Act

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 Resolution 4:

- (a) the Related Party is Mr John Simpson and he is a Related Party by virtue of being a Director;
- (b) the maximum number of Shares (being the nature of the financial benefit being provided) to be granted to the Related Party is 22,222,222 Shares (on a pre-consolidation basis);
- (c) the Shares (being the nature of the financial benefit being provided) will be granted to the Related Party 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 value of the Shares and the pricing methodology is set out in Schedule 2;
- (e) the trading history of the Shares on ASX in the 12 months before the date of this Notice of Meeting is as follows:

Highest	3.1 cents on 10 and 11 June 2015
Lowest	1.5 cents on 18 December 2015
Last	2.6 cents on 19 August 2015

- (f) the Related Party currently has an interest in the following securities in the Company:

Participating Director	Shares	Options
Mr John Simpson	67,674,946	14,482,436 ¹

¹ Mr Simpson holds 7,003,101 PENOC Options are exercisable at 3 cents on or before 31 December 2016 and 7,479,335 PENOD Options are exercisable at 5 cents on or before 31 December 2018

- (g) the Related Party currently receives the following remuneration and emoluments from the Company:
- (i) Mr Simpson currently receives remuneration of \$600,000 per year (excluding superannuation if applicable) and from 1 July 2015 is eligible for annual short term cash incentives of up to 50% of base salary subject to the achievement of performance milestones. In the previous year Mr Simpson received \$720,000. Mr Simpson will be eligible to receive annual long term incentives of up to 70% of base salary subject to the achievement of performance milestones, payable in restricted share units, vesting over a three year period and subject to shareholder approval as sought in Resolution 6;
- (h) if the Shares are issued to Mr Simpson, a total of 22,222,222 Shares would be issued under Resolution 4. This will increase the number of Shares on issue from 6,936,327,999 to 6,958,550,221 (assuming that no Options are exercised and no other Shares are issued and on a pre-consolidation basis) 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 Shares to be issued	Issued Shares upon Issue of Shares	Dilutionary effect of Shares
Mr John Simpson	67,674,946	22,222,222	89,897,168	0.32%
TOTAL	6,936,327,999	22,222,222	6,958,550,221	0.32%

- (i) the Shares to be issued will be issued as fully paid ordinary shares and shall rank pari passu with existing Shares;

- (j) the Shares will be issued to Mr Simpson 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;
- (k) the primary purpose of the issue of the Shares is to reward Mr Simpson for his significant contribution to the completion of permitting for the Lance Projects and successful completion of the \$69.4 million fundraising in February 2015 which funds Stage 1 of the Lance Projects in Wyoming, while preserving the Company's cash reserves;
- (l) the number and terms and conditions of the Shares to be issued to Mr Simpson, were approved by the Board following recommendations made by the Company's remuneration committee;
- (m) should approval not be obtained for Resolution 4 then Mr Simpson will be paid a cash amount equivalent in value to the Shares that would have been issued. If a cash payment is required to be made the cash amount shall be determined using the closing price of Peninsula Shares on 1 July 2015 multiplied by the aforementioned 22,222,222 Shares; and
- (n) the Board believes that the grant of the Shares is cost effective consideration to Mr Simpson for his ongoing commitment to the Company in his role as a Managing Director and Chief Executive Officer 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.

4.5 Directors' recommendation

Mr Simpson declines to make a recommendation to Shareholders in relation to Resolution 4 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have an interest in the outcome of Resolution 4, recommend that Shareholders vote in favour of Resolution 4. The Board (other than Mr Simpson) 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 the Resolution.

In forming their recommendations, each Director considered the experience of the Director and current market practices when determining the number of Shares to be granted.

5. RESOLUTION 5 – APPROVAL OF LONG TERM INCENTIVE PLAN

5.1 Background

During April and May 2015 the Company conducted an extensive review of its remuneration framework as part of its transition to that of a uranium mining company. This involved working closely with the Perth office of global consultancy BDO as external advisers to provide independent advice on how the overall design of the Company's revised remuneration policy and framework compares with market practice.

The Board and the Company's remuneration committee recognise that the Company's performance and ultimate success depends very much on its ability to attract and retain highly skilled, qualified and motivated people in a competitive global remuneration market. At the same time, remuneration practices must be transparent to Shareholders and be fair and competitive taking into account the nature and size of the organisation and its current stage of development.

The Board believes the review has resulted in significant improvements to the Company's approach towards executive remuneration which will take effect for the financial year beginning 1 July 2015 and beyond, including the adoption of a new executive remuneration policy which aims to reward internal and external performance in a way that is consistent with its uranium mining peers and general market practices.

The main objective of the new policy is to ensure that all executive and senior management remuneration is directly and transparently linked with strategy and performance by aligning short term incentives and long term incentives with achievement of the Company's short term and long term strategic objectives and longer term Shareholder return.

