
PENINSULA ENERGY LIMITED

ABN 67 062 409 303

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11.00am (WST)

DATE: 19 November 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

The Annual 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, 19 November 2015 at:

Subiaco Arts Centre
180 Hamersley Road
SUBIACO WA 6008

YOUR VOTE IS IMPORTANT

The business of the Annual 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 11.00am (WST) on 17 November 2015.

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return it 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 ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Peninsula Energy Limited will be held at Subiaco Arts Centre, 180 Hamersley Road, Subiaco at 11.00am (WST) on 19 November 2015.

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

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

AGENDA

1. ORDINARY BUSINESS

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the financial statements and the related Directors' report, Directors' declarations and the independent audit report of Peninsula Energy Limited for the financial year ended 30 June 2015.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company’s annual financial report for the financial year ended 30 June 2015.”

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

Voting Prohibition Statement:

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

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

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

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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

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

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

4. RESOLUTION 3 – ELECTION OF MR EVGENIJ IORICH AS A DIRECTOR

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

“That Mr Evgenij Iorich, being a Director of the Company who was appointed on 2 February 2015, retires in accordance with clause 11.12 of the Company’s Constitution and, being eligible for election, be elected as a Director of the Company.”

5. RESOLUTION 4 – ELECTION OF MR RICHARD LOCKWOOD AS A DIRECTOR

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

“That Mr Richard Lockwood, being a Director of the Company who was appointed on 1 July 2015, retires in accordance with clause 11.12 of the Company’s Constitution and, being eligible for election, be elected as a Director of the Company.”

6. RESOLUTION 5 – ELECTION OF MR HARRISON BARKER AS A DIRECTOR

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

“That Mr Harrison Barker, being a Director of the Company who was appointed on 3 August 2015, retires in accordance with clause 11.12 of the Company’s Constitution and, being eligible for election, be elected as a Director of the Company.”

7. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY – SHARES

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

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

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and 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 will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 7 – CHANGE OF AUDITOR

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

“That, for the purpose of section 327B of the Corporations Act and for all other purposes, BDO Audit (WA) Pty Ltd, having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the conclusion of this Annual General Meeting.”

9. RESOLUTION 8 – APPROVAL FOR THE ISSUE OF UNLISTED OPTIONS TO MR HARRISON BARKER

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 up to 54,737 unlisted Options to Mr Harrison Barker (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 Harrison Barker (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 the remuneration of a member of the Key Management Personnel.

10. RESOLUTION 9 – 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 25,000,000 Shares at an issue price of not less than 80% of the average market price for Shares on the 5 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 beyond 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 Annual General Meeting to be held at Subiaco Arts Centre, 180 Hamersley Road, Subiaco, Western Australia on 19 November 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. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2015 together with the declaration of the Directors, the Directors' report, the remuneration report and the auditor's report.

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

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

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

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

The Chair of the Meeting must allow a reasonable opportunity for Shareholders to ask questions about or make comments on the remuneration report at the Meeting.

2.2 Voting consequences

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

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

2.3 Previous voting results

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

2.4 Proxy voting restrictions

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

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

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

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

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

If you appoint any other person as your proxy:

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

3. CONSOLIDATION

As previously announced to the market, on 24 September 2015, Shareholders voted to approve the consolidation of the Company's securities on a "1 for 40" basis.

This consolidation has now taken place, with the result being that Company security holders now hold 1 security for every 40 securities held prior to the consolidation having taken place.

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

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

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

A profile of Mr Warwick Grigor is contained in the Company's annual report for the financial year ended 30 June 2015.

5. RESOLUTIONS 3, 4 AND 5 – ELECTION OF MR EVGENIJ IORICH, MR RICHARD LOCKWOOD AND MR HARRISON BARKER AS DIRECTORS

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

Mr Evgenij Iorich was appointed as an addition to the existing Directors on 2 February 2015. In accordance with clause 11.12 of the Company's Constitution, Mr Evgenij Iorich retires from office and offers himself for election as a Director.

Mr Richard Lockwood was appointed as an addition to the existing Directors on 1 July 2015. In accordance with clause 11.12 of the Company's Constitution, Mr Richard Lockwood retires from office and offers himself for election as a Director.

Mr Harrison Barker was appointed as an addition to the existing Directors on 3 August 2015. In accordance with clause 11.12 of the Company's Constitution, Mr Harrison Barker retires from office and offers himself for election as a Director.

