PENINSULA ENERGY LIMITED

ANNUAL REPORT 2015

Peninsula Energy Limited
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Corporate Directory

Directors

John Simpson	*Managing Director / CEO*
Richard Lockwood	*Non-Executive Chairman*
Warwick Grigor	*Non-Executive Director*
Neil Warburton	*Non-Executive Director*
John Harrison	*Non-Executive Director*
Evgenij Iorich	*Non-Executive Director*
Harrison Barker	*Non-Executive Director*

Chief Executive Officer – Strata Energy
Ralph Knode

Chief Executive Officer – South Africa
Glenn Black

Chief Financial Officer
David Coyne

Company Secretary
Jonathan Whyte

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Unit 17, Level 2, 100 Railway Road
Subiaco WA 6008

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Telephone: +61 8 9380 9920
Facsimile: +61 8 9381 5064
Website: www.pel.net.au

Share Registry
Link Market Services Limited
Level 4, 152 St Georges Terrace
Perth WA 6000

Telephone: 1300 554 474
Facsimile: +61 2 9287 0303

Auditors
BDO Audit (WA) Pty Ltd
38 Station Street, Subiaco WA 6008

Stock Exchange
Peninsula Energy Limited is a public company listed on the Australian Securities Exchange and incorporated in Western Australia.

ASX Codes
PEN – Ordinary Fully Paid Shares
PENOC – Listed Options
PENOD – Listed Options

ABN
67 062 409 303

Front cover photographs: Selection of equipment from inside the completed Central Processing Plant

CHAIRMAN'S REPORT

Dear Shareholder

I am pleased to present Peninsula Energy Limited's ("Peninsula" or "the Company") Annual Report and Financial Statements for the year ended 30 June 2015.

The 2015 financial year has seen a number of significant achievements by Peninsula, the most notable being the completion of financing to fund development of stage 1 of the Lance Projects in Wyoming, USA. The imminent commencement of production at the Lance Projects will complete the transition of the Company to an operating mining company – something that very few companies have been able to achieve during this period of volatility in global commodity and financial markets.

Finalisation of funding in February 2015 has enabled the Company to substantially complete stage 1 construction at the Lance Projects. During the year, we successfully installed the deep disposal well, with testing of the well demonstrating performance well in excess of planned requirements.

Development of the operating wellfields was progressed during the year, resulting in the July 2015 submission to the state and federal regulatory bodies of the wellfield data package for the first mining unit. The submission is a vital step to attain the final regulatory consents required to commence wellfield operations.

At the time of writing this letter, construction of our central processing plant was nearing completion in readiness for the start of production. Our team in Wyoming have done an outstanding job in managing all aspects of construction and operational readiness activities, with no lost time injuries recorded to date.

Over the past year, the uranium market has performed better than most other commodities. Whilst we are yet to see a substantive increase in uranium prices, sentiment regarding our industry continues to improve. We have recently seen the re-start of nuclear power generation in Japan and developing nations such as China, India and Russia continue to announce the approval for construction of new nuclear power generating plants as they seek to produce carbon-free electricity to meet growing demand.

We are now seeing the return of utilities to the long term contracting market. Peninsula has been successful in securing three new term contracts over the past year in what has been a challenging market. These contracts provide our Company with an important base level of committed revenue over their respective terms and a key source of committed cash flow generation as we ramp-up our operating activities. Entry into these contracts before the commencement of production also demonstrates that the respective utilities have confidence in the ability of the Lance Projects to be a long life supplier to the industry and in the leadership team managing the construction and operations.

The Karoo Projects in South Africa provide us with greater exposure to expected increased prices for uranium in the future. South Africa is currently progressing procurement activities for a major new-build nuclear power programme that is aimed at delivering an additional 9.6 gigawatts of electricity domestically. The Karoo Projects are very well positioned to be a sustainable long-life domestic supplier of uranium to these new power plants.

At a corporate level, the funding for stage 1 of the Lance Projects was very well supported by our existing shareholders including Pala Investments Ltd, BlackRock funds and JP Morgan AM UK. We also welcomed Resource Capital Fund V.I. to the register as our new largest shareholder during this funding process.

As we complete the transition to an operating mining company, we have increased the depth of industry knowledge on our Board of Directors. John Harrison and Evgenij Iorich were both appointed to the Board during the year. Subsequent to the end of the year, I joined the Board as Non-Executive Chairman and we also appointed Harrison Barker, a very experienced US based nuclear fuel procurement manager.

One of the worst problems facing a bear market is that it is always indiscriminate. Looking at uranium shares as a whole, one might be forgiven in thinking that the commodity was in freefall. An examination of the facts presents a very different picture. Back in July last year the uranium spot price was US$28 per pound against the current level of US$37, which is a 32% improvement. Pleasingly, the price for our shares has gone against the global trend and has increased, recognising the achievements made by the Company over the past year.

I am glad to report that we are beginning to see a possible change in sentiment. In Japan, the Sendai 1 reactor has resumed operation, while there are another 20 restart applications in place. As I have previously mentioned, some American utilities have resumed signing long term contracts and we expect this trend to strengthen. It is always difficult to call the bottom of a market, but I think there are genuine grounds for optimism and I look forward to the next year reflecting a gradually improving background.

Finally, on behalf of the Board of Directors, I would like to extend my thanks to our staff for their dedicated work over the past year and also our shareholders for their continued support. Since joining the Board, I have been impressed by not only the quality of our projects, but also by the commitment and expertise of the staff who are responsible for the development and operation of these assets.

The 2016 financial year promises to be an exciting one for the Company and its shareholders. The imminent commencement of production from the Lance Projects will be a significant milestone in the history of the Company and we are well positioned to reward our shareholders who have supported us on this journey to become a successful uranium producer.

Richard Lockwood
Non-Executive Chairman

CORPORATE GOVERNANCE STATEMENT

Unless disclosed below, all of the best practice recommendations of the 3rd edition of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2015.

BOARD COMPOSITION

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the Directors' Report.

The names of the Directors of the Company, or who have served as a Director during the year, are:

- John Simpson — Managing Director / CEO
- Richard Lockwood — Non-Executive Chairman (appointed 1 July 2015) (Independent)
- Warwick Grigor — Non-Executive Director (Independent)
- Neil Warburton — Non-Executive Director (Independent)
- John Harrison — Non-Executive Director (appointed 1 September 2014)
- Evgenij Iorich — Non-Executive Director (appointed 2 February 2015)
- Harrison Barker — Non-Executive Director (appointed 3 August 2015) (Independent)
- Alfred Gillman — Non-Executive Director (retired 1 July 2015)

When determining whether a Non-Executive Director is independent, the Director must not fail any of the following materiality thresholds:

- Less than 10% of Company shares are held by the Director and any entity or individual directly or indirectly associated with the Director;
- No sales are made to or purchases made from any entity directly or indirectly associated with the Director; and
- None of the Directors' income or the income of an individual or entity directly or indirectly associated with the Director is derived from a contract with any member of the economic entity other than income derived as a Director of the entity.

Non-Executive Directors have the right to seek independent professional advice in the furtherance of their duties as Directors at the Company's expense. Written approval must be obtained from the Chairman prior to incurring any expense on behalf of the Company.

The Board has formally adopted a Nomination Committee Charter but given the present size of the Company, has not formed a separate Committee. Instead the function will be undertaken by the full Board in accordance with the policies and procedures outlined in the Nomination Committee Charter. When the Company is of sufficient size, a separate Nomination Committee will be formed. The Company undertakes an annual review of Board performance and regularly assesses the skills and competencies required on the Board.

ETHICAL STANDARDS

The Board acknowledges and emphasises the importance of all Directors and employees maintaining the highest standards of corporate governance practice and ethical conduct.

A code of conduct has been established requiring Directors and employees to:

- Act honestly and in good faith;

Completed Central Processing Plant and Administration/Workshop buildings with completed storage ponds in the foreground

- Exercise due care and diligence in fulfilling the functions of office;
- Avoid conflicts and make full disclosure of any possible conflict of interest;
- Comply with the law;
- Encourage the reporting and investigating of unlawful and unethical behaviour; and

Directors are obliged to be independent in judgement and ensure all reasonable steps are taken to ensure due care is taken by the Board in making sound decisions.

DIVERSITY

The Board has adopted a Diversity Policy as per the recommendations. The Diversity Policy addresses equal opportunities in the hiring, training and career advancement of directors, officers and employees. The Diversity Policy outlines the processes by which the Board will set measurable objectives to achieve the aims of its Diversity Policy, with particular focus on gender diversity within the Company.

The Company is committed to ensuring a diverse mix of skills and talent exists amongst its directors, officers and employees and is utilised to enhance the Company's performance.

The Board is responsible for monitoring Company performance in meeting the Diversity Policy requirements, including the achievement of diversity objectives. The Company has operations on three continents and is particularly focussed on growing its relationship with its Black Economic Empowerment partners in South Africa.

GENDER DIVERSITY

The Company is focusing on the participation of women on its Board and within senior management. The Board will determine appropriate measurable objectives for achieving gender diversity prior to the commencement of production from its first mining operation.

Women Employees, Executives and Board Members

The Company and its consolidated entities have seven female employees/executives:

- an accountant;
- an executive assistant;
- a personal assistant;
- a wellfield construction supervisor;
- a land administrator;
- a land access specialist; and
- a field technician,

whom represent approximately 20% of the total employees, executives and/or board members of the Company and its consolidated entities. There are currently no female members on the Board of the Company.

TRADING POLICY

The Board has formally adopted a Share Trading Policy in line with Corporate Governance guidelines which restricts Directors and employees/consultants from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices.

CORPORATE GOVERNANCE STATEMENT

AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee consists of three Non-Executive Directors and has an independent Chairman, consistent with the ASX Corporate Governance Council recommendations, and appropriate for the size of the Company and the financial expertise of the Committee members. The Company Secretary is also present at all Audit and Risk Management Committee meetings. The Audit and Risk Management Committee operates under a formal charter.

The names and qualifications of those appointed to the Audit and Risk Management Committee and their attendance at meetings of the Committee are included in the Directors' Report.

SHAREHOLDER RIGHTS

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of Directors, changes to the constitution and receipt of annual and interim financial statements. Shareholders are strongly encouraged to attend and participate in the Annual General Meetings of Peninsula Energy Limited, to lodge questions to be responded to by the Board and/or the CEO, and are able to appoint proxies.

RISK MANAGEMENT

The Board considers identification and management of key risks associated with the business as vital to maximise shareholder wealth. A continual assessment of the Company's risk profile is undertaken and the Chief Financial Officer has been delegated the task of implementing internal controls to identify and manage risks for which the Board provides oversight. The effectiveness of these controls is monitored and reviewed regularly. The volatile economic environment has emphasised the importance of managing and reassessing the Company's key business, social and environmental risks.

REMUNERATION POLICIES

The Remuneration Committee is responsible for determining and reviewing the appropriate compensation arrangements and policies for the key management personnel, in accordance with the policies and procedures outlined in the Remuneration Committee Charter. The Remuneration Committee reviews executive packages annually by reference to Company performance, executive performance, comparable information from industry sectors and other listed companies.

The Company's Remuneration Policy is to ensure remuneration packages properly reflect each person's duties and responsibilities and support the Company's business objectives. The Policy is designed to attract the highest calibre executives and senior staff, and reward them for performance which results in long-term growth in shareholder value.

Executives and selected senior staff are also entitled to participate in the employee share, performance rights, restricted share units and option arrangements.

The amount of remuneration for all key management personnel of the Group, including all monetary and non-monetary components, is detailed in the Remuneration Report within the Directors' Report. Shares given to key management personnel are valued at the market price of those shares. Options are valued independently using a Black-Scholes model. Performance Rights with market based vesting conditions are valued independently using a hybrid employee share option pricing model that simulates the share price of Peninsula as at the expiry date using a Monte-Carlo model.

The Board expects that the remuneration structure implemented as of 1 July 2015 will result in the Company being able to attract and retain the best executives and senior staff to run the consolidated group. It will also provide executives with the necessary incentives to work and grow long-term shareholder value.

The payment of cash bonuses, share options and other incentive payments are reviewed by the Remuneration Committee annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All cash bonuses, share options and other incentives must be linked to predetermined performance criteria. The Board can exercise its discretion in relation to approving incentives, cash bonuses and share options and can recommend changes to the Remuneration Committee's recommendations. Any changes must be justified by reference to measurable performance criteria.

REMUNERATION COMMITTEE

The Remuneration Committee consists of three Non-Executive Directors and has an independent Chairman, consistent with the ASX Corporate Governance Council recommendations.

The names of the members of the Remuneration Committee and their attendance at meetings of the committee are detailed in the Directors' Report.

There are no schemes for retirement benefits for Directors other than the statutory superannuation for Non-Executive Directors.

OTHER INFORMATION

Further information relating to the Company's corporate governance practices and policies has been made available publicly on the Company's web site at www.pel.net.au.

DIRECTORS' REPORT

Your Directors present their report, together with the financial statements of the consolidated group (or Peninsula), being the Company and its controlled entities, for the financial year ended 30 June 2015.

DIRECTORS

The names of Directors in office at any time during or since the end of the year are:

- John Simpson
- Richard Lockwood (appointed 1 July 2015)
- Warwick Grigor
- Neil Warburton
- John Harrison (appointed 1 September 2014)
- Evgenij Iorich (appointed 2 February 2015)
- Harrison Barker (appointed 3 August 2015)
- Alfred Gillman (retired 1 July 2015)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. The Company adopted a more conventional Board structure as of 1 July 2015 by appointing an independent non-executive Chairman, separating the Chairman role from that of the Managing Director / Chief Executive Officer.

PRINCIPAL ACTIVITIES AND SIGNIFICANT CHANGES IN THE NATURE OF ACTIVITIES

The principal activities of the consolidated group during the financial year consisted of uranium exploration and development. There were no significant changes in the nature of the consolidated group's principal activities during the financial year.

OPERATING RESULTS AND REVIEW OF OPERATIONS FOR THE YEAR

The consolidated loss of the consolidated group after providing for income tax for the year ended 30 June 2015 amounted to $5,345,215 (2014: $6,518,326).

REVIEW OF OPERATIONS 2015

Peninsula is an emerging uranium producer, with the Company's primary focus on the near term production at the Lance uranium projects in Wyoming USA (Lance Projects), as well as the Karoo uranium projects in the Republic of South Africa (Karoo Projects).

An overview of operations during the year is as follows:

WYOMING, USA – LANCE URANIUM PROJECTS

(Peninsula Energy 100%)

Background

The Lance Projects are located on the north-east flank of the Powder River Basin in Wyoming. The original NuBeth Joint Venture between Nuclear Dynamics Inc, Bethlehem Steel Corporation and later Pacific Power and Hydro (NuBeth JV), discovered 13 substantial zones of uranium mineralisation associated with an extensive system of roll fronts confirmed by drilling between 1970 and 1979. As part of this exploration program, the NuBeth JV drilled more than 5,000 exploration and development holes, totalling in excess of 912,000 metres. A proprietary database of the historic drilling and pilot plant data was acquired by Peninsula in 2007, defining a then relatively unknown uranium district of which Peninsula is now the dominant mineral rights holder.

The Lance Projects have 312 line kilometres of identified roll fronts and an exploration target of 158-217mlbs U_3O_8 (169-196mt@426-530ppm U_3O_8) inclusive of JORC 2012 Code-compliant resource. These roll fronts stretch over 50 kilometres north-south and are open to the north, south and west. The Company has explored only part of this area in the last five years and has successfully delineated over 53.7mlbs U_3O_8 JORC 2012 Code-compliant resource[1].

[1] *JORC Table 1 included in an announcement to the ASX presentation released on 27 March 2015: "Company Presentation – Mines and Money Hong Kong". Peninsula confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*

Construction and Wellfield Development

During the financial year Peninsula's wholly owned subsidiary Strata Energy Inc (Strata) substantially progressed development of the Lance Projects and remain on schedule for first production to commence in the second half of calendar year 2015. Construction of Stage 1 of the production development plan at the Lance Projects has been funded through the $69.4 million equity raising completed in February 2015.

Strata has now completed all 73 monitor and selected mining wells in Mine Unit One (MU1). An aquifer pump test was conducted during May 2015 and four rounds of baseline water

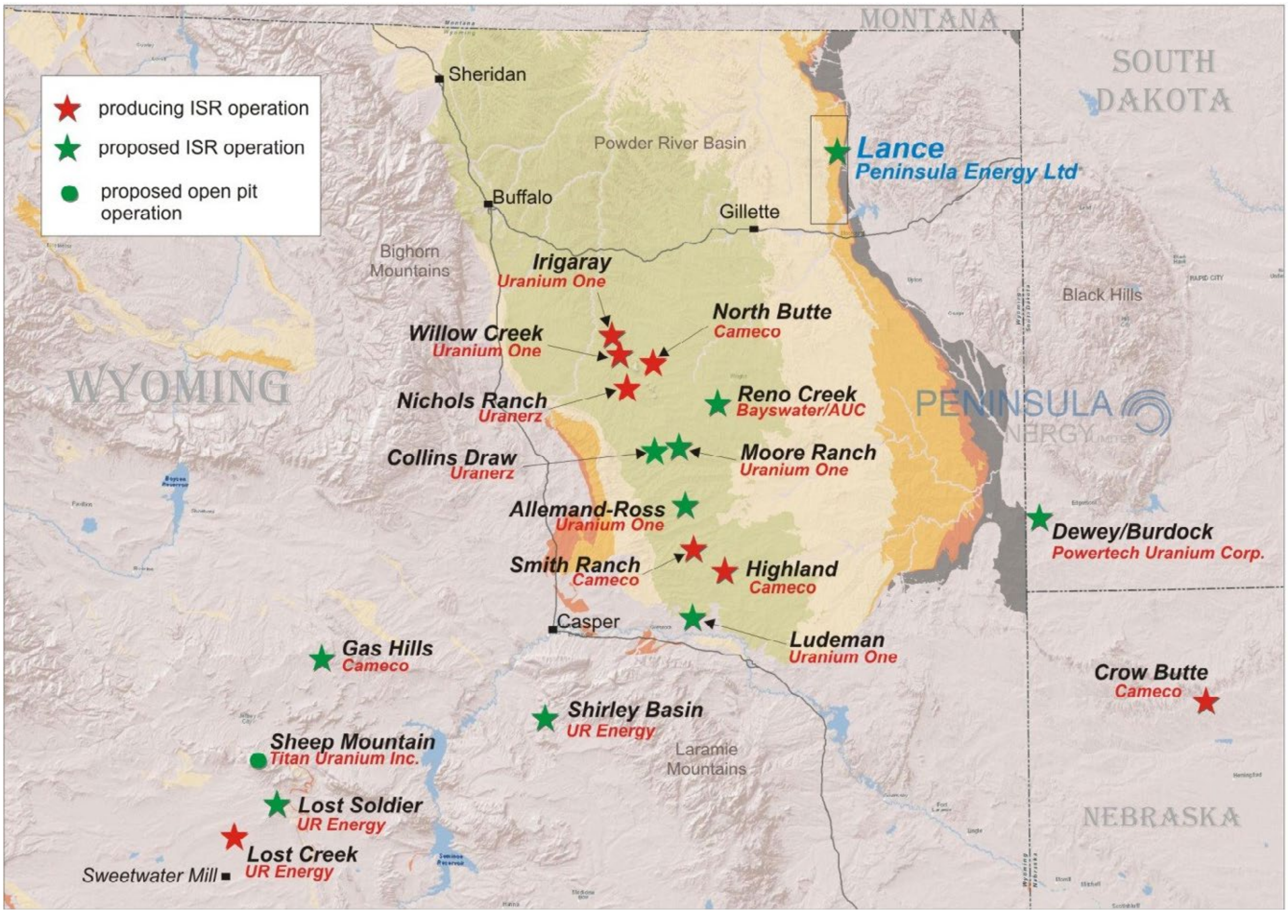

Figure 1: Lance Project Location, Wyoming, USA

samples from these wells were taken to develop site-specific ground water quality data for inclusion in the well field data package. Flow rates from installed wells have been consistent with rates expected during production.