The new remuneration framework for executives was approved by the Board on 12 June 2015 and provides a mix of fixed remuneration (salary, superannuation and allowances) and variable "at risk" incentive remuneration of both a short term (eg cash bonuses) and long term (ie the proposed long term incentive scheme) nature.

The Board considers that a long term incentive should form a key component of total annual remuneration of executives and senior management which can be achieved by setting a significant portion of total annual remuneration "at risk" to better align interests with those of Shareholders to encourage the production of long term sustainable growth and to assist with retention.

It was recognised by the Board that the existing performance rights plan as a standalone long term incentive scheme was no longer suitable and was not providing an effective tool to reward, retain and motivate executives or senior management of the Company.

The Board recognises that to preserve Shareholder value it must therefore have in place a fit for purpose long term remuneration structure which ensures executives and senior management are attracted, motivated and retained by the Company during a critical time in the Company's development.

A number of different equity incentive structures were explored, with the Board and the Board's remuneration committee taking advice from BDO and deciding that the most appropriate long term incentive component of the Company's remuneration framework should be a long term incentive scheme for the issue of Restricted Share Units (**RSUs**). The Board believes use of RSUs will be more effective in linking reward with performance, while taking into account challenges and market forces to ensure individuals remain motivated.

Subject to Shareholder approval of this resolution, RSUs issued under the Long Term Incentive Plan (**LTIP**) will replace any performance rights held by those personnel under the previous Performance Rights Plan (**PRP**). No more performance rights will be granted under the PRP and all outstanding performance rights held by existing personnel invited to participate in the LTIP have been cancelled. A total of 52,500,000 performance rights were cancelled on 17 July 2015 and 55,200,000 performance rights were cancelled on 4 August 2015.

The new LTIP will involve the Company inviting executives, employees and consultants (**Eligible Participants**) to be granted RSUs upon the satisfaction of pre-defined performance conditions set by the Board. RSUs would be issued for no consideration.

RSUs that are granted shall vest as fully paid ordinary shares over a three year period following the date of earning, with one third vesting each year. After the date of grant, an Eligible Participant must remain employed by or contracted to the Company on each annual vesting date to enable granted RSUs to vest. Upon an RSU vesting, an Eligible Participant shall be invited to subscribe for the equivalent number of fully paid ordinary shares. No consideration is payable by the Eligible Participant at the time of subscription of fully paid ordinary shares at the time of vesting.

The Company has established a trust for the LTIP and it is the intention that the offers made under the LTIP will utilise this trust. The terms of the trust deed allow the trust to subscribe for new Shares issued by the Company and for the trust to acquire securities on-market and transferred to the Eligible Participants to satisfy obligations on the vesting of the RSUs.

In each case, however, the Board reserves its discretion provided under the rules of the LTIP to make offers under the LTIP on such terms and conditions as it thinks fit from time to time, having regard to the circumstances of the Company and the proposed remuneration framework for its executives and employees at the time.

When issuing invitations under the LTIP, the Board will have the discretion to determine the terms and conditions of the securities granted to ensure that they are appropriate to the relevant executive or employee.

The Board's discretion will include determining:

- whether an executive, employee or consultant will be invited to participate in the LTIP;
- the number of RSUs, Options or other securities (as applicable) to be granted to the executive, employee or consultant; and
- the applicable performance and/or service related conditions including the period of time over which the conditions are to be measured and satisfied.

At the discretion of the Board, any RSUs to which executives, employees or consultants become entitled pursuant to the LTIP may be by acquisition of Shares on-market and subsequent transfer or issued as new Shares.

Further details of the LTIP and the offers to be made under them to Eligible Participants are set out below and in the summary of the LTIP in Schedule 3.

5.2 Restricted Share Units (RSUs)

An RSU is a right to acquire one fully paid ordinary share in the Company, which will initially be held by the trustee of the plan. The Eligible Participant will be entitled to receive one Share for each RSU that has vested and has not lapsed or expired. Until the Eligible Participant's RSUs have vested and they have acquired Shares, an RSU will not give the Eligible Participant a legal interest in any Shares, though the Eligible Participant will be able to participate in dividends and can direct the trustee to vote the underlying Shares in certain circumstances.

5.3 Remuneration policy for RSUs to be granted to Eligible Participants under the LTIP

In summary, as part of the new remuneration policy and framework for executives, employees and consultants, the Board has approved the following principles, which will apply for grants of long term incentives:

- (a) the long term incentives will be granted as RSUs under the LTIP to be approved by Shareholders subject to this Resolution 5;
- (b) the RSUs are to be granted annually and will be subject to a maximum percentage of fixed remuneration, with the maximum percentage based on an individual's role and seniority within the Company;
- (c) larger ad hoc grants are to be discouraged, however, they may be granted where considered appropriate by the Board, to attract senior executives who have no significant exposure to equity;
- (d) grant of RSUs each year will be subject to achievement of Board approved performance hurdles;
- (e) subject to an Eligible Participant remaining employed by the Company, RSUs that are granted will vest in equal tranches on the first day of the financial year over the three years following the date of grant and no RSUs will vest prior to 1 July 2017;
- (f) the number of the RSUs to be granted will be determined by dividing the long term incentive dollar value of the LTIP RSUs by the fair value of the RSU; and
- (g) the RSUs will be valued at a 30 day VWAP at the time they are granted.