Profiles of Messrs Evgenij Iorich, Richard Lockwood and Harrison Barker are contained in the Company's annual report for the financial year ended 30 June 2015.

6. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY – SHARES

6.1 General

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

The Company is an Eligible Entity for the reasons set out in Section 6.2.

If Shareholders approve Resolution 6, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out in Section 6.2 below).

The effect of Resolution 6 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 6 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.

6.2 Listing Rule 7.1A

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

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

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

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$187,294,356.

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

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

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

Where:

A is the number of Shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the previous 12 months;
- (C) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of Shares under the Company's 15% placement capacity without Shareholder approval; and
- (D) less the number of Shares cancelled in the previous 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

6.3 Technical information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 6:

(a) **Minimum price**

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

- (i) the date on which the price at which the securities are to be issued is agreed; or
- (ii) if the securities are not issued within 5 ASX trading days of the date in Section 6.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of issue**

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

- (i) 12 months after the date of this Meeting; and
- (ii) the date of the approval by Shareholders of any transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

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

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

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

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

Number of Shares on issue (variable 'A' in Listing Rule 7.1A.2)	Dilution			
	Issue price (per Share)	\$0.56 (50% decrease in current issue price)	\$1.12 (Current issue price)	\$2.24 (100% increase in current issue price)
198,422,794 (Current variable A)	Shares issued	19,842,279	19,842,279	19,842,279
	Funds raised	\$11,111,676	\$22,223,352	\$44,446,705
297,634,419 (50% increase in variable A)*	Shares issued	29,763,418	29,763,418	29,763,418
	Funds raised	\$16,617,114	\$33,335,028	\$66,670,056
396,845,588 (100% increase in variable A)*	Shares issued	39,684,559	39,684,559	39,684,559
	Funds raised	\$22,223,353	\$44,446,706	\$88,893,412

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

The table above uses the following assumptions:

- There are 198,422,794 Shares on issue comprising:
 - 173,422,794 existing Shares as at the date of this Notice of Meeting; and
 - 25,000,000 Shares which may be issued if Resolution 9 is passed at this Meeting.
- The issue price set out above is the closing price of the Shares on the ASX of \$1.12 on 7 October 2015.
- The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2, with approval under Listing Rule 7.1 or ratified under Listing Rule 7.4.
- The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 or ratification under Listing Rule 7.4.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

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

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

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

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

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

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

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

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

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

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 28 November 2014 (**Previous Approval**).

The Company has issued the following Equity Securities pursuant to the Previous Approval.

On 16 December 2014 the Company issued 840,000,000 Shares (on a pre-consolidation basis) at an issue price of 2.0 cents per Share to Resource Capital Fund VI L.P. to raise \$16,800,000 (**Placement**) (325,344,952 Shares of the Placement were issued pursuant to the Previous Approval to raise \$6,506,899).

During the 12 month period preceding the date of the Meeting, being on and from 28 November 2014, the Company otherwise issued a total of 3,498,565,279 Shares and 1,756,091,500 Options which represents approximately 122.19% of the total diluted number of Equity Securities on issue in the Company on 29 November 2014, which was 4,300,412,219 Shares (on a fully diluted pre-consolidation basis).

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

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

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

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

6.4 Voting exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 6.

7. RESOLUTION 7 – CHANGE OF AUDITOR

7.1 General

As announced to the ASX on 27 May 2015 the Company has lodged an application for a secondary listing on the NYSE MKT. To register securities under the U.S Securities Exchange Act (1934) or under the U.S Securities Act (1933), a foreign private issuer such as the Company is subject to compliance with provisions of the Sarbanes-Oxley Act of 2002 (**Sarbanes-Oxley**).

Sarbanes-Oxley contains certain requirements for public companies, the accounting firms that audit public companies, and the lawyers providing legal services to public companies. Specifically, Peninsula's auditor must be registered with the Public Company Accounting Oversight Board (**PCAOB**) and comply with the PCAOB's audit standards.

Somes Cooke is not registered with the PCAOB therefore the Board is required to appoint a PCAOB registered auditor to complete the registration process and to list on the NYSE MKT. In accordance with ASIC Regulatory Guide 26, the Company made a request to ASIC to seek approval to accept the resignation of Somes Cooke and replace them with BDO Audit (WA) Pty Ltd (**BDO**) as auditor of the Company. As part of the request to ASIC, BDO provided its consent to be appointed as auditor of the Company.