In July 2015 the MU1 wellfield data package was submitted to the Wyoming Department of Environmental Quality (WDEQ) and the US Nuclear Regulatory Commission (NRC) for review and approval prior to the commencement of uranium extraction activities.

Following completion of the concrete foundations and building slabs at the Central Processing Plant (CPP) during April 2015, the externally-manufactured ion exchange columns arrived on site and were installed in the CPP. The structural steel erection and external cladding for the Administration and Workshop and CPP buildings were completed in June 2015 and July 2015 respectively. Within the CPP, all tanks have been placed within the building structure and cladding of the structure complete. Contractors for trades such as electrical, instrumentation, piping and controls have been mobilised to site to complete hook-up and commissioning.

Other construction activities completed during the financial year included:

- the excavation of retention ponds;
- the installation of potable water distribution piping and septic system piping;
- issuing of purchase orders for main process pumps, sodium bicarbonate system and valving;
- contracts awarded for electrical, instrumentation and control systems and the heating, ventilating and air conditioning systems; and
- the continuation of site grading work.

Deep Disposal Well

Drilling of the Deep Disposal Well (DDW) commenced in March 2015 and was drilled to a target depth of 8,607 feet ahead of schedule. On conclusion of the primary drilling activity, a work-over and completion rig was mobilised to site in April 2015 to finalise completion of the well and carry out well performance tests. An 18-hour performance test of the DDW demonstrated an injection rate of 35 gallons per minute (gpm), well in excess

Figure 2: Administration and Workshop Building, Wyoming, USA

Figure 3: Ion Exchange Columns within the completed CPP, Wyoming USA

of the 20 gpm requirement for Stage 1 operations. The 35 gpm injection rate was achieved using a pump pressure of only 27 pounds per square inch (psi) while the well is approved for pumping pressure of up to 1,000psi. Simulation modelling also confirmed the expectation that the DDW will be available for approximately 10 years' use. The completion and performance of the DDW was an outstanding success and at a cost of approximately US$3.3m was the major cost over-run risk to the project.

Operational Readiness

Alongside construction and wellfield development progress, the latter part of the financial year also saw significant progression in operational readiness activities. Submissions on all pre-operational license conditions were made to the NRC. The NRC have confirmed acceptance of the submissions and commenced their review. These pre-operational conditions are a regular component of the Source Materials License issued by the NRC, and establish specific conditions to be met prior to commencing production. Final closure of the remainder of the conditions will be achieved during the pre-operational site inspection by the NRC that will take place shortly before production commences.

Project staffing numbers continue to increase in the lead-up to the commencement of production. As at 30 June 2015, a total of 25 full-time employees are now directly employed on the project (excluding construction and drilling contractor personnel). Training programs have been developed for wellfield and CPP operations. The majority of personnel hired during the calendar year are residents of Crook County or counties close to the Lance Projects.

Uranium Sales Contracts

Prior to the commencement of the financial year, Peninsula had in place one existing contract for the delivery of approximately 1.0m lbs of U_3O_8 entered into in February 2011. Deliveries of U_3O_8 under this contract are scheduled to begin shortly after the commencement of production and will conclude in 2020. This existing contract has a weighted average price (WAP) of US$73-$75 per pound.

On 3 December 2014, Peninsula announced the entry into a second contract for the delivery of up to 912,500 lbs of U_3O_8 between 2016 and 2024. The base price for the contract is consistent with the Term Contract price reported by uranium industry commentators (UxC and TradeTech) during November 2014. Escalation is applied to the base price on a quarterly basis over the term of the contract, commencing in the first quarter of calendar year 2015.

Subsequent to the reporting date, on 26 August 2015 the Company announced the entry into two new uranium concentrate

Figure 4: Completed Ion Exchange Columns within the CPP, Wyoming USA

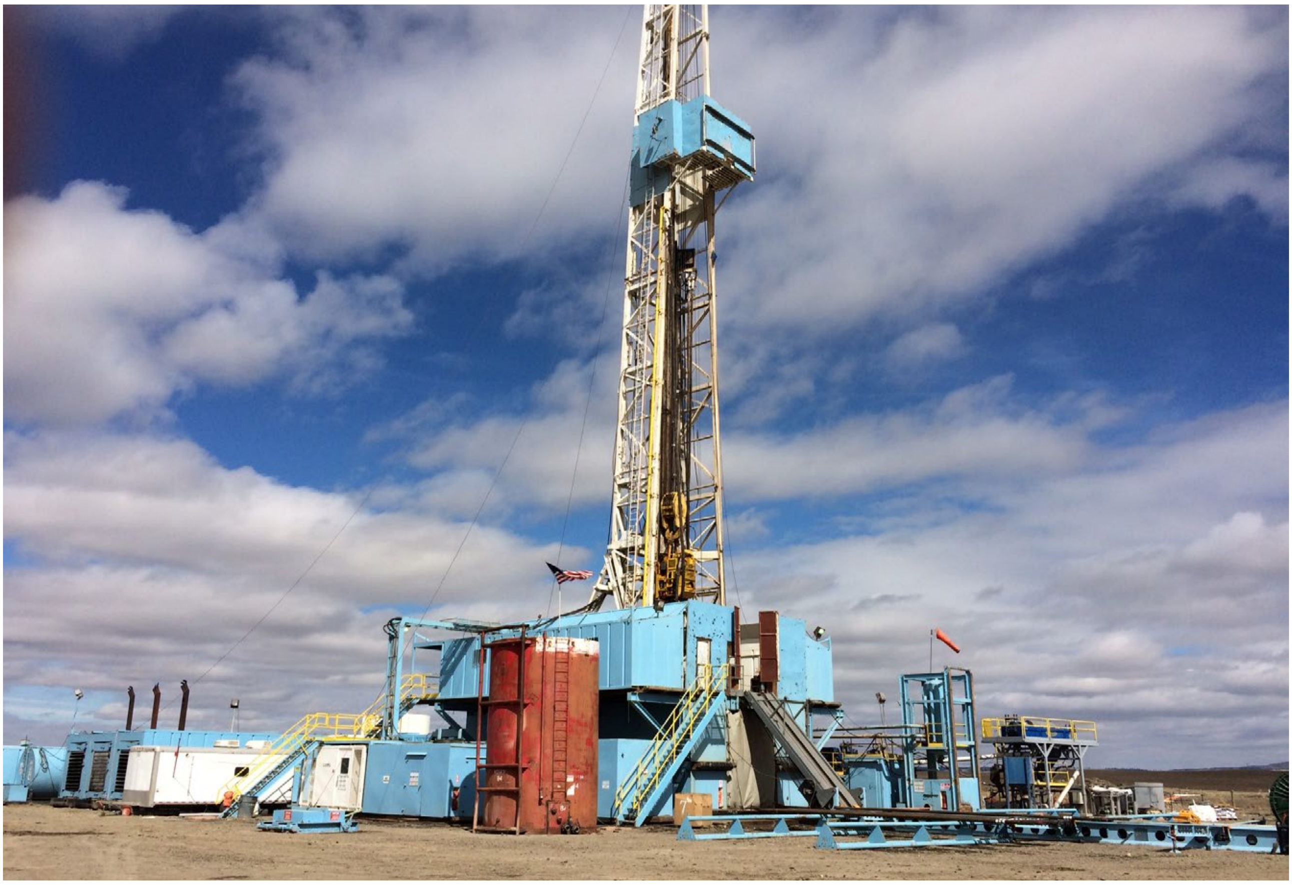

Figure 5: Deep Disposal Well, Wyoming USA

purchase and sale agreements for the delivery of 1,935,000 lbs of U_3O_8. Deliveries commence in 2016 and continue through to 2024. The agreements contain prices that are consistent with prices quoted by uranium industry commentators during the first half of the 2015 calendar year. Terms and conditions of the agreements reflect uranium industry norms.

The Company continues to negotiate additional product sales contracts with various counterparties and plans to enter into term contracts for an additional 1-2 mlbs U_3O_8 for delivery over the next five years.

Lance Projects Reconfiguration for Current Market Start-up

In October 2014 the Peninsula Board approved a lower cost three stage scalable production development plan for the Lance Projects. This new plan was completed by Peninsula personnel in conjunction with TREC Inc, the design and build contractor to the Lance Projects.

The scalable production development plan comprises a three stage ramp-up strategy:

- Stage 1 – production rate of between 500,000 and 700,000 lbs U_3O_8 per annum;
- Stage 2 – production rate of 1,200,000 lbs U_3O_8 per annum; and
- Stage 3 – production rate of 2,300,000 lbs U_3O_8 per annum.

Please note that Production Targets within this report are based on a proportion of inferred resources. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resource or that the production target itself will be realised. The estimated mineral resources underpinning the production targets have been prepared by Jim Guilinger, a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

The basis of the Production and Financial Information within this report is included in a presentation to ASX released on 27 March 2014 "Company Presentation – Mines and Money Hong Kong". Peninsula confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the production and financial information continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The scalable production development plan significantly reduced the initial funding required to initiate sustainable production at the Lance Projects, decreased the volume of uranium needed to be contracted in Stage 1 and allows the Company to defer most of the future uranium sales contracts until such time as the uranium price is more attractive. In addition, the initial lower production rate enables the Company to deliver a higher proportion of uranium product into its existing sales contracts which have a weighted average price well above the current Spot and Term Contract uranium prices.

Furthermore, commissioning of the processing facility and wellfield operations in Stage 1 significantly de-risks the Stage 2 and Stage 3 upgrades.

United States Atomic Safety and Licensing Board Dismisses All Environmental Contentions

In January 2015 the United States Atomic Safety and Licensing Board (ASLB) ruled in favour of the Company and dismissed the three remaining environmental contentions (EC) brought against the Lance Projects CPP and Ross Project Area in Wyoming USA. In making its ruling the ASLB determined that the contentions raised by the Natural Resources Defence Council and the Powder River Basin Resource Council (together, the Joint Intervenors) were unable to be substantiated by the evidence presented.

In concluding the ASLB ruled that; "Joint Intervenors issue statements EC 1, EC 2, and EC 3 are resolved on the merits in favour of the (NRC) staff and Strata Energy Inc. and the proceeding before this Board is terminated."

In February 2015, the Joint Intervenors appealed the ASLB decision to the four-member NRC. In June 2015, the NRC extended its time for review of the Joint Intervenors' appeal.

Given that the Joint Intervenors' appeal is primarily based on challenges to ASLB factual findings and evaluation of expert testimony, existing NRC legal precedent on standard of review requires that significant deference be accorded to the ASLB's factual findings. Since Strata and the NRC staff prevailed on these factual findings, the Company believes that there is a high probability of success for Strata and the NRC staff, however, we give no assurances that this will be the case nor that the Joint Intervenors will not seek additional review in the federal United States Court of Appeal.

SOUTH AFRICA - KAROO URANIUM EXPLORATION PROJECTS

(Peninsula Energy 74%, BEE Group 26%)

Background

Peninsula has a 74% interest in a total of 40 prospecting rights (PR's) covering 7,774 km² of the main uranium bearing sandstone channels in the Karoo Basin (Figure 6). The residual 26% interest remains with BEE partners as required by South African law.

The Karoo Projects are categorized into the Eastern and Western Sectors as shown in Figure 6. In the Eastern Sector, Peninsula has freehold ownership over an area of 322 km² which covers a significant proportion of the reported resource and allows unlimited surface access.

High Grade Near Surface Intercepts at Rietkuil

During the review period, Peninsula commenced with field activities at the Rietkuil project area (Rietkuil), approximately 40 kilometres west of Beaufort West in the Karoo, South Africa, to locate historic drill holes for radiometric re-logging.

The initial gamma probing at Blocks F(N), E(N) and E(S) delivered very high grades at shallow depths, returning 58 significant intersections from the 207 re-logged holes during the financial year. This included intercepts of 3.6ft @ 5,618ppm eU_3O_8, 2.9ft @ 4,728ppm eU_3O_8, 3.3ft @ 3,608ppm eU_3O_8, 3.6ft @ 3,516ppm eU_3O_8 and 2.8ft @ 3,307ppm eU_3O_8. The initial re-logging of historic holes at Rietkuil has been successful in confirming the location and grade of the historic drill results and in validating the mineralisation that was identified by Union Carbide Exploration Corporation (UCEX) in the 1970s.

Probing and re-logging is occurring in areas that are outside the existing JORC 2012 Code-compliant resource and information from this work will be included in a recalculation of the JORC 2012 Code-compliant resource estimate for the Karoo Projects.

For a comprehensive description of assessment and reporting criteria used for reporting of the exploration results, readers are referred to the JORC Table 1 declaration included in the announcement released to ASX on 29 October 2014 titled "High Grade Near Surface Uranium Intercepts at Karoo Projects, South Africa".

Mining License Application Process

The Mining Licence Application (MLA) for the Karoo Projects, comprising 16 individual mining rights applications in the Western, Eastern and Northern Cape provinces, was submitted to the Department of Mineral Resources (DMR) in mid-2014. Activities during the year focussed on the Social and Labour Plan (SLP) and Environmental Scoping Reports (ESR), submitted as part of the MLA.

Following consultation with the DMR and stakeholders, the SLP was updated to include certain community and social uplift benefits that the Karoo Projects can provide. Additional information regarding the environmental assessment of the Karoo Projects was reflected in an updated ESR.

Feasibility study activities continued during the year in parallel with the progression of the MLA.

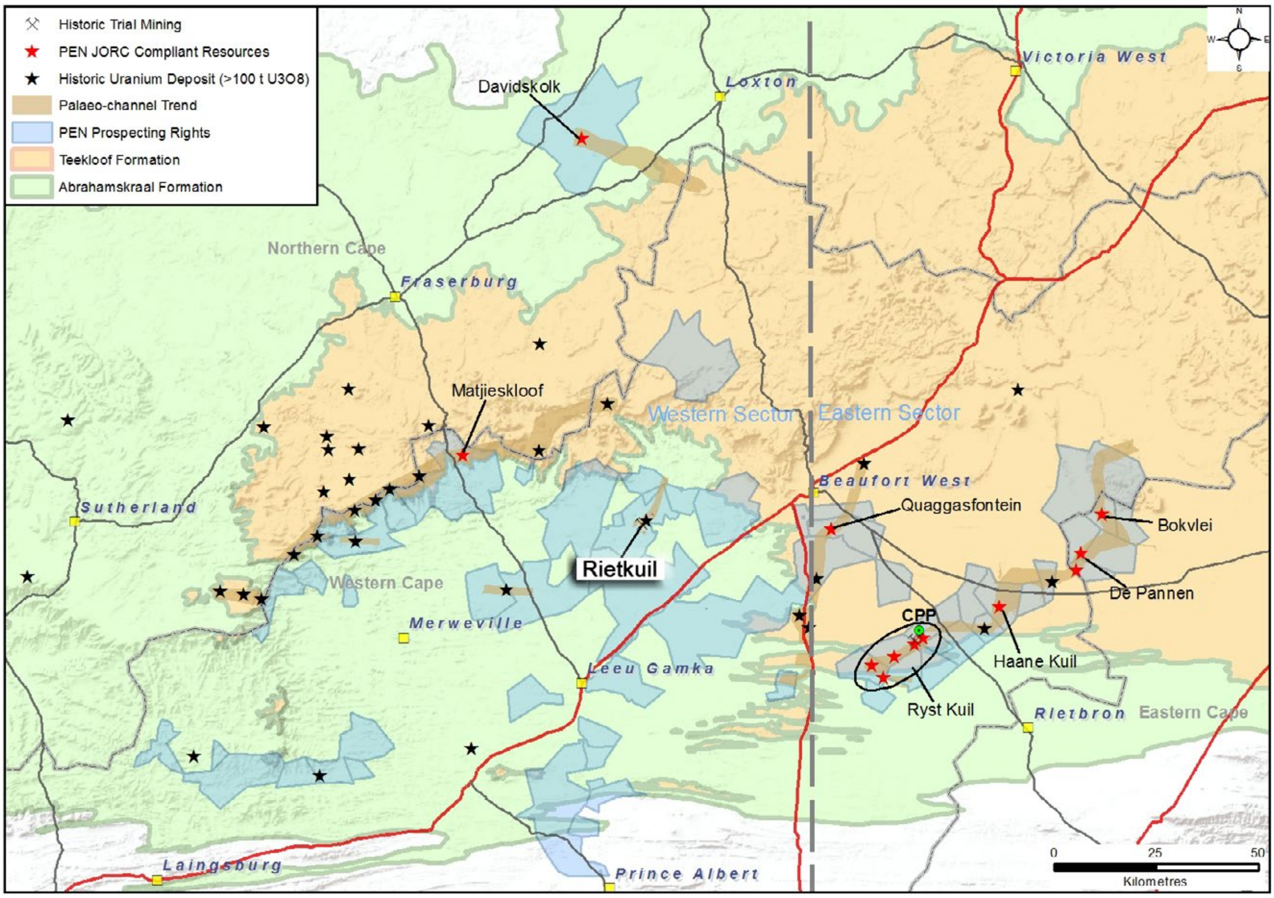

Figure 6: Karoo Uranium Project Locations, South Africa

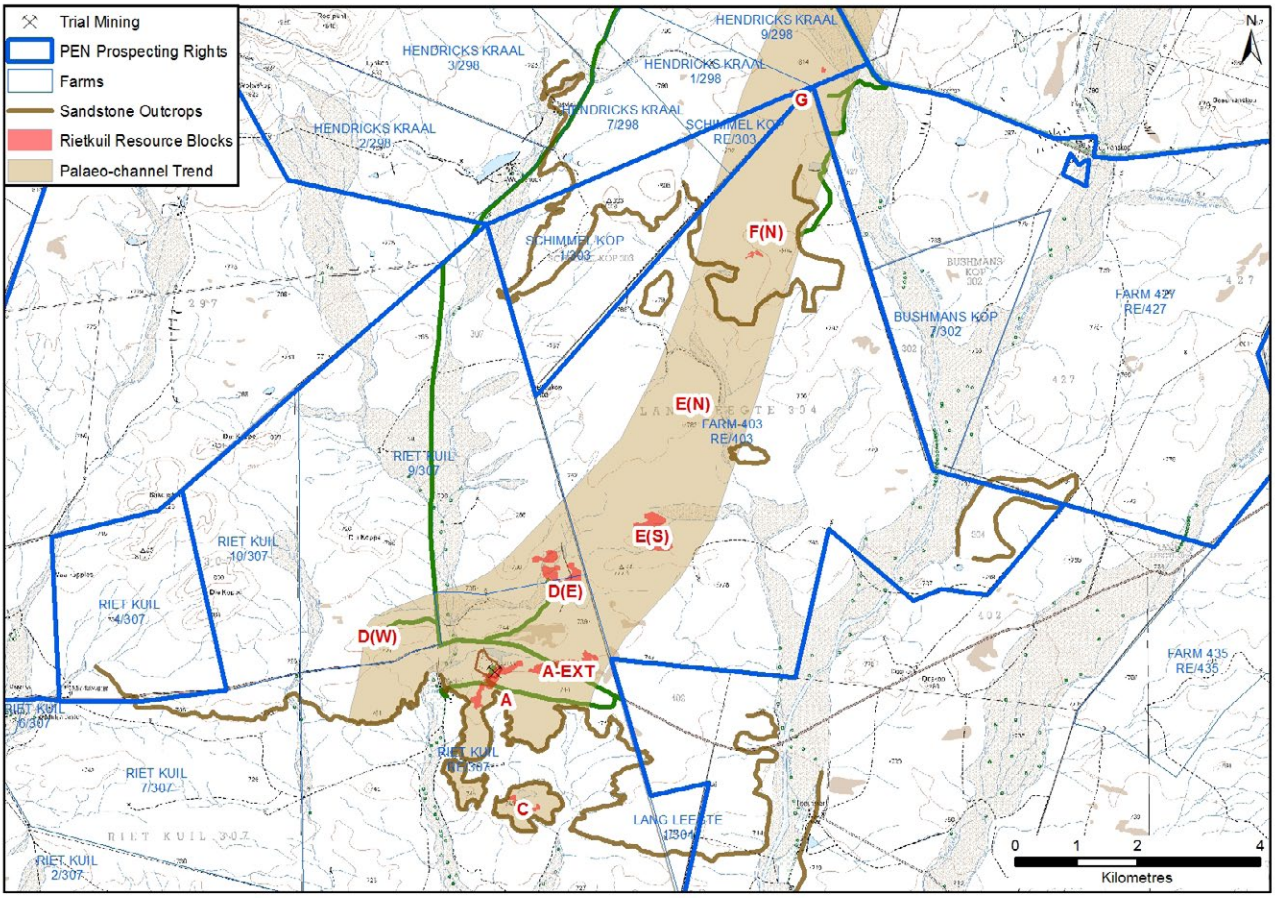

Figure 7: Geology and distribution of mineralisation blocks at Rietkuil, South Africa

MINERAL RESOURCE GOVERNANCE

Peninsula Energy Limited ensures that the Mineral Resource estimates for its Lance and Karoo Projects are subject to appropriate levels of governance and internal controls. The Mineral Resource estimation procedures are well established and are subject to annual review internally and externally undertaken by suitably competent and qualified professionals. This review process has not identified any material issues or risks associated with the existing Mineral Resource estimates. The Company periodically reviews the governance framework in line with the development of the business.