No long term incentives were issued in the financial year ending 30 June 2015.

5.4 Listing Rule 7.2 (Exception 9(b))

Listing Rule 7.1 provides, in summary, that the Company must not issue or agree to issue Equity Securities, in any 12 month period equal to more than 15% of the number of issued fully paid ordinary shares of the Company at the beginning of the 12 month period without the approval of Shareholders, unless an exception applies.

One of the exceptions to Listing Rule 7.1 is Listing Rule 7.2 (Exception 9(b)), which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within 3 years before the date of the issue, Shareholders have approved the issue of securities under the employee incentive scheme as an exception to Listing Rule 7.1.

Resolution 5 seeks Shareholder approval under Listing Rule 7.2 (Exception 9(b)) for the issuance of securities under the LTIP from time to time as an exception to Listing Rule 7.1. The impact is that for a period of three years the issue of securities under the LTIP by the Company will be excluded from the number of securities used to determine the Company's annual 15% limit in each rolling 12 month period.

In accordance with Listing Rule 7.2 (Exception 9(b)), the following information is disclosed to Shareholders for the purposes of Resolution 5:

- (a) a summary of the terms and conditions of the LTIP is set out in Schedule 3 to this Explanatory Statement;
- (b) to date, no securities have been issued under the LTIP; and
- (c) a voting exclusion statement in respect of Resolution 5 is contained in the Resolution.

If Shareholders approve Resolution 5, the issue of securities (and the issue of any new Shares pursuant to those securities) under the LTIP will not be included in the 15% limit imposed by Listing Rule 7.1 for a period of three years from the date of the Extraordinary General Meeting.

If Shareholders do not approve Resolution 5, the Company may still issue securities (and the underlying Shares) under the LTIP, but any such issue will be taken into account when calculating whether the 15% limit under Listing Rule 7.1 has been reached.

6. RESOLUTION 6 – APPROVAL FOR THE ISSUE OF RESTRICTED SHARE UNITS TO MR JOHN SIMPSON UNDER THE LONG TERM INCENTIVE PLAN

6.1 Background

The Company has agreed, subject to obtaining Shareholder approval, to issue RSUs to Mr John Simpson on the terms and conditions set out below.

6.2 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.

Mr Simpson is a Related Party of the Company. The issue of RSUs to Mr Simpson requires the Company to obtain Shareholder approval because this constitutes giving a financial benefit.

Listing Rule 10.14 provides that a company must not permit any of the following persons to acquire securities under an employee incentive scheme without the approval of holders of ordinary securities of the acquisition:

- (a) a director of the company;
- (b) an associate of a director; or
- (c) a person whose relationship with the company or a person referred to in (a) or (b) above is, in ASX's opinion, such that approval should be obtained.

If Resolution 6 is passed, Shares will be issued to Mr Simpson (or his nominee), who is a Director of the Company. Therefore, the Company requires Shareholder approval to issue the Shares to Mr Simpson (or his nominee).

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 10.15B do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of the RSUs to Mr Simpson.

6.3 Calculation of the value of RSUs

On 12 June 2015, the Board resolved to grant initial long term incentives to Mr Simpson subject to regulatory approvals and Shareholder approval of Resolutions 5 and 6, that have been calculated in accordance with the framework summarised in section 5.3 and as set out below.

The fixed remuneration of Mr Simpson from 1 July 2015 is \$600,000 per annum (exclusive of superannuation if applicable). The annual long term incentive dollar value of RSUs to be issued to Mr Simpson, subject to Shareholder approval under Resolution 6, has been set at the maximum level permitted under the new remuneration framework of up to 70% of this figure, being up to \$420,000 per annum and vesting in equal tranches over a three year vesting period following the date of allocation, subject to Mr Simpson remaining employed by the Company.

Grants of RSUs each year are subject to the achievement of Board approved performance objectives. For the year ending 30 June 2016, the performance objective set by the Board is an operating cost target per pound of uranium production at the Lance Projects between 1 January 2016 and 30 June 2016. Performance objectives for years ending 30 June 2017 and 30 June 2018 shall be set by the Board prior to the commencement of the respective financial years.

The quantity of RSUs to be issued will be determined by dividing the long term incentive dollar value of those RSUs by the 30 day VWAP at the time of allocation. It is noted that no RSUs will vest to Mr Simpson prior to 1 July 2017.