On 7 August 2015, ASIC consented to the resignation of Somes Cooke as auditor of the Company and the appointment of BDO as auditor. The change of Company auditor was announced on the ASX platform on 12 August 2015. In accordance with ASIC Regulatory Guide 26 and under the Corporations Act, Shareholders must approve the appointment of a new auditor.

The Board unanimously recommends that Shareholders vote in favour of Resolution 7.

8. RESOLUTION 8 APPROVAL FOR THE ISSUE OF UNLISTED OPTIONS TO MR HARRISON BARKER

8.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue unlisted Options (**Related Party Options**) to Mr Harrison Barker (**Related Party**) (or his nominee) on the terms and conditions set out below.

8.2 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 a Director 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 Mr Harrison Barker (or his nominee).

8.3 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 Party:

- (a) the Related Party is Mr Harrison Barker and he is a Related Party by virtue of being a Director;
- (b) the maximum number of Related Party Options (being the nature of the financial benefit being provided) proposed to be issued under Resolution 8 to the Related Party is 54,737 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 2 October 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 1;
- (f) the maximum number of Options to be issued to the Related Party will be equivalent in value to 40% of the base salary of the Related Party, which is 54,737 Related Party Options to Mr Harrison Barker;

- (g) the value of the Related Party Options and the pricing methodology is set out in Schedule 2. The valuation of these Options was calculated using a Black Scholes pricing model;
- (h) the Related Party Options 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 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	\$1.24 ¹ on 10 and 11 June 2015
Lowest	\$0.60 ² on 18 December 2015
Last	\$1.12 ³ on 7 October 2015

¹ Price shown in table is post-consolidation equivalent price. Actual pre-consolidation high price was 3.1 cents.

² Price shown in table is post-consolidation equivalent price. Actual pre-consolidation low price was 1.5 cents.

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

Participating Director	Shares	Options
Mr Harrison Barker	Nil	Nil

- (k) Mr Harrison Barker currently receives remuneration of \$65,000 per year (Mr Barker was appointed on 3 August 2015 so received no salary or fees in the previous financial year);
- (l) if the Related Party Options granted to the Related Party were exercised, a total of 54,737 Shares would be issued to Mr Harrison Barker under Resolution 8. This would increase the number of Shares on issue from 173,422,764 to 173,477,501 (assuming that no Options are exercised and no Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted as follows:

Participating Director	Issued Shares as at the date of this Notice of Meeting	Number of 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 Harrison Barker	-	54,737	54,737	0.03%
TOTAL	173,422,764	54,737	173,477,501	0.03%

- (m) the Related Party Options will be issued to the Mr Harrison Barker 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 Mr Harrison Barker 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 Mr Harrison Barker is reasonable in the circumstances, given that it will assist the

Company in achieving its goals by aligning the interests of Mr Harrison Barker 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 Resolution 8.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Options to the Related Party as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Options to the Related Party 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.

Director's recommendation

Mr Harrison Barker declines to make a recommendation to Shareholders in relation to Resolution 8 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 8, recommend that Shareholders vote in favour of Resolution 8.

In forming their recommendations, each Director considered the experience of the Director and current market practices when determining the number of Related Party Options to be issued.

9. RESOLUTION 9 – SHARE PLACEMENT FACILITY

9.1 General

Resolution 9 seeks Shareholder approval pursuant to Listing Rule 7.1 for the Directors to allot and issue up to 25,000,000 Shares under a share placement facility (**Placement Facility**).

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

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.

The effect of passing Resolution 9 will be to allow the Directors to issue these Shares (if required) during the period of 3 months after the 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% Placement 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 Placement Facility available so that the Company has the flexibility to raise additional equity funding without Shareholder approval.

9.2 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with 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 25,000,000 Shares;
- (b) the Shares will be issued no later than 3 months after the date of the 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 there has been no decision by the Directors to issue any Shares under the Placement Facility. 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;
- (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 ongoing development and construction activities at the Lance Projects, to progress feasibility studies at the Karoo Projects in South Africa and for general working capital purposes.

Directors' recommendation

The Board recommends that members vote in favour of Resolution 9.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 6.1.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires.

Board means the current board of Directors of the Company.

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

Chair means the chair of the Meeting, from time to time.