Peninsula reports its Mineral Resources in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code) 2012 edition.

Competent Persons named by the Company are Members or Fellows of the Australian Institute of Mining and Metallurgy and/or Members of Recognised Overseas Professional Organisations included in the list promulgated by ASX and qualify as Competent Persons as defined in the JORC Code.

The tables below set out the Company's Mineral Resources for 2014 and 2015.

Mineral Resource Statement

Resource Classification	Tonnes Ore (M)	U_3O_8 kg (M)	U_3O_8 lbs (M)	Grade (ppm U_3O_8)	Location
Measured	4.1	2.1	4.5	495	Wyoming, USA
Indicated	11.6	5.7	12.7	497	Wyoming, USA
Inferred	35.5	16.6	36.5	467	Wyoming, USA
Total	**51.2**	**24.4**	**53.7**	**476**	

Figure 8: Lance Projects Classified Resource Summary (U_3O_8)June 2015

Resource Classification	Tonnes Ore (M)	U_3O_8 kg (M)	U_3O_8 lbs (M)	Grade (ppm U_3O_8)	Location
Measured	4.1	2.1	4.5	495	Wyoming, USA
Indicated	11.6	5.7	12.7	497	Wyoming, USA
Inferred	35.5	16.6	36.5	467	Wyoming, USA
Total	**51.2**	**24.4**	**53.7**	**476**	

Figure 9: Lance Projects Classified Resource Summary (U_3O_8) June 2014

There have been no changes in the mineral resources at the Lance Projects from the previous financial year.

Resource Classification	eU_3O_8 (ppm) CUT-OFF	Tonnes (millions)	eU_3O_8 (ppm)	eU_3O_8 (million lbs)	Location
Indicated	600	8.0	1,242	21.9	Karoo, South Africa
Inferred	600	15.3	1,038	35.0	Karoo, South Africa
Total	**600**	**23.3**	**1,108**	**56.9**	

Figure 10: Karoo Projects Classified Resource Summary (eU_3O_8) June 2015

Resource Classification	eU_3O_8 (ppm) CUT-OFF	Tonnes (millions)	eU_3O_8 (ppm)	eU_3O_8 (million lbs)	Location
Indicated	600	8.0	1,242	21.9	Karoo, South Africa
Inferred	600	15.3	1,038	35.0	Karoo, South Africa
Total	**600**	**23.3**	**1,108**	**56.9**	

Figure 11: Karoo Projects Classified Resource Summary (eU_3O_8) June 2014

There have been no changes in the mineral resources at the Karoo Projects from the previous financial year.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves at the Lance Projects is based on information compiled by Mr Jim Guilinger. Mr Guilinger is a Member of a Recognised Overseas Professional Organisation included in a list promulgated by the ASX (Member of Mining and Metallurgy Society of America and SME Registered Member of the Society of Mining, Metallurgy and Exploration Inc). Mr Guilinger is Principal of independent consultants World Industrial Minerals. Mr Guilinger has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information in this report that relates to Exploration Results and Exploration Potential at Peninsula's Karoo Projects is based on information compiled by Mr George van der Walt. Mr van der Walt is a Member of the Australian Institute of Mining and Metallurgy and is a member of a Recognised Overseas Professional Organisation included in a list promulgated by the ASX (The South African Council of Natural Scientific Professions, Geological Society of South Africa). Mr van der Walt is a Director of Geoconsult International. Mr van der Walt has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Guilinger and Mr van der Walt consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

CORPORATE

$69.4 Million Fully Underwritten Institutional Funding Secured for Lance Projects

On 16 December 2014 Peninsula announced that it had entered into agreements with Resource Capital Fund VI L.P. (RCF VI), Pala Investments Ltd (Pala), BlackRock funds and JP Morgan AM UK Ltd to raise a fully underwritten amount of $69.4 million to fund construction of Stage 1 of the Lance Projects. The $69.4 million fully underwritten institutional funding included:

- A $16.8 million placement to RCF VI at $0.02 per share with 1:2 free attached option (31 December 2018; $0.05 strike); and
- an accelerated renounceable entitlement offer (Entitlement Offer) to all Shareholders of $52.6 million at $0.02 per share with 1:2 free attached option (31 December 2018; $0.05 strike) underwritten to $34.8 million inclusive of:
  - $23.9 million commitments under the accelerated institutional component of the Entitlement Offer to RCF VI, Pala, BlackRock funds and JP Morgan AM UK Ltd; and
  - $10.9 million sub-underwriting of the Entitlement Offer by RCF VI and Pala.

In February 2015, the Company completed the Retail Entitlement Offer which closed on 30 January 2015. The Retail Entitlement Offer was strongly supported, raising gross proceeds of $9.78 million. The Retail Shortfall Bookbuild commenced on 2 February 2015 and was completed on 4 February 2015, raising a further $8.06 million.

In addition, $10.87 million was raised through sub-underwriting commitments from RCF VI and Pala bringing the total funds raised under the Retail Entitlement Offer to $28.7 million and the total funds raised under the Entitlement Offer to $52.6 million (pre-costs).

The proceeds from the $69.4 million funding are being used to fund the remaining construction Stage 1 ramp-up at the Lance Projects. Proceeds received were also used to repay the BlackRock funds bridging finance in full during December 2014. The Company is now substantially debt free.

New York Stock Exchange Listing

In May 2015 Peninsula commenced the application process to list its shares on the New York Stock Exchange (NYSE-MKT). The US listing is scheduled to be completed in Q4 CY2015, subject to all regulatory and shareholder approvals. The US listing will be a dual listing with the Company maintaining its Australian Securities Exchange (ASX) listing.

Listing on a US stock exchange is expected to provide a number of benefits to the Company. As the largest generator of nuclear power in the world, the US 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. Average daily turnover of uranium peer companies dual listed on a US stock exchange consistently exceed the liquidity levels achieved on their non-US exchange by factor of 4 to 7 times. Uranium companies with a listing on a US stock exchange also benefit from a higher relative valuation than companies that do not have a US listing.

The NYSE-MKT (formerly known as the American Stock Exchange or AMEX) is a leading equities capital market for high growth companies. It is a fully automated, transparent platform that accepts the majority of home exchange filings from recognised foreign exchanges such as the ASX, allowing open trading of a company's securities in the US by both US retail and institutional investors and full access to the world's largest debt and equity markets.

Board Composition Changes

On 1 September 2014 Peninsula appointed Mr John Harrison to the Board as a Non-Executive Director.

Mr Harrison is currently Non-Executive Chairman (UK) of international advisory and broking firm RFC Ambrian Ltd and Non-Executive Chairman of UK coking coal development company West Cumbria Mining PLC. Mr Harrison brings to Peninsula a wealth of experience and resource sector knowledge acquired over a 45 year career including 20 years of investment banking in London.

During this time Mr Harrison has developed an extensive international contact base advising companies across a range of commodities (including uranium) and raising more than £500m in equity capital in the process. Mr Harrison was also instrumental in bringing JP Morgan Asset Management to the Peninsula register in March 2014.

On 2 February 2015 Peninsula advised that it had appointed Mr Evgenij Iorich to the Board as a Non-Executive Director. Mr Iorich is currently Vice President, Investment Team at Pala and has extensive experience in the natural resources sector across a broad range of commodities with a focus on M&A opportunities, operational, financial planning and corporate structuring.

Prior to joining Pala in 2006, Mr Iorich was a financial manager at Mechel, a metals and mining company, where his responsibilities included all aspects of budgeting and financial modelling.

On 24 June 2015 Peninsula advised that it had appointed Mr. Richard Lockwood to the Board as Non-Executive Chairman, effective 1 July 2015.

Mr Lockwood has over 50 years' experience in the funds management and mining investment sectors across the United Kingdom, Australia and South Africa. Mr. Lockwood has extensive involvement with the uranium sector via institutional investment markets including being the founder of specialist uranium investment fund Geiger Counter Ltd. Mr Lockwood also played a pivotal role at Board level and was a director of AIM-listed uranium company Kalahari Minerals, which held a 42.74% interest in Extract Resources. Extract Resources was the owner of the Husab uranium project in Namibia. Kalahari Minerals and Extract Resources were taken over by China Guangdong Nuclear Power Corporation in 2012.

With Mr. Lockwood's appointment as Non-Executive Chairman, Mr. John (Gus) Simpson moved to an expanded role which includes Executive Chairman of Peninsula Uranium Limited and Managing Director and Chief Executive Officer of Peninsula Energy Limited. Peninsula Uranium Limited is the dedicated uranium sales and marketing arm of the Company.

As part of the Board restructuring, Mr Alfred Gillman retired as a Non-Executive Director, effective 1 July 2015.

In addition, in August 2015 Peninsula appointed Mr Harrison (Hink) Barker to the Board, as detailed further in the Events Since the End of Financial Year disclosure below.

Surety Bond Facility

As part of its license conditions, Strata is required to place financial collateral with the WDEQ as security for Strata's current and future rehabilitation obligations. To avoid the sole utilisation of cash as the form of collateral, the Company negotiated a surety bond facility in the United States with Argo Surety (Argo) whereby Argo will provide the required surety instruments to the WDEQ as financial collateral for Strata's rehabilitation obligations. Under the agreement with Argo, Strata is required to place only 30% of the surety instrument value as cash collateral, freeing up funds for construction activities at the Lance Projects.

FINANCIAL POSITION

The Group's cash position, including commercial bills but excluding security deposits, performance bonds and restricted cash as at 30 June 2015 was $32,644,734. The net assets of the Group have increased by $83,331,255 from 30 June 2014 to $179,051,108 at 30 June 2015. Increased net assets at 30 June 2015 has been driven by full repayment of bridging finance debt in December 2014, increased cash position and movement in the Australian Dollar / United States Dollar exchange rate resulting in an increase in the Australian Dollar value of exploration and development assets.

The Company had 6,906,810,221 shares on issue as at 30 June 2015, 786,926,064 PENOC listed options, 1,733,313,722 PENOD listed options, 98,000,000 unlisted options and 183,000,000 performance rights.

The Directors believe the consolidated group is in a strong and stable financial position to meet its stated objectives.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

- In October 2014 Peninsula announced a lower cost three stage scalable uranium extraction development plan for the Lance Projects. The scalable uranium extraction development plan comprises a three stage ramp-up strategy:
  - Stage 1 – extraction rate of between 500,000 and 700,000 pounds of U_3O_8 per annum;
  - Stage 2 – extraction rate of 1,200,000 pounds of U_3O_8 per annum; and
  - Stage 3 – extraction rate of 2,300,000 pounds of U_3O_8 per annum.

  The scalable uranium extraction development plan significantly reduced the initial funding required to initiate sustainable uranium extraction at the Lance Projects, decreases the volume of uranium needed to be contracted in Stage 1 and allows us to defer most of the planned uranium sales contracts until such time as the uranium price is more attractive.

- In October 2014 and April 2015 Peninsula announced radiometric re-logging results at the Rietkuil project area in South Africa, with gamma probing conducted at the remaining Blocks F(N), E(N) and E(S). This has delivered further very high grade results at shallow depths, returning 58 significant intersections from 207 holes re-logged during the financial year. These results further reinforce the shallow, high grade historic mineralization in the Rietkuil area.
- In December 2014 Peninsula entered into agreements with Resource Capital Fund V.I. LP, Pala Investments Limited, BlackRock funds and JP Morgan AM UK Ltd to raise $69.4 million. The $69.4 million fully underwritten institutional funding included a $16.8 million placement to Resource Capital Fund V.I. LP and an accelerated entitlement offer to all shareholders of $52.6 million. Proceeds from the Placement and Entitlement Offer are being used to fund the remaining construction and Stage 1 ramp-up at the Lance Projects and to repay the BlackRock funds bridging finance debt in full during December 2014.
- In December 2014 Peninsula entered into an additional uranium concentrate sale and purchase agreement with a major United States power utility. Deliveries of uranium concentrate under the new agreement will commence in 2016 and continue through 2024. Up to 912,500 lbs of uranium concentrate will be delivered under the new agreement.
- Construction activities progressed significantly during the period. Following completion of the concrete foundations and building slabs during April 2015, the externally-manufactured ion exchange columns arrived on site were installed in the CPP. The structural steel erection and external cladding for the Administration and Workshop and CPP buildings occurred during the year and completed subsequent to financial year end.
- The installation of all remaining monitor and selected mining wells were completed in mine unit one during the year. Aquifer pump tests were conducted during the 2015 financial year with baseline water samples from these wells taken to develop site-specific ground water quality data for inclusion in the wellfield data package. Flow rates from installed wells have been consistent with rates expected during uranium extraction.

DIVIDENDS PAID OR RECOMMENDED

The Directors of the parent entity do not recommend the payment of a dividend in respect of the current financial year ended 30 June 2015.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

On 1 July 2015 the Company appointed Mr Richard Lockwood as Non-Executive Chairman and Mr Alfred Gillman retired as Non-Executive Director.

On 17 July 2015 the MU1 wellfield data package was submitted to the WDEQ and the NRC for review and approval prior to the commencement of production.

On 3 August 2015 the Company appointed Mr Harrison Barker as a Non-Executive Director.

On 12 August 2015 the Australian Securities and Investments Commission (ASIC) consented to the resignation of the Company's auditors, Somes Cooke. The reason for the change of auditor was due to the Company preparing 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 Peninsula is subject to compliance with certain provisions of the Sarbanes-Oxley Act of 2002 (Sarbanes Oxley Act).

A provision within the Sarbanes-Oxley Act is a requirement that Peninsula's auditor must be registered with the United States 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. BDO Audit (WA) Pty Ltd (BDO) are a PCAOB registered auditor and therefore meet the requirements of the Sarbanes Oxley Act.

On 25 August 2015, the Company despatched a Notice of Extraordinary Meeting to shareholders regarding a meeting to be held on 24 September 2015. One of the resolutions that shareholders were asked to approve at the meeting is a consolidation of the issued capital of the Company at a ratio of 40 to 1.

On 26 August 2015 the Company announced the entry into two new uranium concentrate purchase and sale agreements for the delivery of 1,935,000 lbs of uranium concentrate. Deliveries commence in 2016 and continue through to 2024. The agreements contain prices that are consistent with prices quoted by uranium industry commentators during the first half of the 2015 calendar year. Terms and conditions of the agreements reflect uranium industry norms.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely future developments in the operations of the consolidated group are referred to in the Annual Report. Other than as referred to in this report, further information as to likely developments in the operations of the consolidated group and expected results of those operations, to the date of this report, are considered insufficiently developed or so variable in nature as to quantification they remain unable to be accurately reported.

ENVIRONMENTAL REGULATIONS

The consolidated group's operations are subject to significant environmental regulation and penalties under relevant jurisdictions in relation to its conduct of exploration, development and mining of uranium deposits. The Directors are of the opinion that sufficient procedures and reporting processes have been established to enable the consolidated group to meet its responsibilities and that the consolidated group's other business segment operations are not subject to any significant environmental regulations under Australian Law and International Legislation where applicable.

INFORMATION ON DIRECTORS

The names and details of the Directors of Peninsula in office as at the date of this report are:

Mr John Simpson

Managing Director/Chief Executive Officer

Mr Simpson is both a Science and Arts graduate from Curtin University, Western Australia. He joined the Peninsula Board in August 2007 and has over 25 years of experience in the management of listed mineral companies. He has had principal involvement in a number of successful mineral discoveries in Africa, Australia and North America. Previously held positions include senior executive roles with Gindalbie Mining NL, Australian Minerals Sands NL, Panorama Resources NL and Tanganyika Gold Limited. Mr Simpson is currently the Non-Executive Chairman of ASX-listed resource companies, Indus Energy NL and Namibian Copper NL. He brings a high level of strategic, commercial and corporate expertise to the Company. Mr Simpson has the following interest in Shares and Options in the Company as at the date of this report – 67,674,946 ordinary shares, 7,003,101 listed options exercisable at 3 cents on or before 31 December 2015 and 7,479,335 listed options exercisable at 5 cents on or before 31 December 2018.

Mr Richard Lockwood

Non-Executive Chairman

Mr Lockwood is a director of London based Arlington Group Asset Management Limited and was previously the senior resources fund manager at CQS Asset Management Ltd having merged his New City Investment Management group with CQS in 2007. Mr Lockwood has over 50 years' experience in the funds management and mining investment sectors across the United Kingdom, Australia and South Africa. He has extensive involvement with the uranium sector via institutional investment markets including being the founder of specialist uranium investment fund, Geiger Counter Ltd. Mr Lockwood also played a pivotal role at Board level and was a director of AIM-listed uranium company Kalahari Minerals, which held a 42.74% interest in Extract Resources. Extract Resources was the owner of the Husab uranium project in Namibia. Kalahari Minerals and Extract Resources were taken over by China Guangdong Nuclear Power Corporation in 2012 for US$2 billion delivering substantial value to the shareholders of both companies. Mr Lockwood has nil interest in Shares and Options in the Company as at the date of this report.

Mr Warwick Grigor

Non-Executive Director

Mr Grigor is a highly respected and experienced mining analyst, with an intimate knowledge of all market related aspects of the mining industry. He is a graduate of the Australian National University having completed degrees in law and economics. His association with mining commenced with a position in the finance department of Hamersley Iron, and from there he moved to Jacksons, Graham, Moore and Partners to become Australia's first specialist gold mining analyst. Mr Grigor left to be the founding research partner at Pembroke Securities and then the Senior Analyst at County NatWest Securities. He left County in 1991 to found Far East Capital Limited that was established as a specialist mining company financier and corporate adviser, together with Andrew "Twiggy" Forrest.

In 2008, Far East Capital sponsored the formation of a stockbroking company, BGF Equities, and Mr Grigor assumed the position of Executive Chairman. This was re-badged as Canaccord Genuity Australia Limited when a 50% stake was sold to Canaccord Genuity Group Inc. Mr Grigor retired from Canaccord in October 2014, returning to Far East Capital. Mr Grigor's research knowledge and market intelligence gives Peninsula a strong strategic direction. Mr Grigor has the following interest in Shares and Options in the Company as at the date of this report – 14,926,369 ordinary shares, 11,034,788 listed options exercisable at 3 cents on or before 31 December 2015 and 2,264,319 listed options exercisable at 5 cents on or before 31 December 2018.

Mr Neil Warburton

Non-Executive Director

Mr Warburton has worked within the mining industry his entire career in roles ranging from underground miner through to senior mining engineer to executive directorships managing large mining and contracting companies. He has over 35 years of experience in all areas of mining operations. Over the period 2000-2012, Mr Warburton held senior positions with Barminco Limited culminating in being the Chief Executive Officer from August 2007 to March 2012. He successfully grew Barminco into Australia and West Africa's largest underground hard rock mining contractor with annual revenues of more than A$800m. Prior to joining Barminco, Mr Warburton held several senior corporate positions, this included serving as Managing Director of Coolgardie Gold NL. Mr Warburton started his career with Western Mining Corporation as a graduate mining engineer and progressed to Manager of Open Pit and Underground Operations at Kambalda in Western Australia.