Therefore Resolution 6 is seeking approval for the issue of RSUs for the year ending 30 June 2016 (**RSU Year 1**) as follows for Mr Simpson:

Tranche	RSU \$Value (up to maximum of)	RSU Quantity ¹ (up to maximum of)
RSU Year 1	\$420,000	16,800,000

1 July 2016	1 July 2017	1 July 2018	1 July 2019	1 July 2020	1 July 2021
Earn RSU Year 1	Vest 1/3 RSU Year 1	Vest 1/3 RSU Year 1	Vest 1/3 RSU Year 1		
	Earn RSU Year 2	Vest 1/3 RSU Year 2	Vest 1/3 RSU Year 2	Vest 1/3 RSU Year 2	
		Earn RSU Year 3	Vest 1/3 RSU Year 3	Vest 1/3 RSU Year 3	Vest 1/3 RSU Year 3

¹ For the purposes of calculating the number of RSUs that may be issued to Mr Simpson, the 30 day VWAP for the period up to the date of this Notice was used, being 2.5 cents. It is acknowledged that the actual quantity of RSUs to be issued to Mr Simpson will be determined by dividing the long term incentive dollar value of those RSUs by the 30 day VWAP at the time of allocation.

6.4 Shareholder approval (Chapter 2E of the Corporations Act and Listing Rule 10.14)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed issue of RSUs to Mr Simpson:

- (a) the Related Party is Mr John Simpson and he is a Related Party by virtue of being a Director;
- (b) the RSUs (being the nature of the financial benefit being provided) will be granted to the Related Party 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 RSUs;
- (c) the value of the RSUs and the pricing methodology is set out in section 6.3 of this Explanatory Statement;
- (d) the trading history of the Shares on ASX in the 12 months before the date of this Notice is as follows:

Highest	3.1 cents on 10 and 11 June 2015
Lowest	1.5 cents on 18 December 2015
Last	2.6 cents on 19 August 2015

- (e) the Related Party currently has an interest in the following securities in the Company:

Participating Director	Shares	Options
Mr John Simpson	67,674,946	14,482,436 ¹

¹ Mr Simpson holds 7,003,101 PENOC Options exercisable at 3 cents on or before 31 December 2016 and 7,479,335 PENOD Options exercisable at 5 cents on or before 31 December 2018.

- (f) the Related Party currently receives the following remuneration and emoluments from the Company:

- (i) Mr Simpson currently receives fixed remuneration of \$600,000 per year excluding superannuation if applicable and annual short term cash incentives of up to 50% of base salary subject to the achievement of performance milestones. Mr Simpson will receive annual long term incentives of up to 70% of fixed remuneration subject to the achievement of performance milestones, payable in RSUs, vesting over a three year period and subject to Shareholder approval as sought in Resolution 6;
- (g) if the vesting milestones attached to the RSUs granted to Mr Simpson are met, a maximum total of 16,800,000 Shares would be issued under Resolution 6. This will increase the number of Shares on issue from 6,936,327,999 to 6,953,127,999 (assuming that no Options are exercised and no other Shares are issued and on a pre-consolidation basis) 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 RSUs to be granted	Issued Shares upon vesting of granted RSUs	Dilutionary effect if all RSUs issued to Participating Director are vested
John Simpson	67,674,946	16,800,000	84,474,946	0.24%
TOTAL	6,936,327,999	16,800,000	6,953,127,999	0.24%

- (h) the RSUs are granted upon achievement of annual performance criteria set out in section 6.3 above. Subject to Mr Simpson remaining employed by the Company, RSUs that are granted will vest in equal tranches on 1 July in each of the three years following the date of grant. The Shares to be issued upon the vesting of the RSUs shall rank pari passu with existing Shares;
- (i) the RSUs will be issued to Mr Simpson no later than 12 months after the date of the Extraordinary General Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the RSUs will be issued on one date;
- (j) the Board considers that long term incentive should form a key component of total annual remuneration of executives which can be achieved by setting a significant portion of total annual remuneration “at risk” to better align interests with those of Shareholders to encourage the production of long term sustainable growth and to assist with retention, while preserving the Company’s cash reserves;
- (k) no RSUs have previously been issued to any Director;
- (l) as at the date of this Notice, Mr Simpson is the only person referred to in Listing Rule 10.14 entitled to participate in the LTIP;
- (m) the number and terms and conditions of the RSUs to be issued to Mr Simpson, were approved by the Board following recommendations made by the Company’s remuneration committee after receiving recommendations from external adviser BDO on a new remuneration policy framework for the Company. In making this determination, the remuneration committee conducted a rigorous review including an independent remuneration report assessing market levels of remuneration for peer companies of a similar size and nature to the Company; and
- (n) the Board believes that the grant of the RSUs is cost effective consideration to Mr Simpson for his ongoing commitment to the Company in his role as a Managing Director and Chief Executive Officer 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 RSUs upon the terms proposed.

6.5 Directors' recommendation

Mr Simpson declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have an interest in the outcome of Resolution 6, recommend that Shareholders vote in favour of Resolution 6. The Board (other than Mr Simpson) 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 the Resolution.