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).

Constitution means the constitution of the Company.

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

Directors means the current directors of the Company.

EGM means the extraordinary general meeting of shareholders held on 24 September 2015.

Eligible Entity means an entity listed on ASX that, at the time of a relevant annual general meeting:

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

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.

Meeting or Annual General Meeting means the annual general 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 the activities of the Company, directly or indirectly, including any Director of the Company.

Listing Rules means the Listing Rules of ASX.

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

Option means an option to purchase a Share.

Optionholder means the holder of an Option.

Placement Facility has the meaning given in Section 9.1.

Previous Approval has the meaning given in Section 6.3(f).

Proxy Form means the proxy form attached to this Notice.

Related Party has the meaning given to it in the Listing Rules.

Related Party Options has the meaning given in Section 8.1.

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

Schedule means a schedule contained in this Explanatory Statement.

Section means a section contained in this Explanatory Statement.

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 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 for Shares immediately prior to the issue of this Notice, this being \$1.52 (**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) There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Related Party Options without exercising the Options.
- (k) 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.
- (l) 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.
- (m) The Related Party Options are transferable subject to compliance with all applicable laws.

SCHEDULE 2 – RELATED PARTY OPTION VALUATION

The Related Party Options to be issued to the Related Party pursuant to Resolution 8 have been valued independently by RSM Bird Cameron Australia using the Black & Scholes option model and, based on the assumptions set out below, were ascribed the following value:

Assumptions:	
Valuation date	2 October 2015
Market price of Shares	\$1.01 ³
Exercise price (150% of market price)	\$1.52
Expiry date (length of time from issue)	4.08 years
Risk free interest rate	2.06% ¹
Volatility (discount)	75% ²
Indicative value per Related Party Option (rounded)	47.5 cents
Total Number of Related Party Options	54,737
Total Value of Related Party Options	\$26,000

Related Party	Related Party Options (Number)	Valuation per Related Party Option	Total Value of Related Party Options (\$)
Harrison Barker	54,737	\$0.475	26,000
Total	54,737		26,000

¹ Risk free interest rate based on the yield of 5 year government bonds on 2 October 2015 as per the RBA.

² Volatility was determined using the average annualised volatility measured over a 5 year period (calculated by RSM Bird Cameron)

³ Market price was calculated as the VWAP of the Shares over a 5 day period ended 2 October 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.

SCHEDULE 3 – ISSUE OF EQUITY SECURITIES SINCE 28 NOVEMBER 2014 (POST-CONSOLIDATION BASIS)

Date	Quantity	Class	Recipients	Issue price and discount to market price (if applicable) ²	Form of consideration/use of funds
2 December 2014	150,000 (pre-consolidation basis - 6,000,000)	Unlisted Performance Rights	Director John Harrison pursuant to Company's Performance Rights Plan.	No issue price (non-cash consideration)	Non-cash Performance based remuneration for services provided to the Company. These performance rights were cancelled on 4 August 2015.
2 December 2014	150,000 (pre-consolidation basis - 6,000,000)	Unlisted Performance Rights	Director Neil Warburton pursuant to Company's Performance Rights Plan.	No issue price (non-cash consideration)	Non-cash Performance based remuneration for services provided to the Company. These performance rights were cancelled on 4 August 2015.
2 December 2014	35,482 (pre-consolidation basis - 1,419,282)	Shares ¹	Director Neil Warburton pursuant to Company's salary sacrifice program.	No issue price (non-cash consideration)	Non-cash Satisfaction of cash remuneration owing to Directors under Salary Sacrifice program. Current value ⁵ = \$39,740.
16 December 2014	21,000,000 (pre-consolidation basis - 840,000,000)	Shares ¹	Resource Capital Fund VI L.P	\$0.02 (No discount - Shares were issued at market price ²)	Cash Placement - Amount raised - \$16,800,000
22 December 2014	29,923,961 (pre-consolidation basis - 1,196,958,445)	Shares ¹	RCF Capital Fund VI L.P. Blackrock Funds Pala Investments Limited JP Morgan Asset Mngt (UK) Ltd"	\$0.02 (No discount - Shares were issued at market price ²)	Cash Completion of accelerated institutional component of entitlement issue - Amount raised - \$23,939,169
24 December 2014	444,444 (pre-consolidation basis - 17,777,778)	Quoted Options ³	Pala Investments Limited	Nil cash consideration (issued under existing equity facility agreement)	Non-cash Current value ⁵ = \$35,556
10 and 11 February 2015	43,332,843 (pre-consolidation	Quoted Options ⁴	RCF Capital Fund VI L.P.	Free attaching Options to placement and	Non-cash Current value ⁵ =