Mr Warburton is a graduate from the Western Australia School of Mines with an Associate Degree in Mining Engineering. He is a Fellow of the Australian Institute of Company Directors (FAICD), Member of the Australian Institute of Mining and Metallurgy (MAusIMM), Chairman of the Australian Mining and Prospectors Hall of Fame Foundation, Member of the Western Australian School of Mines Graduates Association and serves as a director on a number of smaller private companies. He currently serves as Non-Executive Chairman of ASX-listed Red Mountain Mining Limited and is a Non-Executive Director of ASX-listed Australian Mines Limited, Sirius Resources NL and Namibian Copper NL. Mr Warburton has the following interest in Shares and Options in the Company as at the date of this report – 2,655,787 ordinary shares and 505,669 listed options exercisable at 5 cents on or before 31 December 2018.

Mr John Harrison

Non-Executive Director

Mr Harrison brings to Peninsula a wealth of experience and resource sector knowledge acquired over a 45 year career including 20 years of investment banking in London. During this time Mr Harrison has developed an extensive international contact base advising companies across a range of commodities, (including uranium) and raising more than £500m in equity capital in the process. Prior to joining RFC Ambrian and following a successful career in the Lloyd's reinsurance market, Mr Harrison was Managing Director at Numis Securities Ltd where he worked on the development and listing of the then-new Lloyd's corporate underwriting vehicles, an activity upon which the Numis corporate finance franchise was built.

Mr Harrison is currently Non-Executive Chairman (UK) of international advisory and broking firm RFC Ambrian Ltd and Non-Executive Chairman of UK coking coal development company West Cumbria Mining PLC. Mr Harrison has nil interest in Shares and Options in the Company as at the date of this report.

Mr Evgenij Iorich

Non-Executive Director

Mr Iorich is currently Vice President, Investment Team at Pala Investments Limited (Pala) and has extensive experience in the natural resources sector across a broad range of commodities with a focus on M&A opportunities, operational, financial planning and corporate structuring. Prior to joining Pala in 2006, Mr Iorich was a financial manager at Mechel, the Russian metals and mining company, where his responsibilities included all aspects of budgeting and financial modelling. Mr Iorich graduated from the University of Zurich with a Master of Arts degree and is currently a Non-Executive Director of TSX-listed Serinus Energy and TSX-V-listed Asian Mineral Resources. Mr Iorich has nil interest in Shares and Options in the Company as at the date of this report.

Mr Harrison (Hink) Barker

Non-Executive Director

Harrison (Hink) Barker retired 1 June 2015 from the Generation segment of Dominion Resources with over 40 years of fossil and nuclear fuel commercial and technical responsibilities. Since 1992, Mr Barker had been the manager responsible for Dominion's procurement of nuclear fuel and the related processing steps of conversion from U_3O_8 to UF6, enrichment of UF6, and fabrication of nuclear fuel assemblies. He is a former Chair of the Nuclear Energy Institute's Utility Fuel Committee, and a past member of the World Nuclear Fuel Market Board of Directors (Chairman for two years). He served on an Advisory Board to American Uranium Corporation while they attempted to develop the Wyoming Reno Creek uranium deposit.

From 1975 to 1984 he worked as an engineer and supervisor in the areas of nuclear fuel quality assurance, nuclear core design, nuclear fabrication contract administration, nuclear fuel procurement, spent fuel transportation and disposal planning during a period when Dominion was building its regulated nuclear operating fleet in Virginia. Mr Barker holds a Bachelor of Science degree in Electrical Engineering and a Master's in Nuclear Engineering Science both from the University of Florida. Mr Barker has nil interest in Shares and Options in the Company as at the date of this report.

COMPANY SECRETARY

The following person held the position of Company Secretary at the end of the financial year:

Jonathan Whyte

Mr Whyte is a Chartered Accountant and has extensive corporate, company secretarial financial accounting experience across a number of listed and unlisted resource sector companies. Mr Whyte is currently Non-Executive Director and Company Secretary of ASX listed Indus Energy NL. Mr Whyte previously worked in the investment banking sector in London over a period of 6 years for Credit Suisse and Barclays Capital Plc. Mr Whyte has the following interest in Shares and Options in the Company as at the date of this report – 8,627,540 ordinary shares.

Meetings of Directors

During the financial year eight meetings of Directors were held. Attendances by each Director who held office during the financial year were as follows:

	Directors Meetings		Committee Meetings: Audit and Risk Management Committee		Committee Meetings: Remuneration Committee	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Warwick Grigor	8	8	2	2	2	2
Neil Warburton	8	8	2	2	2	2
John Simpson	8	8	-	-	-	-
Alfred Gillman (resigned 1 July 2015)	8	4	-	-	-	-
John Harrison (appointed 1 September 2014)	7	7	-	-	2	2
Evgenij Iorich (appointed 2 February 2015)	6	6	-	-	-	-

Options

At the date of this report, the unissued ordinary shares of Peninsula under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number Under Option
Various	31/12/2015	$0.03	786,926,064
Various	31/12/2018	$0.05	1,733,313,722
Various	31/12/2015	$0.04	8,000,000
19/12/2012	31/12/2017	$0.08	90,000,000

Option-holders do not have any rights to participate in any issue of shares or other interests in the Company or any other entity.

There have been no unissued shares or interests under option of any controlled entity within the consolidated group during or since reporting date.

For details of options issued to Directors and Executives as remuneration, refer to the Remuneration Report.

During the year ended 30 June 2015, 1,213 ordinary shares of Peninsula were issued on the exercise of options granted.

No amounts are unpaid on any of the shares. No person entitled to exercise the options had or has any rights by virtue of the option to participate in any share issue of any other body corporate.

Performance Rights

At 30 June 2015 there were 183,000,000 Performance Rights on issue as follows:

Grant Date	Date of Expiry	Number on Issue(1)
Class D	13/10/2015	58,900,000
Class E	13/10/2015	62,000,000
Class F	13/10/2016	62,100,000
Total		**183,000,000**

Notes

(1) On 17 July 2015, 52,500,000 Performance Rights previously issued to Key Management Personnel were cancelled. On 4 August 2015, 55,200,000 Performance Rights previously issued to executive directors and non-executive directors were cancelled.

The Performance Rights are convertible into ordinary shares upon the satisfaction of various criteria which are set out in the Notice of Meeting released to the ASX on 27 October 2011. The fair value of the Performance Rights is being brought to account over their vesting periods. The purpose of the Performance Rights is to link part of the consideration paid to the key personnel of the Company to certain significant performance criteria.

Indemnifying Directors and Officers

During or since the end of the financial year the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums.

The Company has paid premiums to insure each Director and Officer against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director or Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium was $20,450 to insure the Directors and Officers of the Company.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Non-Audit Services

The Board of Directors, in accordance with advice from the Audit and Risk Management Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved by the Audit and Risk Management Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees for non-audit services were paid to the current external auditors during the year ended 30 June 2015:

Service	$
Taxation Services	55,672
Remuneration Benchmarking	21,624
Corporate Services	1,836
Total	**79,132**

All non-audit services described above were performed prior to the appointment of BDO Audit (WA) Pty Ltd as the auditors of the Company.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 34 of the Annual Report.

On 12 August 2015 ASIC consented to the resignation of the Company's auditors, Somes Cooke. The reason for the change of auditor was due to the Company preparing 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 Peninsula, is subject to compliance with certain provisions of the Sarbanes-Oxley Act of 2002. The Company will table a resolution seeking to ratify the resolution of the appointment of BDO Audit (WA) Pty Ltd as the Company's auditor at the 2015 Annual General Meeting.

ASIC Class Order 98/100 Rounding of Amounts

The Company is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest dollar.

REMUNERATION SUMMARY

This report outlines the remuneration structure which is in place for Executive Directors, Non-Executive Directors and other Key Management Personnel.

Key Management Personnel include:

Non-Executive Directors

Richard Lockwood	Chairman (Non-Executive Director) (appointed 1 July 2015)
Neil Warburton	Non-Executive Director
Warwick Grigor	Non-Executive Director
John Harrison	Non-Executive Director (appointed 1 September 2014)
Evgenij Iorich	Non-Executive Director (appointed 2 February 2015)
Harrison Barker	Non-Executive Director (appointed 3 August 2015)
Alfred Gillman	Non-Executive Director (resigned 1 July 2015)

Executive Director

John Simpson	Managing Director / Chief Executive Officer

Other Key Management Personnel

Ralph Knode	Chief Executive Officer, Strata Energy, Inc.
Glenn Black	Chief Executive Officer, South Africa
David Coyne	Chief Financial Officer
Jonathan Whyte	Company Secretary

REMUNERATION REPORT - AUDITED

This Remuneration Report, which has been audited, outlines the Key Management Personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The principles adopted have been approved by the current Board of the Company and have been set out in the remuneration summary.

PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework which has been set out in detail under the remuneration structure above aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

(i) competitiveness and reasonableness;

(ii) aligns shareholders and executive interests;

(iii) performance based and aligned to strategic and business objectives; and

(iv) transparency.

Key Management Personnel

Fees and payments to Key Management Personnel reflect the demands which are made on, and the responsibilities of, the Key Management Personnel. Fees and payments are reviewed annually by the Remuneration Committee. The Remuneration Committee also ensures that Key Management Personnel fees and payments are appropriate and in line with the market. There are no retirement allowances or other benefits paid to Key Management Personnel other than superannuation guarantee amounts as required.

The executive remuneration and reward framework has three components:

(i) base pay and short-term incentives;

(ii) share-based payments; and

(iii) other remuneration such as superannuation and long service leave.

The combination of these comprises the Key Management Personnel total remuneration. Fixed remuneration, consisting of base salary and superannuation are reviewed annually by the Remuneration Committee, based on individual and area of responsibility performance, the overall performance of the Company and comparable market remunerations.

Non-Executive Directors

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Non-Executive Directors. Non-Executive Directors' fees and payments are reviewed annually by the Remuneration Committee. For the year ended 30 June 2015, exclusive of the superannuation guarantee the annual remuneration for a Non-Executive Director was $36,000. There are no retirement allowances or other benefits paid to Non-Executive Directors other than superannuation guarantee amounts as required. Only Australian resident Non-Executive Directors are eligible for superannuation guarantee amounts.

Following the benchmarking review of Non-Executive Director remunerations, and subject to shareholder approval to increase annual limit on director fees, from 1 July 2015 Non-Executive Directors shall be remunerated as follows (exclusive of superannuation guarantee amounts):

(i) Non-Executive Chairman - $100,000 per annum;

(ii) Non-Executive Director - $65,000 per annum; and

(iii) A Non-Executive Director who serves as Chair of a Board Committee shall also receive an additional $10,000 per annum in recognition of the additional demand on time required by the Non-Executive Director.

Employment Details of Directors and Members of Key Management Personnel

The following table provides employment details of persons who were, during the financial year, directors and members of key management personnel of the consolidated group. The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of share options, shares or performance rights for the year ended 30 June 2015.

Group Key Management Personnel	Position held at 30 June 2015[(a)]	Proportions of Elements of Remuneration Related to Performance		Proportions of Elements of Remuneration not Related to Performance		
		Non-Salary Cash Based Incentives %	Equity Based Incentives %	Fixed Salary/ Fees – Share Based %	Fixed Salary/ Fees – Cash Based %	Total %
John Simpson	Executive Chairman	-	16.33	-	83.67	100.00
Alfred Gillman[(b)]	Director (Non-Executive)	-	37.57	-	62.43	100.00
Warwick Grigor	Director (Non-Executive)	-	37.27	-	62.73	100.00
Neil Warburton	Director (Non-Executive)	-	22.62	32.58	44.80	100.00
John Harrison[(c)]	Director (Non-Executive)	-	3.61	-	96.39	100.00
Evgenij Iorich[(d)]	Director (Non-Executive)	-	-	-	100.00	100.00
Glenn Black	Chief Executive Officer (South Africa)	-	18.56	-	81.44	100.00
David Coyne	Chief Financial Officer	5.65	33.77	-	60.57	100.00
Ralph Knode	Chief Executive Officer (Strata Energy Inc.)	-	35.89	-	64.11	100.00
Jonathan Whyte	Company Secretary	-	40.14	-	59.86	100.00

(a) Mr Lockwood was appointed as Non-Executive Chairman on 1 July 2015 and Mr Barker was appointed as a Non-Executive Director on 3 August 2015, therefore they are not shown in the above table.

(b) Mr Gillman retired as Non-Executive Director on 1 July 2015.

(c) Mr Harrison was appointed as Non-Executive Director on 1 September 2014.

(d) Mr Iorich was appointed as Non-Executive Director on 2 February 2015.

Service Contracts

The employment terms and conditions of key management personnel are formalised in contracts of employment. Terms of employment require that the relevant group entity provide an executive contracted person with a minimum one month notice prior to termination of contract. A contracted person deemed employed on a permanent basis may terminate their employment by providing at least one month's notice. Termination payments are not payable on resignation or under circumstances of unsatisfactory performance. On termination notice by the Company, any rights that have vested, or that will vest during the notice period, will be released. Rights that have not yet vested will be forfeited. Unless otherwise stated, the commencement date of the employment agreement is the appointment date to the role.

Mr John Simpson, Managing Director / CEO
Executive service employment agreement, effective from 1 July 2015, with no fixed term.
Base fixed salary of A$600,000 per annum, inclusive of superannuation.
Notice period 3 months.
12-month termination payment in certain circumstances.

Mr Richard Lockwood, Chairman (Non-Executive)
Terms of agreement – no fixed term.
Base chairman fees, exclusive of superannuation of A$100,000.
No termination benefit is specified in the agreement.

Mr Warwick Grigor, Director (Non-Executive)
Terms of agreement – no fixed term.
Base director fees, exclusive of superannuation of A$65,000.
Audit and Risk Committee Chairman fee of A$10,000.
No termination benefit is specified in the agreement.

Mr Neil Warburton, Director (Non-Executive)
Terms of agreement – no fixed term.
Base director fees, exclusive of superannuation of A$65,000.
Remuneration Committee Chairman fee of A$10,000.
No termination benefit is specified in the agreement.

Mr John Harrison, Director (Non-Executive)
Terms of agreement – no fixed term.
Base director fees, exclusive of superannuation of A$65,000.
No termination benefit is specified in the agreement.

Mr Evgenij Iorich, Director (Non-Executive)
Terms of agreement – no fixed term.
Base director fees, exclusive of superannuation of A$65,000.
No termination benefit is specified in the agreement.

Mr Glenn Black, Chief Executive Officer, South Africa
Consultancy agreement with no fixed term.
Hourly rate of US$150 to a maximum of 80 hours per month (amended March 2014).
Notice period 3 months.
14 month termination benefit under certain circumstances.

Mr David Coyne, Chief Financial Officer
Terms of agreement – 3 years commencing 17 June 2013.
Base salary, exclusive of superannuation of A$370,000.
Notice period 3 months.
No termination benefit is specified in the agreement.

Mr Ralph Knode, Chief Executive Officer - Strata Energy Inc.
Terms of agreement – no fixed term.
Base salary, exclusive of superannuation of US$300,000.
Notice period 3 months.
14 month termination benefit under certain circumstances.

Mr Jonathan Whyte, Company Secretary
Consultancy agreement – 2 year term commencing 1 June 2014.
Daily rate of $1,300.
Notice period 1 month.
3 month termination benefit under certain circumstances.

Table of Benefits and Payments for the Year Ended 30 June 2015

		Short-Term Benefits: Salary & Fees			Post-Employment Benefits	Equity Settled Share-based Payments		
Group Key Management Personnel		**Cash based $**	**Share based[e] $**	**Bonuses $**	**Super-annuation $**	**Accounting charge for Rights[f] $**	**Shares[g] $**	**Total $**
Directors								
Warwick Grigor[h]	2015	36,000	-	-	3,420	23,417	-	62,837
	2014	27,000	9,000	-	3,330	53,167	-	92,497
Michael Barton[a]	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2014	6,000	3,000	-	-	53,167	-	62,167
Neil Warburton[h]	2015	33,000	24,000	-	-	16,667	-	73,667
	2014	3,000	33,000	-	-	36,667	-	72,667
John Simpson[h]	2015	720,000	-	-	-	140,500	-	860,500
	2014	681,000	54,000	-	-	319,000	-	1,054,000
John Harrison[b][h]	2015	30,000	-	-	-	1,125	-	31,125
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Evgenij Iorich[c]	2015	15,000	-	-	-	-	-	15,000
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Alfred Gillman[d]	2015	74,400	-	-	3,420	46,833	-	124,653
	2014	425,070	18,000	-	3,330	106,333	-	552,733
Other Executives								
Glenn Black	2015	205,491	-	-	-	46,833	-	252,324
	2014	234,980	14,957	-	-	106,333	-	356,270
David Coyne[i]	2015	350,000	-	35,000	25,000	16,500	192,593	619,093
	2014	338,333	14,583	30,000	25,000	44,667	-	452,583
Ralph Knode	2015	360,750	-	-	20,442	46,833	166,593	594,618
	2014	308,200	10,640	42,990	9,566	106,333	-	477,729
Jonathan Whyte	2015	267,829	-	-	-	35,125	144,444	447,398
	2014	232,399	1,950	-	-	79,750	-	314,099
Total	**2015**	**2,092,470**	**24,000**	**35,000**	**52,282**	**373,833**	**503,630**	**3,081,215**
	2014	**2,255,982**	**159,130**	**72,990**	**41,226**	**905,417**	**-**	**3,434,745**

The amounts that appear under the heading "Accounting Charge for Rights" are the amounts required under the Accounting Standards to be expensed by the Company in respect of the allocation of Performance Rights to directors and Key Management Personnel. These Performance Rights have been expensed over a three year vesting period. Amounts shown in this column represent the expenses incurred during the year in respect of past Performance Rights allocations. Vesting conditions for all unvested Performance Rights previously allocated are unlikely to be met and the amount shown in this column is not representative of amounts actually received by directors or Key Management Personnel during the current or previous years. Subsequent to the reporting date, all unvested Performance Rights held by Directors and certain members of key management personnel were cancelled in full.

(a) Mr Barton resigned as Non-Executive Director effective 29 January 2014.

(b) Mr Harrison was appointed as Non-Executive Director effective 1 September 2014.

(c) Mr Iorich was appointed as Non-Executive Director effective 2 February 2015.

(d) On 1 September 2014, Mr Gillman's role changed from Executive Director to Non-Executive Director. Short term benefits and post-employment benefits paid to Mr Gillman whilst an Executive Director were $44,400 and were $33,420 whilst a Non-Executive Director. Mr Gillman retired as Non-Executive Director effective 1 July 2015.

(e) On 28 August 2013 the Company announced that directors and senior executives had adopted a Salary Sacrifice Program. Under the terms of the program a proportion of directors' fees and senior executive remuneration were paid as equity; Peninsula fully paid ordinary shares.

(f) On various dates since 28 November 2012, 132,000,000 Class D, E and F Performance Rights were issued to Key Management Personnel. The Performance Rights are convertible into ordinary shares upon the satisfaction of various criteria which are set out in the Notice of Meeting released to the ASX on 27 October 2011. The fair value of the Performance Rights is being brought to account over their vesting periods. Refer to Note 21 for further information on share-based payments.

(g) On 12 June 2015, the Board approved the issue of shares to certain employees of the Company, including members of Key Management Personnel. The bonus share issue was made to recognise contributions of certain employees toward the achievement of the major Company milestones of completion of permitting at the Lance Projects and securing funding for Stage 1 of the Lance Projects. Shares to employees were subsequently issued on 17 July 2015. On the same date that the shares were issued, all performance rights held by those employees issued shares were cancelled. A total of 52,500,000 Performance Rights were cancelled on 17 July 2015.

(h) On 4 August 2015, all Performance Rights held by Mr Simpson, Mr Grigor, Mr Warburton and Mr Harrison were cancelled resulting in each individual holding nil performance rights as of this date.

(i) Mr Coyne was awarded a short-term bonus in recognition of his significant contributions to the development of the low cost 3-stage scalable development plan for the Lance Projects.