In forming their recommendations, each Director considered the experience of the Director and current market practices, and the recommendations made by external adviser BDO, when determining the number of RSUs to be granted.

7. RESOLUTIONS 7 - 11 – APPROVAL FOR THE ISSUE OF UNLISTED OPTIONS TO NON-EXECUTIVE DIRECTORS

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue Unlisted Options (**Related Party Options**) to Messrs Neil Warburton, Warwick Grigor, John Harrison, Evgenij Iorich and Richard Lockwood (**Related Parties**) (or their respective nominees) on the terms and conditions set out below.

Subject to Shareholder approval, the Related Party Options issued will replace any performance rights held by those personnel under the previous PRP. No more performance rights will be granted under the PRP and all outstanding performance rights held by existing personnel have been cancelled. A total of 18,000,000 performance rights held by the Related Parties were cancelled on 4 August 2015.

7.2 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 Directors are Related Parties of the Company. The issue of Options to Directors requires the Company to obtain Shareholder approval because this constitutes giving a financial benefit.

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 Related Party Options to the Directors.

7.3 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 Options to the Related Parties:

- (a) the Related Parties are Messrs Neil Warburton, Warwick Grigor, John Harrison, Evgenij Iorich and Richard Lockwood and they are Related Parties by virtue of being Directors;
- (b) the maximum number of Related Party Options (being the nature of the financial benefit being provided) proposed to be issued under Resolutions 7, 8, 9, 10 and 11 to the Related Parties is:
 - (i) to Mr Neil Warburton:
1,913,973 Options;
 - (ii) to Mr Warwick Grigor:
1,913,973 Options;
 - (iii) to Mr John Harrison:
1,913,973 Options;
 - (iv) to Mr Evgenij Iorich:
1,913,973 Options; and
 - (v) to Mr Richard Lockwood
2,944,574 Options;
- (c) the exercise price of the Related Party Options will be 150% of the VWAP of Peninsula ordinary shares over a 5 day period ended 3 August 2015;
- (d) the expiry date of the Related Party Options will be 1 December 2019;
- (e) the terms and conditions of the Related Party Options are set out in Schedule 4;
- (f) the maximum number of Options to be issued to the Related Parties will be equivalent in value to 40% of the base salary of the Related Party as follows:
 - (i) 1,913,973 Related Party Options to Mr Neil Warburton;
 - (ii) 1,913,973 Related Party Options to Mr Warwick Grigor;
 - (iii) 1,913,973 Related Party Options to Mr John Harrison;
 - (iv) 1,913,973 Related Party Options to Mr Evgenij Iorich; and
 - (v) 2,944,574 Related Party Options to Mr Richard Lockwood.
- (g) the value of the Related Party Options and the pricing methodology is set out in Schedule 5. The valuation of these Options was calculated using a binomial option pricing mode;
- (h) the Related Party Options 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 Related Party Options;

- (i) the trading history of the Shares on ASX in the 12 months before the date of this Notice of Meeting is as follows:

Highest	3.1 cents on 10 and 11 June 2015
Lowest	1.5 cents on 18 December 2015
Last	2.6 cents on 19 August 2015

- (j) the Directors currently have an interest in the following securities in the Company:

Participating Director	Shares	Options
Mr Neil Warburton	2,655,787	505,669 ¹
Mr Warwick Grigor	14,926,369	13,299,107 ²
Mr John Harrison	-	-
Mr Evgenij Iorich	-	-
Mr Richard Lockwood	-	-
Total	17,582,156	13,804,776

¹ 505,669 Listed PENOD Options exercisable at \$0.05 on or before 31 December 2018.

² 11,034,788 Listed PENOC Options exercisable at \$0.03 on or before 31 December 2015 and 2,264,319 Listed PENOC Options exercisable at \$0.05 on or before 31 December 2018.

- (k) the Directors currently receive the following remuneration and emoluments from the Company:

- (i) Mr Neil Warburton currently receives remuneration of \$75,000 per year (in the previous financial year Mr Warburton received \$57,000 in salary, salary sacrifice shares and fees);
- (ii) Mr Warwick Grigor currently receives remuneration of \$75,000 per year (in the previous financial year Mr Grigor received \$36,000 in salary and fees, exclusive of superannuation);
- (iii) Mr John Harrison currently receives remuneration of \$65,000 per year (in the previous financial year Mr Harrison received \$30,000 in salary and fees);
- (iv) Mr Evgenij Iorich currently receives remuneration of \$65,000 per year (in the previous financial year Mr Iorich received \$15,000 in salary and fees); and
- (v) Mr Richard Lockwood currently receives remuneration of \$100,000 per year plus superannuation (Mr Lockwood was appointed on 1 July 2015 so accordingly received no fees in the previous financial year).