	basis 1,733,313,722) -		Blackrock Funds Pala Investments Limited JP Morgan Asset Mngt (UK) Ltd Retail Shareholders	entitlement issue Shares	\$17,333,137
10 and 11 February 2015	35,741,714 (pre- consolidation basis - 1,429,668,561)	Shares ¹	Retail component of entitlement issue	\$0.02 (No discount - Shares were issued at market price ²)	Cash Completion of retail component of entitlement issue - Amount raised - \$28,593,371
23 February 2015	12,500 (pre- consolidation basis - 500,000)	Shares ¹	Employees of the Company	No issue price (non-cash consideration)	Non-cash Performance based remuneration for services provided to the Company Current value ⁵ = \$14,000.
23 February 2015	125,000 (pre- consolidation basis - 5,000,000)	Quoted Options ³	CG Nominees Pty Ltd <Black A/C>	Options issued to joint lead manager as part of capital raising fee on \$2m placement in October 2013.	Non-cash Current value ⁵ = \$10,000.
1 April 2015	30 (pre- consolidation basis 1,213)	Shares ¹	Optionholder	\$0.03 (exercise of Options)	Cash Amount raised - \$36
17 July 2015	719,444 (pre- consolidation basis - 28,777,778)	Shares ¹	Employees and consultants of the Company and Strata Energy	No issue price (non-cash consideration)	Non-cash Performance based remuneration for services provided to the Company and Strata Energy Current value ⁵ = \$805,777.
4 August 2015	18,500 (pre- consolidation basis - 740,000)	Shares ¹	Landholder in Wyoming	No issue price (non-cash consideration)	Non-cash Current value ⁵ = \$20,720.
28 August 2015	12,500 (pre- consolidation basis - 500,000)	Shares ¹	Employees of the Company	No issue price (non-cash consideration)	Non-cash Performance based remuneration for services provided to the Company Current value ⁵ = \$14,000.
To be issued within 30 days of EGM	18,194 (pre- consolidation basis -)	Shares ¹	Director Neil Warburton pursuant to	No issue price (non-cash)	Non-cash Satisfaction of cash

	727,760)		Company's salary sacrifice program.	consideration)	remuneration owing to Directors under Salary Sacrifice program. Current value ⁵ = \$20,377
To be issued within 30 days of EGM	555,556 (pre-consolidation basis - 22,222,222)	Shares ¹	Managing Director/CEO	No issue price (non-cash consideration)	Non-cash Performance based remuneration for services provided to the Company Current value ⁵ = \$622,223.
To be issued within 30 days of EGM	10,600,466	Unlisted Options ⁶	Non-Executive Directors	No issue price (non-cash consideration)	Non-cash Performance based remuneration for services provided to the Company.

Notes:

1. Shares, ASX Code: PEN (terms are set out in the Constitution).
2. Market price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the market price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
3. Quoted Options, exercisable at \$1.20 each (pre-consolidation basis \$0.03), on or before 31 December 2015, ASX Code: PENOC.
4. Quoted Options, exercisable at \$2.00 each (pre-consolidation basis \$0.05), on or before 31 December 2018, ASX Code: PENOD
5. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$1.12) or PENOC Options (\$0.08) or PENOD Options (\$0.24) on the ASX on the 7 October 2015.
6. Unlisted Options, exercisable at \$1.52 each (pre-consolidation basis \$0.038), on or before 1 December 2019.


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

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

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **11:00am (WST) on Tuesday, 17 November 2015**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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

 **ONLINE**
www.linkmarketservices.com.au

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

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

PROXY FORM

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

STEP 1

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (WST) on Thursday, 19 November 2015 at Subiaco Arts Centre, 180 Hamersley Road, SUBIACO WA 6008** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 and 8: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 and 8, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Share Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Warwick Grigor as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Election of Mr Evgenij Iorich as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Election of Mr Richard Lockwood as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Election of Mr Harrison Barker as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval of 10% Placement Capacity – Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Change of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Approval for the Issue of Unlisted Options to Mr Harrison Barker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



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

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