Securities Received That Are Not Performance Related

On 28 August 2013 the Company announced that directors and senior executives had adopted a Salary Sacrifice Program. Under the terms of the program a proportion of directors' fees and senior executive remuneration were paid as equity; Peninsula fully paid ordinary shares. Shares granted are detailed below:

Electrical control panel within the completed Central Processing Plant

Shares and Performance Rights Granted

Group Key Management Personnel	Grant Details: Date	Grant Details: Number	Grant Details: Value $	For the Financial Year Ended 30 June 2015: Converted No.	For the Financial Year Ended 30 June 2015: Converted $	For the Financial Year Ended 30 June 2015: Vested No.	Overall: Fair Value Brought to Account %	Overall: Fair Value Not Yet Brought to Account %	Overall: Lapsed %
Performance Rights[a]									
Directors									
Warwick Grigor[b]	28/11/12	6,000,000	128,000	-	-	-	95.23	4.77	-
Neil Warburton[b]	27/02/13	6,000,000	74,000	-	-	-	92.19	7.81	-
John Simpson[b]	28/11/12	36,000,000	768,000	-	-	-	95.23	4.77	-
John Harrison[b]	02/12/14	6,000,000	3,900	-	-	-	28.85	71.15	-
Alfred Gillman	28/11/12	12,000,000	256,000	-	-	-	95.23	4.77	-
Executives									
Glenn Black	28/11/12	12,000,000	256,000	-	-	-	95.23	4.77	-
David Coyne	21/06/13	12,000,000	80,000	-	-	-	76.46	23.54	-
Ralph Knode	28/11/12	12,000,000	256,000	-	-	-	95.23	4.77	-
Jonathan Whyte	28/11/12	9,000,000	192,000	-	-	-	95.23	4.77	-
Total		**111,000,000**	**2,013,900**	**-**	**-**	**-**	**94.24**	**5.76**	**-**
Ordinary Shares[c]									
Directors									
Neil Warburton	1/12/14	1,419,282	27,000	N/A	N/A	1,419,282	100.00	-	-
Executives[d]									
David Coyne	12/06/15	7,407,407	192,593	N/A	N/A	7,407,407	100.00	-	-
Ralph Knode	12/06/15	6,407,407	166,593	N/A	N/A	6,407,407	100.00	-	-
Jonathan Whyte	12/06/15	5,555,556	144,444	N/A	N/A	5,555,556	100.00	-	-
Total		**20,789,652**	**530,630**	**N/A**	**N/A**	**20,789,652**	**100.00**	**-**	**-**

a) *On various dates since 28 November 2012, 132,000,000 Class D, E and F Performance Rights were issued to Key Management Personnel (see Note 21 to the financial statements for valuation details). The Performance Rights are convertible into ordinary shares upon the satisfaction of various criteria which are set out in the Notice of Meeting released to the ASX on 27 October 2011. The fair value of the Performance Rights is determined on the grant date and is being brought to account over their vesting periods. Class D Performance Rights shall vest and convert to shares when the price of the Company's shares as traded on the ASX is at least 8 cents or more for 30 consecutive trading days and expire on 13 October 2015. Class E Performance Rights shall vest and convert to shares when the price of the Company's shares as traded on the ASX is at least 12 cents or more for 30 consecutive trading days and expire on 13 October 2015. Class F Performance Rights shall vest and convert to shares when the price of the Company's shares as traded on the ASX is at least 16 cents or more for 30 consecutive trading days and expire on 13 October 2016.*

b) *On 4 August 2015, all Performance Rights held by Mr Simpson, Mr Grigor, Mr Warburton and Mr Harrison were cancelled resulting in each individual holding nil Performance Rights as of this date.*

c) *On 28 August 2013 the Company announced that directors and senior executives had adopted a Salary Sacrifice Program. Under the terms of the program a proportion of directors' fees and senior executive remuneration were paid as equity; Peninsula fully paid ordinary shares.*

d) *On 12 June 2015, the Board approved the issue of shares to certain employees of the Company, including members of Key Management Personnel. The share issue was made to recognise contributions of certain employees toward the achievement of the major Company milestones of completion of permitting at the Lance Projects and securing funding for Stage 1 of the Lance Projects. Shares to employees were subsequently issued on 17 July 2015. On the same date that the shares were issued, all Performance Rights held by those employees issued shares were cancelled. A total of 52,500,000 Performance Rights were cancelled on 17 July 2015.*

Number of Shares Held by Key Management Personnel 30 June 2015

	Balance at 1 July 2014	On-Market Trades[f]	Options Exercised	Net Change Other[a][b]	Balance at 30 June 2015
John Simpson	52,716,277	14,958,669	-	-	67,674,946
Alfred Gillman[c]	10,976,731	1,500,000	-	-	12,476,731
Warwick Grigor	10,622,899	4,528,638	-	(225,168)	14,926,369
Neil Warburton	225,168	1,011,337	-	1,419,282	2,655,787
John Harrison[d]	N/A	-	-	-	-
Evgenij Iorich[e]	N/A	-	-	-	-
Glenn Black	577,754	-	-	-	577,754
David Coyne	1,930,702	1,187,383	-	-	3,118,085
Ralph Knode	6,482,684	3,986,851	-	-	10,469,535
Jonathan Whyte	7,363,514	(4,000,000)	-	(291,530)	3,071,984
Total	**90,895,729**	**23,172,878**	**-**	**902,584**	**114,971,191**

a) *On 28 August 2013 the Company announced that directors and senior executives had adopted a Salary Sacrifice Program. Under the terms of the program a proportion of directors' fees and senior executive remuneration were paid as equity in lieu of cash; Peninsula fully paid ordinary shares.*

b) *Negative values shown in the column with the header "Net Change Other" are reconciliation adjustments made in the current year to reflect movements from prior years not accurately reflected in the tables of prior years.*

c) *On 1 September 2014, Mr Gillman's role changed from Executive Director to Non-Executive Director. Mr Gillman retired as Non-Executive Director effective 1 July 2015.*

d) *Mr Harrison was appointed effective 1 September 2014.*

e) *Mr Iorich was appointed effective 2 February 2015.*

f) *On 16 December 2014, the Company announced the details of its funding solution for Stage 1 of the Lance Projects which included an Accelerated Renounceable Entitlement Offer to shareholders. Amounts shown in the column headed "On-Market Trades" represent amounts subscribed for by directors and Key Management Personnel under the Retail component of the Entitlement Offer.*

Number of Options Held by Key Management Personnel 30 June 2015

	Balance at 1 July 2014	Granted as Remuneration	Options Exercised	Net Change Other[a]	Balance at 30 June 2015	Total Vested
John Simpson	7,003,101	-	-	7,479,335	14,482,436	14,482,436
Alfred Gillman	875,000	-	-	750,000	1,625,000	1,625,000
Warwick Grigor	11,462,060	-	-	1,837,047	13,299,047	13,299,047
Neil Warburton	-	-	-	505,669	505,669	505,669
John Harrison	N/A	-	-	-	-	-
Evgenij Iorich	N/A	-	-	-	-	-
Glenn Black	-	-	-	-	-	-
David Coyne	-	-	-	593,692	593,692	593,692
Ralph Knode	-	-	-	1,993,426	1,993,426	1,993,426
Jonathan Whyte	-	-	-	-	-	-
Total	**19,340,161**	**-**	**-**	**13,159,169**	**32,499,330**	**32,499,330**

a) *On 16 December 2014, the Company announced the details of its funding solution for Stage 1 of the Lance Projects which included an Accelerated Renounceable Entitlement Offer to shareholders. For each fully paid share subscribed for under the Entitlement Offer, 0.5 free attaching listed PENOD options were issued. Amounts shown in the column headed "On-Market Trades" represent the listed PENOD options attached to fully paid ordinary shares subscribed for by directors and Key Management Personnel under the Retail component of the Entitlement Offer.*

Number of Performance Rights Held by Key Management Personnel 30 June 2015

	Balance at 1 July 2014	Granted as Remuneration	Vested	Converted	Lapsed	Balance at 30 June 2015
John Simpson	36,000,000	-	-	-	-	36,000,000
Alfred Gillman	12,000,000	-	-	-	-	12,000,000
Warwick Grigor	6,000,000	-	-	-	-	6,000,000
Neil Warburton	6,000,000	-	-	-	-	6,000,000
John Harrison	N/A	6,000,000	-	-	-	6,000,000
Evgenij Iorich	N/A	-	-	-	-	-
Glenn Black	12,000,000	-	-	-	-	12,000,000
David Coyne	12,000,000	-	-	-	-	12,000,000
Ralph Knode	12,000,000	-	-	-	-	12,000,000
Jonathan Whyte	9,000,000	-	-	-	-	9,000,000
Total	**105,000,000**	**6,000,000**	**-**	**-**	**-**	**111,000,000**

Performance Rights - Valuations and Assumptions

Tranche 1	Class D	Class E	Class F
Number issued	48,000,000	48,100,000	48,200,000
Effective grant date	28 Nov 2012	28 Nov 2012	28 Nov 2012
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	85%	85%	85%
Risk-free interest rate	2.72%	2.63%	2.63%
Exercise price	Nil	Nil	Nil
Expected life (years)	1.87	2.87	3.87
Share price on effective date of grant	$0.041	$0.041	$0.041
Fair value on effective date of grant	$0.021	$0.021	$0.022

Tranche 2	Class D	Class E	Class F
Number issued	2,000,000	2,000,000	2,000,000
Effective grant date	27 Feb 2013	27 Feb 2013	27 Feb 2013
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	80%	80%	80%
Risk-free interest rate	2.63%	2.70%	2.74%
Exercise price	Nil	Nil	Nil
Expected life (years)	1.62	2.62	3.62
Share price on effective date of grant	$0.032	$0.032	$0.032
Fair value on effective date of grant	$0.012	$0.012	$0.013

Tranche 3	Class D	Class E	Class F
Number issued	4,900,000	4,900,000	4,900,000
Effective grant date	29 May 2013	29 May 2013	29 May 2013
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	80%	80%	80%
Risk-free interest rate	2.56%	2.59%	2.67%
Exercise price	Nil	Nil	Nil
Expected life (years)	1.38	2.38	3.38
Share price on effective date of grant	$0.024	$0.024	$0.024
Fair value on effective date of grant	$0.005	$0.006	$0.008

Tranche 4	Class D	Class E	Class F
Number issued	4,000,000	4,000,000	4,000,000
Effective grant date	21 Jun 2013	21 Jun 2013	21 Jun 2013
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	80%	80%	80%
Risk-free interest rate	2.55%	2.70%	2.83%
Exercise price	Nil	Nil	Nil
Expected life (years)	1.31	2.31	3.31
Share price on effective date of grant	$0.025	$0.025	$0.025
Fair value on effective date of grant	$0.005	$0.007	$0.008

Tranche 5	Class D	Class E	Class F
Number issued	-	3,000,000	3,000,000
Effective grant date	-	28 Nov 2014	28 Nov 2014
Dividend yield	-	0.00%	0.00%
Expected volatility	-	70%	70%
Risk-free interest rate	-	2.48%	2.41%
Exercise price	-	Nil	Nil
Expected life (years)	-	0.87	1.88
Share price on effective date of grant	-	$0.021	$0.021
Fair value on effective date of grant	-	$0.0002	$0.0011

All Performance Rights granted to key management personnel are convertible into ordinary shares in Peninsula Energy Limited upon the achievement of performance hurdles, which confer a right of one ordinary share for every Performance Right held. Class D Performance Rights shall vest and convert to shares when the price of the Company's shares as traded on the ASX is at least 8 cents or more for 30 consecutive trading days and expire on 13 October 2015. Class E Performance Rights shall vest and convert to shares when the price of the Company's shares as traded on the ASX is at least 12 cents or more for 30 consecutive trading days and expire on 13 October 2015. Class F Performance Rights shall vest and convert to shares when the price of the Company's shares as traded on the ASX is at least 16 cents or more for 30 consecutive trading days and expire on 13 October 2016.

All equity transactions with specified directors and specified executives have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arm's length.

One-Off Bonus Equity Issue

In June 2015, the Board approved the issue of bonus shares to key executives and employees and were subsequently issued in July 2015 (with the exception of shares to be issued to the Managing Director that are subject to approval by shareholders prior to issue). Concurrent with the issue of the shares, unvested Performance Rights held by recipients of the shares were cancelled in full.

The issue of bonus shares to key executives and employees followed the recent achievement of a number of major milestones by the Company. Major milestones achieved by the Company included the completion of permitting for the Lance Projects and successfully raising the funding required to construct Stage 1 of the Lance Projects. The successful fund raising was completed at a time of significant volatility and uncertainty in global financial markets.

Voting at Last Annual General Meeting

At the last AGM, shareholders indicated their support of the Company's remuneration practices with 87% of the votes cast being in favour of the adoption of the Remuneration Report.

End of Audited Remuneration Report

SUMMARY OF NEW APPROACH TO REMUNERATION EFFECTIVE 1 JULY 2015

In April 2015, the Remuneration Committee undertook a comprehensive review of remuneration practices and commissioned a benchmarking exercise of the Company's remuneration framework by external advisors. This review resulted in significant changes to the Company's remuneration framework, with the new remuneration structure taking effect from 1 July 2015.

The key outcomes of the review were:

- developing an overarching remuneration framework to formalise reward structures and to establish a framework to guide remuneration practices going forward;
- benchmarking Executive Director, Executive Officer and Non-Executive Director remuneration and consideration of typical market practice of global uranium peer companies to determine the competitiveness of current remuneration arrangements and to identify areas for change;
- design of a new short-term incentive (STI) plan to drive the collective efforts of the workforce in realising the short-term business strategy; and
- design of a new equity-based long-term incentive (LTI) plan for executives to encourage long-term sustainable performance.

The objective of the Company's executive reward structure is to ensure reward for performance is competitive and appropriate for the results delivered. The structure aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and reflects current market practice for delivery of reward. The Board aims to ensure that executive reward practices are aligned with good reward governance practices to ensure that executive remuneration is:

- competitive and reasonable, enabling the Company to attract and retain key talent;
- aligned to the Group's strategic and business objectives, and the creation of shareholder value;
- transparent; and
- aligns shareholder and executive interests.

This will ensure that the remuneration framework best supports the strategic direction of the business and while recognising that Peninsula will be making the transition to a producing mining company as the Lance Projects commence production in the 2016 financial year.

Due to this transition to a producing mining company, it was felt appropriate to appoint an external advisor in April 2015, to provide benchmarking services in respect to the remuneration of executives and non-executives for the 2016 financial year and beyond.

Pursuant to this review and other market related data, in June 2015 the Board approved new STI and LTI plans to take effect from 1 July 2015.

Fixed remuneration (base salary inclusive of statutory superannuation)

In April 2015, benchmarking of executives' fixed remuneration was conducted against a custom peer group of global uranium companies to ensure remuneration levels set meet the objectives of the Company and are aligned to broader market trends within the global uranium mining industry for comparable roles.

The Company positioned its fixed remuneration between the 50th and 75th percentile of its peer group. Following this review, and the implementation of the new STI and LTI plans, the fixed remuneration for one executive was increased by 5% and the fixed remuneration for the remainder of the executives remained unchanged (excluding the Managing Director / Chief Executive Officer).

On 1 July 2015, the Company appointed Mr Richard Lockwood as Non-Executive Chairman of the Board. With effect on the same date, Mr Simpson relinquished the role of Executive Chairman of the Company and has taken on the expanded role of Managing

Director / Chief Executive Officer of the Company and Executive Chairman of Peninsula Uranium Ltd (the sales and marketing arm of the Company). Following this change, fixed remuneration for Mr Simpson was decreased to $600,000 per annum, a decrease of 20% on his previous fixed remuneration.

Short-term incentives

Purpose

To align with market practices of peer uranium companies and to provide a competitive total remuneration package, the Board introduced a more comprehensive STI Plan to motivate and reward executives for the achievement of key strategic goals that have been set for the 2016 financial year. A small number of employees were eligible for an annual bonus in accordance with their employment agreements, and the new STI plan replaces these legacy provisions from 1 July 2015. The quantum offered under the new STI plan is expressed as a set percentage of base salary, with executives' performance assessed against metrics contained within a weighted scorecard over a 12-month period.

Grant Date	Managing Director	Other Key Management Personnel
STI Target as a % of base salary[1]	50%	20%-40%
KPI alignment	100% aligned to corporate goals	90% aligned to corporate goals 10% aligned to personal performance

Notes:
(1) STI percentage for other Key Management Personnel range from 20% to 40%, depending on an individual's role and level of seniority in the Company.

Annual Corporate Goals

The STI plan provides rewards where significant outperformance is achieved with any payouts earned being made in cash and capped to avoid excessive risk-taking behaviour. The metrics are specific, measurable and applicable to the key business outcomes required per the annual business plan of the Company. The payments will be made subsequent to the approval of the financial statements by the Board following the financial year end to ensure that any changes in financial or operational information are notified to the Remuneration Committee prior to the cash payment.

Corporate Gateway

A primary corporate gateway is also applied so that the STI would be reduced to nil in all cases if the corporate gateway is not achieved. The corporate gateway for the year ended 30 June 2016 is the commencement of uranium production at the Lance Projects by no later than 31 December 2015. Prior to the commencement of each subsequent financial year, the Board will determine the appropriate corporate gateway for that year. The assessment of whether the corporate gateway and the annual corporate goals have been met will be assessed formally by the Remuneration Committee each year.

Once the corporate gateway is achieved, the STI is measured based on a mix of corporate and personal goals for each executive.

Corporate Goals

Metrics within the weighted scorecard are cascaded from the organisational strategy and fall within the following key strategic imperatives for 2016.

2016 Strategic Goals	Performance Measure	Weighting (varies for each Executive)
Corporate responsibility goals which incorporates achieving metrics under people, health, safety, environment and corporate responsibility	Leading and lagging measures for safety and environmental performance and community engagement	20-30%
Project Development and Operations	Cost and schedule targets for the Lance Projects and Karoo Projects	20-50%
Capital management and financial strength	Company is adequately funded to achieve its objectives	20-30%
Clients and markets	Targets for the signing of new uranium concentrate sale and purchase agreements	20-30%

Personal Goals

Personal goals will be measured by individual performance against a balanced scorecard applicable to the executive business unit or area of responsibility. The balanced scorecard for each individual is agreed with their immediate supervisor at the commencement of the financial year. Performance against the goals will be assessed at the completion of the financial year.

Final performance ratings for all Key Management Personnel will be presented to and reviewed by the Remuneration Committee prior to the finalisation of the STI payment for any financial year.

Long-term incentives

In June 2015, the Board introduced a more structured approach to the delivery of equity to executives. The Board utilised the services of an external advisor to assist in setting the value of annual LTI available to executives and in the selection of the form of equity instrument to be used.

The LTI grants will be made to senior and executive employees (Eligible Participants) annually with vesting conditions to apply which will align executives' interests with those of shareholders and the generation of long-term sustainable value.

The value of grants made under the plan are made with reference to a set percentage of base salary, with the ability to earn an LTI grant assessed against a pre-determined Company performance gateway for that year. Once an LTI grant has been made to an Eligible Recipient, the grant shall vest in equal tranches over the next three financial years following the date of grant. The Eligible Recipient must still be employed by the Company on a vesting date to be entitled to receive the vested LTI.

Through the requirement for the Eligible Participant to remain employed with the Company as a condition of annual vesting of previously earned LTI amounts, the Board views this mechanism as an attractive means of incentivising long term retention of key personnel and aligning long term executive performance with shareholder interests.

The Company has chosen Restricted Share Units (RSU) as the form of LTI and has established a new LTI plan (Plan) for this purpose. A 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 Participants RSUs have vested and they have acquired Shares, a 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.