- (l) if all of the Options granted to the Related Parties were exercised, a total of 10,600,466 Shares (on a pre-consolidation basis) would be issued to the Directors under Resolutions 7, 8, 9, 10 and 11. This would increase the number of Shares on issue from 6,936,327,999 to 6,946,928,465 (assuming that no Options are exercised and no Shares are issued and on a pre-consolidation basis) 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 Related Party Options to be issued	Issued Shares upon the conversion of Related Party Options	Dilutionary effect if all Related Party Options issued are exercised
Mr Neil Warburton	2,655,787	1,913,973	4,569,760	0.028%
Mr Warwick Grigor	14,926,369	1,913,973	16,840,342	0.028%
Mr John Harrison	-	1,913,973	1,913,973	0.028%
Mr Evgenij Iorich	-	1,913,973	1,913,973	0.028%
Mr Richard Lockwood	-	2,944,574	2,944,574	0.042%
TOTAL	6,936,327,999	10,600,466	6,946,928,465	0.15%

- (m) the Related Party Options will be issued to the Directors 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;
- (n) the Board does not consider that there are any opportunity costs to the Company or benefits foregone by the Company in issuing the Related Party Options upon the terms proposed;
- (o) the Board acknowledges the issue of Related Party Options to Messrs Neil Warburton, Warwick Grigor, John Harrison, Evgenij Iorich and Richard Lockwood is contrary to recommendation 8.3 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the issue of Related Party Options to Messrs Neil Warburton, Warwick Grigor, John Harrison, Evgenij Iorich and Richard Lockwood is reasonable in the circumstances, given that it will assist the Company in achieving its goals by aligning the interests of Messrs Neil Warburton, Warwick Grigor, John Harrison, Evgenij Iorich and Richard Lockwood with the interests of Shareholders; and
- (p) 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 7, 8, 9, 10 and 11.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Options to the Related Parties will not be included in the calculation of the Company's annual 15% placement capacity pursuant to ASX Listing Rule 7.1 or its additional 10% placement capacity pursuant to ASX Listing Rule 7.1A.

8. RESOLUTION 12 – NON-EXECUTIVE DIRECTORS REMUNERATION

Clause 11.15 of the Constitution requires that the total aggregate fixed sum per annum to be paid to the Directors (excluding salaries of executive Directors) from time to time will not exceed the sum determined by the Shareholders in general meeting and the total aggregate fixed sum will be divided between the Directors as the Directors shall determine and, in default of agreement between them, then in equal shares.

The total aggregate fixed sum per annum to be paid to the non-executive Directors is currently set at \$180,000. Resolution 12 seeks Shareholder approval to increase the total aggregate fixed sum per annum to be paid to the non-executive Directors by \$370,000 to \$550,000.

The total amount of non-executive Directors' fees payable includes superannuation contributions made by the Company for the benefit of non-executive Directors and any fees which a non-executive Director agrees to sacrifice on a pre-tax basis.

Subject to the passing of Resolution 12, the Company proposes to pay the non-executive Chairman fees of \$100,000 and the non-executive Directors a fee of \$65,000 plus superannuation (where applicable) in Directors' fees for the 2016 financial year. In addition the Chairman of the Remuneration Committee and Chairman of the Audit and Risk Committee will be paid an additional fee of \$10,000 plus superannuation (where applicable). This results in total of \$394,250 including superannuation being estimated in Directors' fees for the 2016 financial year.

The total aggregate fixed sum per annum has been determined after reviewing similar companies publically listed on Australian and North American stock exchanges and following recommendations made by BDO in a separate Non-Executive Remuneration review commissioned during June 2015. In addition, it includes capacity for a further non-executive Director appointment(s), taking into account additional skillsets that the Board determines are required as the Company completes the transition into production, and also the fact that Peninsula's largest Shareholder, Resource Capital Fund V.I. LP, who currently holds greater than 10% of Peninsula's total issued capital, has the right to nominate a non-executive Director to the Peninsula Board while its relevant interest in the total issued capital of Peninsula is greater than 10%.

The Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

The Company has made the following issues of securities to its non-executive Directors with the approval of its Shareholders under Listing Rules 10.11 or 10.14 in the three years preceding the date of this Notice:

Date	Director	Securities
28 November 2014	Neil Warburton	1,419,282 Shares (pursuant to the Company's salary sacrifice plan) 6,000,000 performance rights (since cancelled)
28 November 2014	John Harrison	6,000,000 performance rights (since cancelled)
29 November 2013	Michael Barton	110,745 Shares (pursuant to the Company's salary sacrifice plan)
29 November 2013	Neil Warburton	225,168 Shares (pursuant to the Company's salary sacrifice plan)

9. RESOLUTION 13 – SHARE PLACEMENT FACILITY

9.1 General

Resolution 13 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the Directors to allot and issue up to 1,000,000,000 Shares under a Share placement facility (**Placement Facility**). This figure does not take into account the Share consolidation proposed by Resolution 1.

None of the Shares the subject of the Placement Facility will be placed to Related Parties of the Company.

A summary of ASX Listing Rule 7.1 is set out in section 2.1 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 Extraordinary General Meeting (or a longer period, if allowed by ASX), without eroding the Company's annual 15% placement capacity under Listing Rule 7.1, or its additional 10% capacity under Listing Rule 7.1A.

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.

9.2 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 1,000,000,000 Shares;
- (b) the Shares will be issued no later than three (3) months after the date of the Extraordinary 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) any funds raised under the Placement Facility will be used for ramp-up activities at the Lance Projects, the ongoing exploration and feasibility program at the Karoo Projects in South Africa, possible acquisition of new mineral assets or new businesses, and for working capital purposes.

Directors' recommendation

The Board recommends that members vote in favour of the Resolution.

GLOSSARY

\$ means Australian dollars.

ASX means ASX Limited (ABN 98 008 624 691) 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'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 dealings with the Company;
- 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).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

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.

Extraordinary General Meeting means the extraordinary meeting convened by this Notice.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling activities of the Company, directly or indirectly, including any Director of the Company.

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

Listed Option has the meaning as set out in section 2.1 of the Explanatory Statement.

Option means an option to purchase a Share, and includes a Listed Option.

Optionholder means the holder of an Option.

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

Related Party has the meaning given to it 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.

Schedule means a schedule to this Notice.

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

Shareholder means a holder of a Share.

VWAP means volume weighted average price.

WST means Western Standard Time, Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF LISTED OPTIONS

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

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on 31 December 2018 (**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 \$0.05 (**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 Options are listed for official quotation on the 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.
- (j) 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.
- (k) 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.
- (l) The Options are transferable subject to compliance with all applicable laws.

SCHEDULE 2 – SHARE VALUATION

The Shares to be issued to Mr John Simpson pursuant to Resolution 4 is based on the number of Shares multiplied by the prevailing price of Peninsula Shares as at 3 August 2015.

A breakdown of the number and value of Ordinary Shares is summarised below:

Participating Director	Number of Shares to be issued	Prevailing Share Price	Total Value of the Shares
Mr John Simpson	22,222,222	0.024	\$533,333

Assumptions: As the Share price of Peninsula Shares at the date of issue is unknown, using the closing Share price as at 3 August 2015 as a guide is the most accurate measure, being \$0.024 per Share. It is noted that the underlying Share price is subject to change up to the date of the Extraordinary General Meeting.

Note: The valuation noted above is not necessarily the market price that the Shares could be traded at and is not automatically the market price for taxation purposes.

SCHEDULE 3 – KEY TERMS OF PENINSULA ENERGY LIMITED LONG TERM INCENTIVE PLAN

The full terms of the LTIP may be inspected at the registered office of the Company during normal business hours. A summary of the key terms of the LTIP is set out below.

- (a) The Board may invite eligible employees (including executive directors) of the Company and its related bodies corporate and other persons determined by the Board to subscribe for or acquire Shares (**Offers**).
- (b) The Offers will be in such form and content and with such terms and conditions as the Board determines, including:
 - (i) the basis upon which a participant has earned or otherwise becomes entitled to receive an Offer;
 - (ii) the number of Shares for which each participant may apply for;
 - (iii) the acquisition price (if any) and date that any entitlements accrued under the LTIP are allocated to participants;
 - (iv) whether the Shares are subject to any vesting conditions or disposal restrictions; and
 - (v) whether the Shares are to be acquired, delivered and/or held by the trustee of the Trust (defined below).
- (c) The operation of the LTIP will involve a trust being established to acquire Shares which will be held on behalf of participants or transferred to participants for the purposes of the LTIP (**Trust**). The trustee of the Trust (**Trustee**) will act in accordance with instructions issued by the Board and subject to the terms and conditions of the Trust Deed.
- (d) Where the Trustee holds Shares for the benefit of a participant in accordance with an Offer, the Company will issue the participant with one Restricted Share Unit (**RSU**) for each Share held by the Trustee. The Company will direct the Trustee to:
 - (i) pay to participants any dividends attributable to the underlying Shares; and
 - (ii) accept instructions from participants to vote the underlying Shares in a particular manner at a General Meeting of the Company,in accordance with the Trust Deed.
- (e) RSUs will be cancelled by the Company when the underlying Shares vest in a participant and are transferred to the participant by the Trustee, or when the Trustee sells (or otherwise deals with) Shares and pays the proceeds of such sale or dealing to the participant, or where a Share which relates to an RSU is forfeited under the LTIP.
- (f) Shares may be subject to disposal restrictions determined by the Board at the time of the Offer. In addition, Shares are subject to forfeiture events which are set out in the LTIP and the Board may, in certain circumstances declare that a participant shall forfeit any right or interest in the Shares or other entitlements accrued under the LTIP. A participant has no right to the proceeds of sale of forfeited Shares or to the associated entitlements of forfeited Shares.
- (g) Subject to the terms and conditions of the Offer, all of the unvested entitlements of a participant are to vest on such date as the Board determines that the entitlements of a participant have vested or on the occurrence of any of the accelerated vesting events which are set out in the LTIP.
- (h) Subject to the terms of the LTIP, the Company may not issue any Shares under an Offer if, at the time of making the Offer, the Company has reasonable grounds to believe that the number of

Shares that have or may be issued in any of the following circumstances would exceed 5% of the number of Shares on issue:

- (i) the number of Shares that may be issued under the Offer; and
- (ii) the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 years pursuant to an employee or share option scheme extended to either or both employees and directors of the Company and its related bodies.