Key terms of the new LTI structure are:

	Managing Director / CEO	Other Key Management Personnel
LTI Target as a % of base salary[1]	70%	30%-50%
Performance Hurdle financial year 2016 (Series 1)	Targeted cash cost of production per pound U_3O_8 at Lance Projects between 1 January 2016 and 30 June 2016	Targeted cash cost of production per pound U_3O_8 at Lance Projects between 1 January 2016 and 30 June 2016
Performance Hurdle financial year 2017 (Series 2)	To be set by the Board on or before 1 July 2016	To be set by the Board on or before 1 July 2016
Performance Hurdle financial year 2018 (Series 3)	To be set by the Board on or before 1 July 2017	To be set by the Board on or before 1 July 2017
Vesting period	Equal tranches over the three years following the date of award of each RSU series	Equal tranches over the three years following the date of award of each RSU series

Notes:

(1) LTI percentage for other Key Management Personnel range from 30% to 50%, depending on an individual's role and level of seniority in the Company.

On the basis that an Eligible Participant remains employed by Peninsula as at the relevant dates below, an RSU Amount will be earned at the end of each year with a third vested over each of the following three years. A Participant will become entitled to be issued with or transferred the corresponding RSUs as they are earned as shown in the following tabular example (which presumes that the relevant performance hurdle for the award of RSUs is achieved each year):

1 July 2015	1 July 2016	1 July 2017	1 July 2018	1 July 2019
Performance hurdle set for FY2016 Series 1	Grant RSU Amount 1 Performance hurdle set for FY2017 Series 2	Vest 1/3 of RSU Amount 1 Grant RSU Amount 2 Performance hurdle set for FY2018 Series 3	Vest 1/3 of RSU Amount 1 Vest 1/3 of RSU Amount 2 Grant RSU Amount 3	Vest 1/3 of RSU Amount 1 Vest 1/3 of RSU Amount 2 Vest 1/3 of RSU Amount 3

The number of annual RSUs to be awarded to an Eligible Participant will be calculated by dividing the Eligible Participant's RSU Amount by the volume weighted average price of ordinary shares of Peninsula over the period 30 business days prior to the end of the respective financial year ending 30 June, as follows:

$$\frac{\text{Base salary x LTI percentage (applicable to role)}}{\text{30 day VWAP as at 30 June}}$$

Review of the Company's approach to Non-Executive Director remuneration

In May 2015, benchmarking of Non-Executive Directors' fees was conducted by an external advisor using the same custom peer group used to benchmark executives' remuneration. The Board have used this benchmarking report to determine the level of Non-Executive Directors' fees from 1 July 2015.

During the year, the Board has made a number of appointments to the Board in order to bring the composition of the Board in line with both ASX corporate governance principles and the operational requirements of the Group. In order to attract and retain the appropriate calibre of candidates to act as Non-Executive Directors, the Company offered a once off issue of unlisted Company Options as part of the Non-Executive Directors' remuneration package. Issue of these Options is subject to approval by shareholders.

Concurrent with the issue of Options, unvested Performance Rights held by recipients of the Options have been cancelled in full.

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

John Simpson (Managing Director / CEO)
Dated this 18th day of September 2015

Peninsula Energy Limited
FINANCIAL STATEMENTS

AUDITOR'S INDEPENDENCE DECLARATION

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DECLARATION OF INDEPENDENCE BY WAYNE BASFORD TO THE DIRECTORS OF PENINSULA ENERGY LIMITED

As lead auditor of Peninsula Energy Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Peninsula Energy Limited and the entities it controlled during the period.

Wayne Basford

Director

BDO Audit (WA) Pty Ltd

Perth, 18 September 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2015

	Notes	2015 $	2014 $ (Restated)
Continuing operations			
Revenue	2	232,844	183,900
Revenue		**232,844**	**183,900**
Employee benefits expense		(2,327,746)	(2,998,975)
General and administrative expenses		(1,493,140)	(1,461,082)
Professional fees		(921,806)	(527,011)
Finance costs		(780,863)	-
Share-based payments expense	21	(1,482,771)	(1,691,955)
Interest expense		(49)	(19,108)
Depreciation expense	9	(243,264)	(214,097)
Sale of fixed assets gain/(loss)		(12,265)	329,418
Foreign exchange gain/(loss)		1,731,067	(48,107)
Capitalised costs written off		(47,222)	-
Impairment expense		-	(71,309)
Loss before tax from continuing operations	3	**(5,345,215)**	**(6,518,326)**
Income tax expense	4	-	-
Loss for the year from continuing operations		**(5,345,215)**	**(6,518,326)**
Other comprehensive income/(loss):			
Other comprehensive income may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		19,862,505	(3,111,180)
Total comprehensive income/(loss) for the year		**14,517,290**	**(9,629,506)**
Loss from continuing operations attributable to:			
Equity holders of the Parent		(5,345,215)	(6,518,326)
Non-controlling interests		-	-
		(5,345,215)	**(6,518,326)**
Total comprehensive income attributable to:			
Equity holders of the Parent		14,413,588	(9,629,506)
Non-controlling interests		103,702	-
		14,517,290	**(9,629,506)**
Loss per share attributable to the members of Peninsula Energy Limited:			
Basic loss per share (cents per share)	22	(0.11)	(0.21)
Diluted loss per share (cents per share)	22	(0.11)	(0.21)

The above consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with accompanying notes. See Note 1(ab) for restatement as a result of correction of error.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Notes	2015 $	2014 $ (Restated)	2013 $ (Restated)
CURRENT ASSETS				
Cash and cash equivalents	5	32,644,734	7,027,753	5,184,760
Restricted cash and cash equivalents	5	-	10,123,626	24,054,580
Trade and other receivables	6	3,752,133	3,356,330	6,773,259
TOTAL CURRENT ASSETS		36,396,867	20,507,709	36,012,599
NON-CURRENT ASSETS				
Property, plant and equipment	9	17,169,113	11,443,355	5,123,389
Mineral exploration and evaluation	10	11,808,698	9,820,327	9,003,616
Mineral development	11	119,867,014	79,519,800	66,306,927
Other financial assets	7	3,806	1,088	3,263
Trade and other receivables		-	-	948,494
TOTAL NON-CURRENT ASSETS		148,848,631	100,784,570	81,385,689
TOTAL ASSETS		185,245,498	121,292,279	117,398,288
CURRENT LIABILITIES				
Trade and other payables	13	3,703,926	838,601	1,294,520
Borrowings	14	266,104	23,394,433	24,959,952
Provisions	15	65,745	34,705	18,847
TOTAL CURRENT LIABILITIES		4,035,775	24,267,739	26,273,319
NON-CURRENT LIABILITIES				
Borrowings	14	1,174,650	1,038,361	676,335
Provisions	15	983,965	266,326	-
TOTAL NON-CURRENT LIABILITIES		2,158,615	1,304,687	676,335
TOTAL LIABILITIES		6,194,390	25,572,426	26,949,654
NET ASSETS		**179,051,108**	**95,719,853**	**90,448,634**
EQUITY				
Issued capital	16	205,653,218	138,326,267	126,749,105
Reserves	17	29,768,805	8,688,307	10,126,412
Accumulated losses		(58,125,104)	(52,945,208)	(46,426,883)
Equity attributable to equity holders of the Parent		177,296,919	94,069,366	90,448,634
Non-controlling interest	8	1,754,189	1,650,487	-
TOTAL EQUITY		**179,051,108**	**95,719,853**	**90,448,634**

The above consolidated Statement of Financial Position should be read in conjunction with the accompanying notes. See Note 1(ab) for restatement as a result of change in accounting judgement and correction of error.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

	Notes	Issued Capital $	Accumulated Losses $	Share Based Payments Reserve $	Foreign Currency Translation Reserve $	Total $	Non-controlling interest $	Total Equity $
30 June 2013		**126,749,105**	**(46,082,071)**	**9,849,297**	**121,066**	**90,637,397**	**-**	**90,637,397**
Restatement on change of accounting judgement and correction of error – Note 1(ab)		-	(344,812)	-	156,049	(188,763)	-	(188,763)
30 June 2013 - Restated		**126,749,105**	**(46,426,883)**	**9,849,297**	**277,115**	**90,448,634**	**-**	**90,448,634**
Transactions With Owners								
Shares issued during the year	16(b)	11,493,172	-	-	-	11,493,172	-	11,493,172
Share-based payment expense	21	236,879	-	1,455,076	-	1,691,955	-	1,691,955
Salary Sacrifice Program shares	16(b)	133,215	-	18,000	-	151,215	-	151,215
Issue of shares under debt facility agreement	16(b)	296,500	-	-	-	296,500	-	296,500
Issue of options under equity facility agreement	16(b)	(160,000)	-	160,000	-	-	-	-
Acquisition of AREVA Projects		-	-	-	-	-	1,650,487	1,650,487
Transaction costs	16(b)	(422,604)	-	40,000	-	(382,604)	-	(382,604)
Total Transactions With Owners		11,577,162	-	1,673,076	-	13,250,238	1,650,487	14,900,725
Comprehensive Income								
Loss for the year reported in the 2014 financial statements		-	(6,814,826)	-	-	(6,814,826)	-	(6,814,826)
Restatement on correction of error – Note 1(ab)		-	296,500	-	-	296,500	-	296,500
Restated loss for the year		-	(6,518,326)	-	-	(6,518,326)	-	(6,518,326)
Foreign exchange translation reserve		-	-	-	(3,111,180)	(3,111,180)	-	(3,111,180)
Total Comprehensive Income/(loss)		**-**	**(6,518,326)**	**-**	**(3,111,180)**	**(9,629,506)**	**-**	**(9,629,506)**
30 June 2014 - Restated		**138,326,267**	**(52,945,208)**	**11,522,373**	**(2,834,066)**	**94,069,366**	**1,650,487**	**95,719,853**
Transactions With Owners								
Shares issued during the year	16(b)	69,333,241	-	-	-	69,333,241	-	69,333,241
Share-based payment expense	21	101,645	-	1,381,126	-	1,482,771	-	1,482,771
Salary Sacrifice Program shares	16(b)	27,000	-	(3,000)	-	24,000	-	24,000
Options exercised		36	-	-	-	36	-	36
Issue of shares under debt facility agreement	16(b)	192,000	-	-	-	192,000	-	192,000
Issue of options under equity facility agreement	16(b)	(108,889)	-	108,889	-	-	-	-
Transaction costs	16(b)	(2,218,082)	-	-	-	(2,218,082)	-	(2,218,082)
Total Transactions With Owners		67,326,951	-	1,487,015	-	68,813,966	-	68,813,966
Comprehensive Income								
Foreign exchange translation reserve		-	-	-	19,862,504	19,862,504	-	19,862,504
Non-controlling interest		-	-	-	(103,702)	(103,702)	103,702	-
Foreign translation reclassification		-	165,319	-	(165,319)	-	-	-
Loss for the year		-	(5,345,215)	-	-	(5,345,215)	-	(5,345,215)
Total Comprehensive Income		**-**	**(5,179,896)**	**-**	**19,593,483**	**14,413,587**	**103,702**	**14,517,289**
Balance at 30 June 2015		**205,653,218**	**(58,125,104)**	**13,009,388**	**16,759,417**	**177,296,919**	**1,754,189**	**179,051,108**

The above consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes. See Note 1(ab) for restatement as a result of change in accounting judgement and correction of error.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

	Notes	2015 $	2014 $ (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(4,677,841)	(4,992,159)
Facility fees paid		(389,090)	-
Interest paid		(49)	(19,108)
Interest received		184,844	111,900
Net cash (used in) operating activities	30	(4,882,136)	(4,899,367)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for mineral exploration and evaluation		(1,408,081)	(1,460,983)
Payments for mineral development		(13,134,222)	(11,891,150)
Payments for interest on capitalised borrowings costs		(1,281,418)	(2,593,409)
Proceeds from(/payments for) mineral exploration performance bonds and rental bonds		(230,500)	960,363
Proceeds from sale of property, plant & equipment		-	2,634,461
Purchase of property, plant & equipment		(5,981,286)	(2,164,112)
Cash acquired on acquisition of ARSA Projects		-	6,160
Net cash (used in) investing activities		(22,035,507)	(14,508,670)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	16	69,333,241	7,000,000
Equity raising transaction costs		(2,218,082)	(382,604)
Proceeds from application to exercise options		36	-
Repayment of borrowings		(19,142,012)	-
Return of unused restricted cash held in escrow		(8,636,432)	-
Net cash provided by financing activities		39,336,751	6,617,396
Net increase/(decrease) in cash held		12,419,108	(12,790,641)
Cash and cash equivalents at the beginning of financial year	*	17,151,379	29,239,340
Effects of exchange rate fluctuations on cash held		3,074,247	702,680
Cash and cash equivalents at the end of financial year	5*	**32,644,734**	**17,151,379**

* Included within the consolidated Statement of Cash Flows is restricted cash with an opening balance of $10,123,626 (2014: $24,054,580) and a closing balance of nil (2014: $10,123,626). Please refer to Note 5.

The above consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes. See Note 1 (ab) for restatement as a result of change in accounting judgement and correction of error.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of Peninsula Energy Limited and controlled entities (consolidated group).

Basis of Preparation

The consolidated general purpose financial statements of the consolidated group have been prepared in accordance with the requirements of the *Corporations Act 2001*, International Accounting Standards and other authoritative pronouncements of the International Accounting Standards Board (IASB). These financial statements also comply with Australian Accounting Standards and Interpretations as issued by the Australian Accounting Standards Board (AASB). Compliance with International Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the IASB. Peninsula Energy Limited is a for-profit entity for the purpose of preparing financial statements.

International Accounting Standards set out accounting policies that the IASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and going concern basis, and is based on historical costs, modified, where applicable, by the measurement of fair value of selected non-current assets, financial assets and financial liabilities.

The consolidated financial statements were approved for issue by the board of directors on 18 September 2015.

(a) New and Amended Standards Adopted for the First Time by the Consolidated Group

The consolidated group has applied the following standards and amendments for the first time in this reporting period commencing 1 July 2014:

- *AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities*
- *Interpretation 21: Levies*
- *AASB 2013-3: Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*
- *AASB 2013-4: Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting*
- *AASB 2013-5: Amendments to Australian Accounting Standards – Investment Entities*

The adoption of these standards and amendments did not have any impact on the current period or any prior period and are not likely to affect future periods.

(b) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Peninsula Energy Limited at the end of the reporting period. A controlled entity is any entity over which Peninsula Energy Limited has the power to govern the financial and operating policies of, so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights is considered.

Where controlled entities have entered or left the consolidated group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 8 of the Notes to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Business combinations by the group are accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

(c) Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit and loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their cost.

Plant and Equipment

Plant and equipment are measured on a cost basis.

The carrying amount of plant and equipment is reviewed to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit and loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Buildings	20 years
Plant and Equipment	3-20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit and loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(e) Mineral Exploration and Evaluation

Mineral exploration and evaluation costs incurred are accumulated in respect of each identifiable area of interest. These costs are only carried forward where rights to the area of interest are current and to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable resources or reserves.

Once technical feasibility and commercial viability of the extraction of mineral resources in an area of interest is demonstrable, exploration and evaluation assets attributed to that area of interest are first tested for impairment and then reclassified from exploration and evaluation to development assets.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Notwithstanding the fact that a decision not to abandon an area of interest has been made, based on the above, the exploration and evaluation assets in relation to an area may still be impaired or written off if it is considered appropriate to do so.

(f) Mineral Development

Once a mining project has been established as commercially viable and technically feasible, expenditure other than that on land, buildings, plant and equipment is capitalised as a development asset. Development assets includes previously capitalised exploration and evaluation costs, pre-production development costs, development studies and other subsurface expenditure pertaining to that area of interest. Costs related to surface plant and equipment and any associated land and buildings are accounted for as property, plant, and equipment.

All costs associated with Strata's activities in Wyoming, USA, are currently being capitalised as pre-production development costs, except where these costs relate to the purchase or construction of property, plant and equipment.

Development assets are assessed for impairment if facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, development assets are allocated to the cash-generating units to which development activity relates. The cash generating unit shall not be larger than the area of interest.

(g) Decommissioning and Restoration

Decommissioning and restoration costs are a normal consequence of mining, and the majority of this expenditure is incurred at the end of the mine's life. In determining an appropriate level of provision, consideration is given to the expected future costs to be incurred, the timing of these expected future costs (largely dependent on the life of the mine), and the estimated future level of inflation.

The ultimate cost of decommissioning and restoration is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other mine sites. The expected timing of expenditure can also change, for example, in response to changes in resources or to production rates.

Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

(h) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(i) Financial Instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the consolidated group commits itself to either the purchase or sale of the asset (i.e., trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through the profit or loss', in which case transaction costs are expensed to profit and loss immediately.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value or amortised cost using the effective interest rate method. Mortgages and finance leases are measured at amortised cost and all other financial instruments are measured at fair value. *Fair Value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised Cost is calculated as:

a) the amount at which the financial asset or financial liability is measured at initial recognition;
b) less principal repayments;
c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
d) less any reduction for impairment.

The consolidated group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) *Loans and receivables*
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost or fair value. Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

(ii) *Available-for-sale financial assets*
Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. Available-for-sale financial assets include non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets.)

(iii) *Financial liabilities*
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost or fair value.

(iv) *Fair value*
Fair value for financial assets is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Fair value for financial liabilities is determined by reference to comparable arm's length transactions or by reference to factors that would apply on an arm's length transaction. In determining fair value, the projected cash flow stream of the financial liability is escalated to a future date using the interest rate applicable to the financial liability instrument. Future cash flows are discounted back to present value using a discount rate that reflects the expected rate of return and level of risk inherent within each financial liability instrument.

(v) *Impairment*
At each reporting date, the consolidated group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of profit and loss and other comprehensive income.

(vi) *Financial guarantees*

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

(vii) De-recognition

Financial assets are de-recognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are de-recognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(j) Impairment of Assets

At the end of each reporting period, the consolidated group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit and loss and other comprehensive income.

For mineral exploration and evaluation assets, at each reporting date the consolidated group considers whether or not sufficient data exists to indicate that it is likely that development of an area of interest will proceed, the extent of approved budgeted and planned exploration and evaluation expenditure on each area of interest and the value that could be achieved through sale of these assets in their current state.

For mineral development assets, the latest version of the life of mine financial model covering each cash-generating unit is the primary method used to determine the assets value. The life of mine financial model is supported by technical and economic studies applicable to each respective cash-generating unit.

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(k) Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The consolidated group's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the consolidated financial statements.

(l) Foreign Currency Transactions and Balances

Functional and Presentation Currency

The functional currency of each of the consolidated group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency. The functional currency of a material subsidiary, Strata Energy, Inc. is United States dollars. The functional currency of a material subsidiary, Tasman RSA Holdings (Pty) Ltd is South African rand.

Transaction and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the exchange rate on the last day of the reporting period. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit and loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge. The parent entity of the consolidated group provides the majority of funding to subsidiaries by way of US dollar denominated intercompany loans, thereby generating a net investment hedge where the gain or loss on consolidation is taken to other comprehensive income in the consolidated statement of profit and loss.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit and loss and other comprehensive income.

Group Companies

The financial results and position of foreign operations whose functional currency is different from the consolidated group's presentation currency are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the reporting period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in Other Comprehensive Income and included in the foreign currency translation reserve in the statement of financial position.

(m) Employee Benefits

Provision is made for the consolidated group's liability for employee benefits arising from services rendered by employees to the reporting date. Employee benefits that are expected to be settled within 12 months have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than 12 months have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Defined Superannuation Schemes

Australian employees receive a superannuation guarantee contribution required by the government, which is currently 9.50%, and do not receive any other retirement benefits. United States employees receive retirement contributions under a 401(k) plan established by Strata, which is currently 5.0% of ordinary earnings, and do not receive any other retirement benefits.

(n) Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(o) Earnings Per Share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(p) Share-Based Payments

The consolidated group operates equity-settled share-based payment employee share, performance rights, restricted share unit and option schemes. The fair value of the equity in which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares and restricted share units is ascertained as the market bid price at the time of issue. The fair value of performance rights is ascertained independently on the effective date of grant using a hybrid option pricing model, with the expected share price at the expiry date simulated using a Monte-Carlo model. The fair value of options is ascertained independently using a Black-Scholes pricing model which incorporates all market vesting conditions. The number of shares, restricted stock units and options expected to vest is reviewed and, where expectations relate to non-market performance conditions, adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(q) Provisions

Provisions are recognised when the consolidated group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(r) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(s) Revenue Recognition

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets, is the rate inherent in the instrument.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be measured reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of value added tax (VAT), goods and services tax (GST) or other similar taxes.

(t) Trade and Other Receivables

Trade receivables arising from management fee income are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment. Other receivables include restricted cash amounts and amounts placed on deposit as security for restoration and rehabilitation obligations.

(u) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the consolidated group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(v) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost or fair value. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(w) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use or sale.

(x) Value Added Taxes

Revenues, expenses and assets are recognised net of the amount of value added taxes, except where the amount of value added tax incurred is not recoverable from the relevant tax authority. In these circumstances the value added tax is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of value added tax.

Cash flows are presented in the cash flow statement on a gross basis, except for the value added tax component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of value added tax recoverable from, or payable to, a taxation authority.

(y) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the consolidated group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in the financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(z) Asset Acquisitions

On 18 December 2013, the Company completed the acquisition of the South African uranium assets held by AREVA and its subsidiary Uramin, Inc. The acquisition was completed by acquiring 74% of the issued shares in Lukisa JV Company (Pty) Ltd. The remaining 26% ownership of Lukisa JV Company (Pty) Ltd was, and continues to be, held by Black Economic Empowerment company Lukisa Invest 100 (Pty) Ltd.

Consideration for the acquisition comprised an initial payment of US$5.0 million and a future contingent payment of US$45.0 million that is subject to certain future events occurring. The initial consideration was paid to AREVA through the issue of fully paid ordinary shares in the Company. A total of 227,560,789 shares in the Company were issued to AREVA to satisfy the initial US$5.0 million payment.

As the acquisition of the 74% interest in Lukisa JV Company (Pty) Ltd is not deemed a business combination, the transaction must be accounted for as a share based payment for the net assets acquired.

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

(aa) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and from within the consolidated group.

(i) *Impairment*

The consolidated group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the consolidated group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate various key assumptions and estimations. Estimations are required of resource and development potential, future market prices, discount rate, exchange rates, rehabilitation, capital and production costs in order to assist in the judgement of the recoverable amount.

(ii) *Exploration and Evaluation*

The consolidated group capitalises expenditure relating to exploration and evaluation costs where they are considered to be likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of economically recoverable resources. Capitalisation of expenditure requires the consolidated group to make a judgement on the extent that expenditure on exploration and evaluation assets will likely be recovered in the future through mineral extraction or some other form of commercialisation of the exploration and evaluation stage assets.

The future recoverability of capitalised exploration and evaluation costs are dependent on a number of factors, including whether the consolidated group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

(iii) *Development*

Development activities commence after commercial viability and technical feasibility of a project is established. Judgement is applied in determining when a project is commercially viable and technically feasible. In exercising this judgement, management is required to make certain estimates and assumptions as to the future events.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable resources or reserves. For ISR operations where a reserve (by definition under the relevant JORC-Code), cannot be determined until a sufficient period of economic operations have occurred, the rate of depletion shall be based on economically recoverable resources. In determining economically recoverable resources, management makes certain estimates and assumptions as to future events, including the future price of uranium.

(iv) *Taxation*

Balances disclosed in the financial statements and the notes related to taxation, are based on the best estimates of directors and take into account the financial performance and position of the consolidated group as they pertain to current income tax legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets, when recognised, are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are only recognised to the extent that it is probable that there are future taxable profits available against which deductible temporary differences can be utilised.

(v) *Rehabilitation and Decommissioning Provision*

The ultimate cost of decommissioning and restoration is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other mine sites. The expected timing of expenditure can also change, for example in response to changes in resources or to production rates. Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

In recognising the amount of decommissioning and restoration obligation at each reporting date, judgement is made on the extent of decommissioning and restoration that the consolidated group is responsible for at each reporting date. For ISR operations, this requires an assessment to be made on not only physical above ground disturbances but also on below ground disturbances in mining zone aquifers that have occurred through the use of the ISR mining method.

(vi) *Share Based Payments to employees*

Share-based payment transactions, in the form of options, restricted share units and performance rights, are valued using the pricing models as outlined in Note 1(p). Models use assumptions and estimates as inputs.

(vii) *Control Over Subsidiaries*

In determining whether the consolidated group has control over subsidiaries that are not wholly owned, judgement is applied to assess the ability of the consolidated group to control the day to day activities of the partly owned subsidiary and its economic outcomes. In exercising this judgement, the commercial and legal relationships that the consolidated group has with other owners of partly owned subsidiaries are taken into consideration. Whilst the consolidated group is not able to control all activities of a partly owned subsidiary, the partly owned subsidiary is consolidated within the consolidated group where it is determined that the consolidated group controls the day to day activities and economic outcomes of a partly owned subsidiary. Changes in agreements with other owners of partly owned subsidiaries could result in a loss of control and subsequently de-consolidation.

Upon acquisition of partly owned subsidiaries by the consolidated group, judgement is exercised concerning the value of net assets acquired on the date of acquisition. Minority owner interest share of net assets acquired, and subsequent period movements in value thereof, are disclosed as outside equity interests.

On 18 December 2013, the Company acquired a 74% interest in Lukisa JV Company (Pty) Ltd. Under the terms of the shareholders' agreement in place with the holder of the 26% minority interest, the Company has judged that the Company has sufficient capability under the shareholders' agreement to control the day to day activities and economic outcomes of Lukisa JV Company (Pty) Ltd. Future changes to the shareholders' agreement may impact on the ability of the Company to control Lukisa JV Company (Pty) Ltd.

(viii) *Contingent Liabilities*

Amounts disclosed as contingent liabilities are judgements based on commercial arrangements entered into by the consolidated group. When making judgement on contingent liabilities, consideration is given the past or future event that gives rise to a possible liability in the future and to the probability that the liability will be actually required to be settled in the future. Under the terms of the agreement to acquire a 74% interest in Lukisa JV Company (Pty) Ltd, the Company may be liable in the future to make an additional payment of US$45 million to the vendor. After assessment of the conditions that would require this payment to be made in the future, the Company has judged that this possible future payment is a contingent liability as described in Note 27.

Change in circumstances or the future attainment of objectives may cause liabilities that are currently assessed as being contingent to be reclassified as financial liabilities.

(ix) *Fair Value of Financial Liabilities*

Balances disclosed in the financial statements and notes related to financial liabilities are shown at their amortised cost or fair value. When measuring fair value of financial liabilities owed by the consolidated group to minority owners of partly owned subsidiaries within the consolidated group, judgement is made on the future maturity date of the financial instruments and the discount rate applied to future cash flow streams to determine fair value at each reporting date. The discount rate takes into account a risk factor applicable to each such financial liability on each reporting date. At the time of completion of the acquisition of the 74% interest in the Lukisa JV Company (Pty) Ltd, the Company and the holder of the 26% minority interest each acquired from the vendor certain loans owing from the Lukisa JV Company (Pty) Ltd to the vendor. The Company has recognised the value of these loans at their fair value, the basis of which is described in more detail in Note 14(c).

The expected maturity date and discount factor applied at each reporting date may change as a result of changes in development, operations or future prospects of partly owned subsidiaries and uranium market conditions.

(x) *Treatment of Acquisitions*

On 18 December 2013, the Company completed the acquisition of 74% of the Lukisa JV Company (Pty) Ltd. Lukisa JV Company (Pty) Ltd holds uranium exploration and evaluation assets in South Africa. The Company has determined that the acquisition has taken the form of an asset acquisition and not a business combination. In making this decision, the Company determined that the nature of the exploration and evaluation activities by Lukisa JV Company (Pty) Ltd did not constitute an integrated set of activities and assets that are capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants.

Furthermore, the Company has judged that given the stage of development of the assets held by Lukisa JV Company (Pty) Ltd, the acquired set of assets and processes were not capable at the time of acquisition of producing the intended output, namely the production of uranium concentrate (U_3O_8) in a saleable form.

(ab) Correction of prior period errors

(i) *Correction of error – BlackRock funds held in escrow*

In December 2012, the company issued US$22 million of secured notes to funds managed by BlackRock Financial Management, Inc. The US$22 million was placed into an escrow account that the company was not able to access unless certain conditions precedent were met to the satisfaction of BlackRock. In December 2012, as part consideration for the issue of the notes, the company issued to BlackRock 90 million unlisted options. The 90 million unlisted options were independently valued at the time to be worth $2.160 million. The company expensed the value of these options as a share based payment in the consolidated statement of profit and loss and other comprehensive income for the year ending 30 June 2013.

At the reporting date of 30 June 2013, it was uncertain what amount, if any, of the amount held in escrow would be released to the company for its use. In the consolidated financial statements, the Company did not include the US$22 million (AU$24,054,580) sitting in escrow as a restricted cash asset, or recognise a corresponding financial liability of AU$22,154,952, net of transaction costs, as an amount owing to BlackRock.

At the reporting date of 30 June 2014, the company recognised amounts released from escrow of AU$13,183,174 as a liability, together with the redemption fee, as a current liability totalling AU$14,348,514, as part of total borrowings of AU$15,332,263.

In the current year, with a change in auditors and subsequent review of the accounting treatment of these transactions in 2013 and 2014, it was determined that the aforementioned treatment was not compliant with AASB 139 Financial Instruments: Recognition and Measurement. In accordance with AASB 139, the US$22 million has now been recognised in the balance sheet in December 2012 as restricted cash and a corresponding liability, and the $2.160 million options have been recognised as a transaction cost of entering into the facility, netted against the liability. Interest expense and professional fees associated with the facility have also been recognised as costs of the facility.

As at 30 June 2014, this resulted in an increase in restricted cash of AU$10,123,626 and corresponding increase in liability, net of transaction costs, of AU$8,857,900.

The error has been corrected by restating each of the affected financial statement items for the prior period as shown in the table below.

(ii) *Correction of error in accounting for control of an incorporated Joint Venture*

On 19 December 2013, the company announced that all conditions precedent had been met that enabled the completion of the acquisition of the South African uranium assets held by AREVA. The company acquired a 74% interest in Lukisa JV Company (Pty) Ltd (BEE partner Lukisa Invest 100 (Pty) Ltd continues to hold the remaining 26% interest), which in turn holds a 100% interest in subsidiary Beaufort West Minerals (Pty) Ltd.

At the date of acquisition, it was determined that the Company held joint control of Lukisa JV Company and recorded the acquisition as an equity investment under AASB 11 (Joint Ventures) and AASB 128 (Investments in Associates and Joint Ventures). Joint control was assessed on the basis that the BEE partner who held 26% interest in the Joint Venture had substantive rights which gave the BEE partner joint control.

During the preparation of the consolidated financial statements for the year ended 30 June 2015, with a change in auditor and subsequent review of the accounting treatment, it was determined that the BEE partner only had protective rights (which protect the rights of minority shareholders) and therefore it did not have joint control of the Lukisa JV Company. Therefore, on the basis that the company (via a subsidiary) is the appointed Manager and has the substantive rights which enables the company to direct the day to day operations, the Lukisa JV Company has been consolidated within the financial statements in accordance with AASB 10 Consolidated Financial Statements. A correction of error is required in order to reflect consolidation of the Lukisa JV Company from the date of acquisition in accordance with AASB 10.

The consideration transferred and the fair value of the net assets acquired were:

Consideration transferred	**$**
21,077,635 shares @ FV $0.045 on 19 December 2012	948,494
206,483,154 shares @ FV $0.022 on 19 December 2013	4,493,170
Total consideration	**5,441,664**

	Fair value acquired on acquisition 19 December 2013
Assets	**$**
Cash and cash equivalents	6,612
Receivables	298,191
Property, plant and equipment	7,164,517
Exploration and evaluation	388,810
	7,858,130
Liabilities	
Borrowings - Peninsula	(741,208)
Borrowings - Non-controlling interest	(260,425)
	(1,001,633)
Non-controlling interest	**(1,414,833)**
Total identifiable assets at fair value	**5,441,664**

The fair value of the non-controlling interest's share of the acquired property, plant and equipment and exploration and evaluation was determined as to its relative value to the consideration paid by Peninsula.

The fair value of the shareholder loans was performed using a discounted cash flow. Refer to Note 14(c) for further information on these loans.

The error has been corrected by restating each of the affected financial statement items for the prior period as shown in the table below.

(iii) *Impairment of Geopacific Joint Venture*

In preparing the financial statements for FY2015, discussions were held with the RakiRaki joint venture operator, Geopacific Resources Limited (Geopacific). Geopacific advised that the three exploration permit renewals were submitted to the relevant department in Fiji in 2012, but the renewals remain pending at this reporting date. Although it is likely that the permits will ultimately be renewed, there is no certainty that the joint venture will retain title to these exploration permits.

No substantive work has been carried out on the three permit areas for a number of years. The joint venture is currently a non-core asset for the Company.

Taking the above in consideration, and with a change in auditor in the current year, it was determined that the carrying value of the investment in the RakiRaki joint venture should be impaired to nil value and that the impairment should have occurred three to six months after the exploration permits renewals were submitted (but not yet granted). As such, an impairment event should have occurred in financial year ending June 2013.

The carrying value will be assessed at each reporting date and, if circumstances warrant, the impairment expense (or part thereof) shall be reversed.

The correction of error involves restating each of the affected financial statement for the prior period as shown in the table below.

The corrections for (i) BlackRock funds held in escrow; (ii) Accounting for control of an incorporated Joint Venture; and (iii) Impairment of Geopacific Joint Venture, involves restating the following balances:

	30-Jun-14 previous policy $	Increase / (decrease) $	30-Jun-14 restated $	30-Jun-13 previous policy $	Increase / (decrease) $	30-Jun-13 restated $
Consolidated balance sheet (extract)						
Cash and cash equivalents (ii)	7,021,593	6,160	7,027,753	-	-	-
Restricted cash (i)	-	10,123,626	10,123,626	-	24,054,580	24,054,580
Trade and other receivables (ii)	3,068,948	287,382	3,356,330	-	-	-
Investment – equity method (ii)	5,441,664	(5,441,664)	-	-	-	-
Property, plant & equipment (ii)	4,768,360	6,674,995	11,443,355	-	-	-
Development expenditure (i)	78,640,198	879,602	79,519,800	-	-	-
Exploration expenditure (ii)(iii)	11,914,110	(2,093,783)	9,820,327	11,092,007	(2,088,391)	9,003,616
Total assets (extract)	**110,854,873**	**10,436,318**	**121,291,191**	**11,092,007**	**21,966,189**	**33,058,196**
Trade and other payables (ii)	838,432	169	838,601	-	-	-
Borrowings (i)	15,332,263	8,857,900	24,190,163	2,805,000	22,154,952	24,959,952
Borrowings – Lukisa JV (ii)	-	242,631	242,631	-	-	-
Total liabilities (extract)	16,170,695	9,100,700	25,271,395	2,805,000	22,154,952	24,959,952
Net assets (extract)	**94,684,178**	**1,335,618**	**96,019,796**	**8,287,007**	**(188,763)**	**8,098,244**
Foreign exchange reserve (i)(ii)	(2,567,508)	(266,558)	(2,834,066)	121,066	156,049	277,115
Accumulated losses (i)(ii)(iii)	(52,896,897)	(48,311)	(52,945,208)	(46,082,071)	(344,812)	(46,426,883)
Non-controlling interest (ii)	-	1,650,487	1,650,487	-	-	-
Net equity (extract)	**(55,464,405)**	**1,335,618**	**(54,128,787)**	**(45,961,005)**	**(188,763)**	**(46,149,768)**
Total equity	**94,384,235**	**1,335,618**	**95,719,853**	**90,637,397**	**(188,763)**	**90,448,634**
Consolidated income statement (extract)						
Share-based payments – debt facility fees (i)	(296,500)	296,500	-	(2,160,000)	2,160,000	-
Interest expense (i)	-	-	-	(1,626,508)	(928,284)	(2,554,792)
Professional fees (i)	-	-	-	(2,043,019)	511,863	(1,531,156)
Impairment expense (iii)	-	-	-	(2,176)	(2,088,391)	(2,090,567)
Loss for the year (extract)	**(296,500)**	**296,500**	**-**	**(5,831,703)**	**(344,812)**	**(6,176,515)**
Total loss for the year	**(6,814,826)**	**296,500**	**(6,518,326)**	**(14,563,655)**	**(344,812)**	**(14,908,467)**
Total comprehensive loss	**(9,503,400)**	**(126,106)**	**(9,629,506)**	**(6,937,430)**	**(188,763)**	**(7,126,193)**

	30-Jun-14 previous policy $	Increase / (decrease) $	30-Jun-14 restated $	30-Jun-13 previous policy $	Increase / (decrease) $	30-Jun-13 restated $
Consolidated statement of cash flows (extract)						
Payments for development (i)	12,403,646	948,487	13,352,133	-	-	-
Cash acquired on acquisition of AREVA Projects (ii)	-	6,160	6,160	-	-	-
Net cash outflow investing activities (extract)	**12,403,646**	**954,647**	**13,358,293**	**-**	**-**	**-**
Proceeds from borrowings (i)	13,819,888	(13,819,888)	-	-	24,054,580	24,054,580
Net cash inflow financing activities (extract)	13,819,888	(13,819,888)	-	**-**	**24,054,580**	**24,054,580**
Net increase/(decrease) in cash held	1,971,531	(14,762,172)	(12,790,641)	-	-	-
Cash & cash equivalents at the beginning of financial year (i)	5,184,760	24,054,580	29,239,340	-	-	-
Exchange rate fluctuations on cash held (i)	(134,698)	837,378	702,680	-	-	-
Cash & cash equivalents at the end of financial year	**7,021,593**	**10,129,786**	**17,151,379**	**5,184,760**	**24,054,580**	**29,239,340**

(ac) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the consolidated group. The consolidated group has decided not to early adopt any of the new and amended pronouncements. The consolidated group's assessment of the new and amended pronouncements that are relevant to the consolidated group but applicable in future reporting periods is set out below:

(i) AASB 9: Financial Instruments (December 2010) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2018).

These standards will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the consolidated group on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognize gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items.

Although the directors anticipate that the adoption of AASB 9 may have an impact of the consolidated group's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

(ii) AASB 15: New Standard – Revenue from Contracts with Customers (applicable for annual reporting periods commencing on or after 1 January 2018).

This is a new standard whereby an entity will recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognized when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue.

Due to the recent release of this standard, the entity has not yet made a detailed assessment of the impact of this standard.

(iii) *AASB 2015-1: Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle (applicable for annual reporting periods commencing on or after 1 January 2016).*

Makes amendments to AASB 5: Non-Current Assets Held for Sale and Discontinued Operations. Clarifies that if assets/disposal groups are reclassified from being held for sale to being held for distribution to owners, or vice versa, this is considered to be a continuation of the original plan for disposal. There will be no impact on the financial statements when these amendments are first adopted because these amendments apply prospectively to changes in the method of disposal that occur in annual periods beginning on or after 1 July 2016.

Makes amendments to AASB 119: Employee Benefits. Clarifies that high quality corporate bonds or national government bonds used to determine the discount rate for long service leave and defined benefit liabilities must be denominated in the same currency as the benefits that will be paid to the employee. There will be no impact on initial adoption of this amendment as the entity has always used national government bond rates as the discount rate in the same currency that will be used to settle the employee benefit obligations.

(iv) *AASB 2015-2: Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 (applicable for annual reporting periods commencing on or after 1 January 2016).*

AASB 2015-2 makes amendments to AASB 101: Presentation of Financial Statements. These amendments affect presentation and disclosures only. Therefore on first time adoption of these amendments on 1 July 2016 comparatives will need to be restated in line with presentation and note ordering.