SCHEDULE 4 – TERMS AND CONDITIONS OF RELATED PARTY OPTIONS

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

- (a) Each Related Party Option gives the Optionholder the right to subscribe for one Share.
- (b) The Related Party Options will expire at 5.00pm (WST) on 1 December 2019 (**Expiry Date**). Any Related Party Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The Related Party Options will have an exercise price of 150% of the 5 day VWAP price immediately prior to the issue of this Notice, this being 3.8 cents (**Exercise Price**).
- (d) An Optionholder may exercise their Related Party 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 Related Party 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 Related Party Options.
- (f) The Company will not apply for official quotation of the Related Party 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 Related Party 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 Related Party 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.
- (j) 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 Related Party Options, the Exercise Price may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (k) 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.
- (l) The Related Party Options are transferable subject to compliance with all applicable laws.

SCHEDULE 5 – RELATED PARTY OPTION VALUATION

The Related Party Options to be issued to the Related Parties pursuant to Resolutions 7 to 11 have been valued independently by Grant Thornton Australia using the Black & Scholes option model and, based on the assumptions set out below, were ascribed the following value:

Assumptions:	
Valuation date	12 June 2015
Market price of Shares	2.5 cents ³
Exercise price (150% of market price)	3.8 cents
Expiry date (length of time from issue)	4.47 years
Risk free interest rate	2.34% ¹
Volatility (discount)	72% ²
Indicative value per Related Party Option (rounded)	1.36 cents
Total Number of Related Party Options	10,600,466
Total Value of Related Party Options	\$144,000

Related Party	Related Party Options (number)	Valuation per Related Party Option	Total Value of Related Party Options (\$)
Neil Warburton	1,913,973	0.013584	26,000
Warwick Grigor	1,913,973	0.013584	26,000
John Harrison	1,913,973	0.013584	26,000
Evgenij Iorich	1,913,973	0.013584	26,000
Richard Lockwood	2,944,574	0.013584	40,000
Total	10,600,466		144,000

¹ Risk free interest rate based on the yield of 5 year government bonds on 12 June 2015 as per the RBA.

² Volatility was determined using the average annualised volatility measured over a 5 year period (calculated by Grant Thornton).

³ Market price was calculated as the VWAP of Peninsula ordinary shares over a 5 day period ended 3 August 2015

Note: The valuation noted above is not necessarily the market price that the Related Party Options could be traded at and is not automatically the market price for taxation purposes.

PROXY FORM

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

EXTRAORDINARY GENERAL MEETING

I/We
of

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

Appoint
Name of proxy

OR the Chair of the Extraordinary General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Extraordinary General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Extraordinary General Meeting to be held at 11.00am (WST), on Thursday 24 September 2015 at Subiaco Arts Centre, Undercroft, 180 Hamersley Road, Subiaco, Western Australia, and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Voting on business of the Meeting	FOR	AGAINST	ABSTAIN
Resolution 1 – Consolidation of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Ratification of Prior Issue – Listed Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Issue of Shares to Neil Warburton under Salary Sacrifice Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Issue of Shares to John Simpson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Approval of Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Issue of Restricted Share Units to John Simpson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Issue of Unlisted Options to Neil Warburton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Issue of Unlisted Options to Warwick Grigor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Issue of Unlisted Options to John Harrison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Issue of Unlisted Options to Evgenij Iorich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11 – Issue of Unlisted Options to Richard Lockwood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12 – Non-Executive Director Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13 – Share Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____ %

Signature of Shareholder(s): _____ **Date:** _____

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director/Company Secretary

Director

Director/Company Secretary

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

PENINSULA ENERGY LIMITED
ABN 67 062 409 303

Instructions for Completing ‘Appointment of Proxy’ Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder’s votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy’s authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235; or
 - (b) facsimile to Link Market Services Limited on facsimile number +61 2 9287 0309; or
 - (c) person to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000; or
 - (d) going online by visiting www.linkmarketservices.com.au. Select the Investor Login under the heading Investor Centre and enter Peninsula Energy Limited or PEN as the Issuer Name and enter your holding details as shown on your Proxy Form (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode as shown on the front of your Proxy Form) and follow the prompts to lodge your vote. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website,

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.