2. REVENUE AND OTHER INCOME

	2015 $	2014 $
Revenue from continuing operations		
Interest received	184,844	111,900
Management fees	48,000	72,000
Total revenue from continuing operations	**232,844**	**183,900**

3. LOSS FOR THE YEAR

	2015 $	2014 $
Loss before income tax includes the following specific expenses:		
Employee Benefits Expense		
- defined contribution superannuation expense	54,224	72,546
Rental expense on operating leases		
- minimum lease payments	277,106	274,146

4. INCOME TAX

	2015 $	2014 $
(a) Income tax expense:		
Current tax	-	-
Deferred tax	-	-
	-	-

(b) Reconciliation of income tax to prima facie tax payable:	2015 $	2014 $ Restated
Accounting loss before tax	(5,345,215)	(6,518,326)
Income tax expense/(benefit) @ 30% (2014: 30%)	(1,603,564)	(1,955,498)
Add tax effect of:		
- Share based payments	444,831	507,587
- Other	1,725,556	1,075,391
- Deferred tax assets - tax losses not recognised	10,224,397	5,137,516
- Movement in unrecognised temporary differences	(10,689,510)	(4,285,331)
- Foreign tax rate differential	(67,622)	(150,630)
- Mineral exploration, evaluation and development	(34,088)	(329,035)
Total income tax expense/(benefit)	-	-

(c) Deferred Tax Liabilities

Exploration and evaluation expenditure - Foreign	33,664,211	20,147,191
Temporary differences - Australia	436,047	-
	34,100,258	20,147,191
Offset of deferred tax assets	(34,100,258)	(20,147,191)
Net deferred tax liabilities recognised	-	-

(d) Unrecognised deferred tax assets arising on timing differences

Tax losses - Australia	2,949,769	3,017,391
Tax losses - Foreign	44,402,535	27,800,315
Temporary differences - Australia	941,369	460,520
Temporary differences - Foreign	42,136	34,727
	48,335,809	31,312,953
Offset of deferred tax liabilities	(34,100,258)	(20,147,191)
Net deferred tax assets not not brought to account	14,235,551	11,165,762

5. CASH AND CASH EQUIVALENTS

	2015 $	2014 $
Cash at bank and in hand	6,752,663	3,721,474
Short-term bank deposits	25,892,071	3,306,279
	32,644,734	**7,027,753**

Bank bills and other money market investments are typically held for 30 to 90 days and earn interest at the prevailing rates. Refer to Note 24 for analysis of risk exposure for cash and cash equivalents.

Reconciliation of Cash	**2015 $**	**2014 $ Restated**
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	32,644,734	7,027,753
Restricted cash and cash equivalents[(a)]	-	10,123,626
	32,644,734	**17,151,379**

(a) Restricted cash is the amount of cash deposited in an escrow account under the BlackRock notes bridge finance facility. Release of funds from escrow is subject to the Company fulfilling certain conditions.

During the year, the BlackRock notes bridge facility was repaid. Restricted cash in escrow was used to redeem an equivalent value of notes, less redemption fee and accrued interest on the date of redemption.

6. TRADE AND OTHER RECEIVABLES

	2015 $	**2014 $ Restated**
CURRENT		
Prepayments	39,459	42,179
GST receivable	162,099	61,312
Sundry receivables	284,355	193,284
Bonds and security deposits[(a)]	3,266,220	3,059,555
	3,752,133	**3,356,330**

(a) Consists of the Permit to Mine Bond and Environmental Performance Bonds for the construction and operating activities at the Lance Projects in Wyoming, USA and rental bond for office premises.

No receivables are past due or impaired. Refer to Note 24 for analysis of risk exposure for trade and other receivables.

7. OTHER FINANCIAL ASSETS

	2015 $	**2014 $**
NON-CURRENT		
Available-for-sale financial assets (i)	3,806	1,088
Total Non-Current Assets	**3,806**	**1,088**

(i) Available-for-sale financial assets as at 30 June 2015 comprised a holding of 543,750 shares in Terrain Minerals Limited (Terrain) (ASX:TMX). There were no fixed returns or fixed maturity date attached to these investments. The price of Terrain ordinary shares as at 30 June 2015 was $0.007 per share giving a market value as at 30 June 2015 of $3,806.

8. CONTROLLED ENTITIES

(a) Controlled entities consolidated

		Percentage Ownership (%)	
	Country of Incorporation	**2015**	**2014**
Parent entity			
Peninsula Energy Limited	Australia		
Subsidiaries of Peninsula Energy Limited			
Tasman Pacific Minerals Limited	Australia	100%	100%
Tasman RSA Holdings (Pty) Ltd	South Africa	100%	100%
Tasman Mmakau JV Company (Pty) Ltd	South Africa	100%	100%
Tasman Lukisa JV Company (Pty) Ltd	South Africa	74%	74%
Beaufort West Minerals (Pty) Ltd	South Africa	74%	74%
PM Prospecting Pty Ltd	Australia	100%	100%
PM Energy Pty Ltd	Australia	100%	100%

Peninsula USA Holdings Inc.	USA	100%	100%
Strata Energy Inc.	USA	100%	100%
Resource and Capital Management (SA) Pty Ltd[(i)]	Australia	100%	100%
Trove Resources Pty Ltd	Australia	100%	100%
Imperial Mining (Fiji) NL	Australia	100%	100%
Pen Limited[(ii)]	Jersey	100%	100%
Peninsula Energy LTIP Pty Ltd	Australia	100%	100%
Peninsula Uranium Limited[(iii)]	UK	100%	-

(i) Resource and Capital Management (SA) Pty Ltd is a dormant non-trading company and an application has been made for deregistration.

(ii) Pen Limited was dissolved on 12 August 2015.

(iii) Peninsula Uranium Limited was incorporated on 5 March 2015 and is the entity responsible for the sales and marketing function of the group.

(b) Acquisition and disposal of controlled entities

There were no acquisitions or disposals of controlled entities during the year.

(c) Non-controlling interests (NCI)

Set out below is summarised financial information for the Lukisa Joint Venture. The amounts disclosed are before inter-company eliminations:

	2015 $	2014 $
Summarised balance sheet		
Current assets	350,245	293,543
Non-current assets	10,384,747	8,496,053
Total assets	10,734,992	8,789,596
Current liabilities	77,887	169
Non-current liabilities	3,910,225	2,441,402
Total liabilities	3,988,112	2,441,571
Net assets	**6,746,880**	**6,348,025**
Accumulated NCI	**1,754,189**	**1,650,487**

Summarised statement of comprehensive income

There were no movements in the statement of comprehensive income for the period.

Summarised cash flows		
Cash flows from investing activities	(1,449,300)	(1,201,460)
Cash flows from financing activities	1,449,300	1,201,460
Net increase in cash and cash equivalents	**-**	**-**

9. PROPERTY, PLANT & EQUIPMENT

	Consolidated Group 2015 $	Consolidated Group 2014 $ Restated
Plant and Equipment		
- At cost	8,118,977	3,022,331
- Accumulated depreciation	(580,765)	(373,780)
Total Plant and Equipment	**7,538,212**	**2,648,551**
Land and Buildings		
- At cost	9,903,439	8,953,791
- Accumulated depreciation	(272,538)	(158,987)
Total Land and Buildings	**9,630,901**	**8,794,804**
Total Property, Plant and Equipment	**17,169,113**	**11,443,355**

30 June 2015

(a) Movement in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Plant and Equipment $	Land and Buildings $	Total $
Balance at the beginning of the year	2,648,551	8,794,804	11,443,355
Additions	4,487,845	-	4,487,845
Disposals	(12,265)	-	(12,265)
Depreciation expense	(166,707)	(76,557)	(243,264)
Foreign exchange translation	580,788	912,654	1,493,442
Carrying amount at the end of the year	**7,538,212**	**9,630,901**	**17,169,113**

30 June 2014

(a) Movement in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Plant and Equipment $	Land and Buildings $	Total $
Balance at the beginning of the year	556,781	4,566,608	5,123,389
Additions	2,234,117	6,674,995	8,909,112
Disposals	-	(2,375,049)	(2,375,049)
Depreciation expense	(142,347)	(71,750)	(214,097)
Carrying amount at the end of the year	**2,648,551**	**8,794,804**	**11,443,355**

Land and buildings were valued by independent valuers immediately prior to the time of purchase. The valuation was made on the basis of open market value.

10. MINERAL EXPLORATION AND EVALUATION

	2015 $	2014 $ Restated
Exploration and evaluation		
Balance at the beginning of the year	9,820,327	9,003,616
Exploration and evaluation costs incurred	1,371,346	1,686,722
Foreign exchange translation	617,025	(870,011)
Carrying amount at the end of the year	**11,808,698**	**9,820,327**

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

11. MINERAL DEVELOPMENT

	2015 $	2014 $ Restated
Development		
Balance at the beginning of the year	79,519,800	66,306,927
Development costs incurred	16,426,964	9,520,955
Capitalised interest and borrowing costs	4,847,119	5,753,189
Capitalised costs written off	(47,222)	-
Foreign exchange translation	19,120,353	(2,061,271)
Carrying amount at the end of the year	**119,867,014**	**79,519,800**

Development activities commence after commercial viability and technical feasibility of the project is established. At the end of each reporting period, the consolidated group assesses whether there is any indication that the carrying value of development costs may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Currently, the recoverable amount is determined using the value in use method. Value in use has been determined using a discounted cash flow model. The estimates of future cash flows for development assets are based on significant assumptions including:

- Future uranium prices, specifically prices for uncontracted uranium under the consolidated group's preferred selling model of long term contracts. A future minimum long term contract price of US$45.00, subject to regular escalation, has been used within the model;
- Production and capital costs being consistent with feasibility and optimisation study outcomes and detailed budgets approved by the Board;
- Estimates of the quantity of mineral resources for which there is a high degree of confidence of economic extraction at rates consistent with Board approved budgets and long term development plans;
- Estimates of the rate of production at each stage of development being consistent with modelled rates at each stage of development;
- A pre-tax nominal discount rate of no less than 8.0%; and
- Future changes in assumptions upon which these estimates are based may give rise to a material adjustment by impairing the development expenditure.

The consolidated groups operations are subject to significant environmental regulation under international legislation in relation to its conduct of evaluation of uranium deposits. The Directors are of the opinion that sufficient procedures and reporting processes have been established to enable the consolidated group to meet its responsibilities.

12. JOINT ARRANGEMENTS

Interest in Joint Operations

The consolidated group's share of assets employed in joint operations that are included in the consolidated financial statements are as follows:

Geopacific (Fiji) Joint Venture

Peninsula Energy has a 50% interest in the Geopacific Resources NL Joint Venture, whose principal activity is gold exploration.

All capitalised expenditure relating to the Geopacific Joint Venture was fully impaired at 30 June 2013. Refer to Note 1(ab) for prior year impairment adjustment.

	2015 $	2014 $
Mmakau (RSA) Joint Venture		
Peninsula Energy has a 74% interest in the Mmakau Joint Venture, whose principal activity is uranium exploration in the Karoo region of the Republic of South Africa. The 74% interest in this joint venture is proportionately consolidated. BEE partner Mmakau Mining (Pty) Ltd holds a 26% interest.		
NON-CURRENT ASSETS		
Mineral exploration and evaluation	8,856,586	8,317,839

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

13. TRADE AND OTHER PAYABLES

	2015 $	2014 $ Restated
CURRENT		
Trade payables	3,703,926	838,601
Total trade and other payables	**3,703,926**	**838,601**

Trade and other payables are non-interest bearing and generally settled on 30 day terms. Due to their short-term nature, their carrying amount is assumed to approximate their fair value.

14. BORROWINGS

	2015 $	2014 $ Restated
CURRENT		
Borrowings - BlackRock facility(a)	-	23,206,414
Borrowings - Strata(b)	266,104	188,019
Total current financial liabilities	**266,104**	**23,394,433**
NON-CURRENT		
Borrowings - Strata(b)	916,775	795,730
Lukisa Joint Venture loans(c)	257,875	242,631
Total non-current financial liabilities	**1,174,650**	**1,038,361**

(a) On 22 December 2014 the amount drawn under the notes issued by BlackRock funds were repaid in full and all notes on issue were redeemed in full on this date.

(b) Balances consist of the current and non-current portions of a mortgage over the Strata Energy Inc. office building, Nuclear Regulatory Commission Promissory Note and loans for company vehicles and equipment.

(c) In December 2013, the Company completed the acquisition of the South African uranium assets previously owned by AREVA. The assets were acquired by the acquisition of the AREVA held shares in Tasman-Lukisa JV Company (Pty) Ltd, which resulted in the Company acquiring 74% of this entity. The remaining 26% is held by the Black Economic Empowerment partner – Lukisa Invest 100 (Pty) Ltd. On the date of completion, Tasman-Lukisa JV Company (Pty) Ltd owed certain amounts by way of loans to AREVA and its subsidiaries (shareholder loans). These shareholder loans were acquired by the Company and Lukisa Invest 100 (Pty) Ltd in proportion to the respective ownership interests in Tasman-Lukisa JV Company (Pty) Ltd. As the Company consolidates the Tasman-Lukisa JV Company (Pty) Ltd in its financial statements, the amount shown represents the 26% share of the loans acquired by the shareholders that is attributable to Lukisa Invest 100 (Pty) Ltd. The acquired loans have a face value of US$117,721,899 at the date of acquisition, however, they were acquired for US$1 only by each of the Company and Lukisa Invest 100 (Pty) Ltd. The value of the acquired loans have been recognised at their fair value that has been determined by escalating the cash flow stream for a period of 30 years and discounting the value back to present value using a pre-tax discount rate of 30%. Under the terms of the shareholders agreement, the acquired loans are subordinated to other liabilities of Tasman-Lukisa JV Company (Pty) Ltd, including subordinated to the actual cash amounts that the Company has provided to the Tasman-Lukisa JV Company (Pty) Ltd to progress exploration and evaluation activities.

Other finance facilities:	**2015 $**	**2014 $**
Off-balance sheet arrangements		
Surety bonds[a]	9,189,689	-
Total off-balance sheet arrangements	**9,189,689**	**-**

(a) In the normal course of business, the Company is a party to certain off-balance sheet arrangements. These arrangements include guarantees and financial instruments with off-balance sheet risk, such as letters of credit and surety bonds. No liabilities related to these arrangements are reflected in this consolidated Statement of Financial Position.

Federal and state laws require the Company to secure certain long-term obligations, such as asset retirement obligations. We have secured these obligations with surety bonds and we have supported our surety bonds with cash deposits that represent a percentage of the face value of the obligation. The surety bond provider has a first ranking charge over these cash deposit amounts. We believe these bonds will expire without any claims or payments thereon, and accordingly we do not expect any material adverse effect on our financial condition, results of operations or cash flows therefrom.

15. PROVISIONS

	2015 $	**2014 $**
CURRENT		
Employee Entitlements - Annual Leave	65,745	34,705
Total current provisions	**65,745**	**34,705**
NON-CURRENT		
Rehabilitation Provision[a]	983,965	266,326
Total non-current provisions	**983,965**	**266,326**

(a) A provision for restoration is recognised in relation to the exploration and development activities for costs associated with the restoration of various sites. Estimates of the restoration obligations are based on anticipated technology and legal requirements and future costs. In determining the restoration provision, the Company has assumed no significant changes will occur in the relevant Federal and State legislation in relation to restoration in the future.

16. ISSUED CAPITAL

	2015 $	2014 $
A reconciliation of the movement in capital and reserves for the consolidated group can be found in the Statement of Changes in Equity.		
6,906,810,221 fully paid ordinary shares (2014: 3,426,402,505)	205,653,218	138,326,267

(a) Ordinary shares

	2015 No	2014 No
At the beginning of the reporting year	3,426,402,505	2,955,495,084
Shares issued during the year		
- Equity raising – Share Placement (i)	840,000,000	-
- Equity raising – Entitlement Offer (ii)	2,626,627,006	-
- Equity raising – Sophisticated Investors	-	80,000,000
- Equity raising – J.P. Morgan	-	161,290,323
- Shares issued to consultants (Note 21)	3,360,215	-
- Consideration to AREVA - project acquisition (Note 1 (ab)) (ii)	-	206,483,154
- Salary Sacrifice Scheme (iv)	1,419,282	5,051,997
- BlackRock facility fees	8,000,000	9,500,000
- Employee incentive shares issued (Note 21)	1,000,000	8,581,947
- Shares issued on exercise of options	1,213	-
Total at the end of the year	**6,906,810,221**	**3,426,402,505**

(b) Ordinary shares

	2015 $	2014 $
At the beginning of the reporting year	138,326,267	126,749,105
Shares issued during the year		
- Equity raising – Share Placement (i)	16,800,000	-
- Equity raising – Entitlement Offer (ii)	52,533,241	-
- Equity raising – Sophisticated Investors	-	2,000,000
- Equity raising – J.P. Morgan	-	5,000,000
- Shares issued to consultants (Note 21)	80,645	-
- Consideration to AREVA - project acquisition (Note 1(ab)) (ii)	-	4,493,172
- Salary Sacrifice Scheme (iv)	27,000	133,215
- BlackRock facility fees	192,000	296,500
- Employee incentive shares issued (Note 21)	21,000	236,879
- Shares issued on exercise of options	36	-
- Capital raising fees – equity facility agreement	(108,889)	(160,000)
- Capital raising fees – share-based payment	-	(40,000)
- Capital raising fees – other	(2,218,082)	(382,604)
Total at the end of the year	**205,653,218**	**138,326,267**

(i) On 16 December 2014 the Company completed a $16.8 million Placement to Resource Capital Fund VI L.P. at $0.02 per share with one free attaching option exercisable at $0.05 on or before 31 December 2018 for every two new shares subscribed under the Placement. Refer to the Directors Report for further information.

(ii) In February 2015, an Accelerated Renounceable Entitlement Offer was completed, raising $52.533 million at $0.02 per share, with one free attaching option exercisable at $0.05 on or before 31 December 2018 for every two new shares subscribed. Participants included Resource Capital Fund VI L.P, Pala Investments Ltd, BlackRock funds and JP Morgan AM UK. Refer to the Directors Report for further information.

(iii) In December 2013, the company completed the acquisition of the South African uranium assets held by AREVA. Part consideration of the acquisition of US$4 million was settled on the completion date through the issue of 206,483,154 shares. Refer Note 1(x) for further information on assets acquired as part of this acquisition.

(iv) On 28 August 2013 the Company announced that Directors and senior executives had adopted a salary sacrifice program (SSP). Under the terms of the SSP, a proportion of Directors fees and senior executive remuneration was paid as equity; PEN ordinary fully paid shares. These are included as part of Employee Benefits Expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

(c) Options and Performance Rights

The total number of options on issue at 30 June 2015 was 2,618,239,786. The options include 786,926,064 listed PENOC options on issue exercisable at 3 cents on or before 31 December 2015, 1,733,313,722 listed PENOD options on issue exercisable at 5 cents on or before 31 December 2018, 8,000,000 unlisted options exercisable at 4 cents on or before 31 December 2015 and 90,000,000 unlisted options exercisable at 8 cents on or before 31 December 2017.

The total number of Performance Rights on issue at 30 June 2015 was 183,000,000. There were 58,900,000 Class D Performance Rights, 62,000,000 Class E Performance Rights and 62,100,000 Class F Performance Rights. Refer to Note 21 for more details.

A reconciliation of the total options on issue as at 30 June 2015 is as follows:

	PENOC	PENOD	UNLISTED
At the beginning of the year	764,149,499	-	98,000,000
Issued during the year	22,777,778	1,733,313,722	-
Expired during the year	-	-	-
Exercised during the year	(1,213)	-	-
Total at the end of the year	**786,926,064**	**1,733,313,722**	**98,000,000**

For information relating to share options and performance rights issued to key management personnel during the financial year, refer to Note 21 Share Based Payments.

(d) Capital Management

Management controls the capital of the consolidated group in order to maintain an appropriate debt to equity ratio and ensure that the consolidated group can fund its operations and continue as a going concern. The consolidated group currently has no long term debt and there are no externally imposed capital requirements.

Management effectively manages the consolidated group’s capital by assessing financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the consolidated group since the prior year.

17. RESERVES

(a) Share Based Payments Reserve

The share based payments reserve records items recognised as expenses on valuation of employee share options and performance rights.

(b) Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign operations.

Refer to the Statement of Changes in Equity for a reconciliation of movements in the Share Based Payments Reserve and Foreign Currency Translation Reserve during the year.

18. AUDITORS' REMUNERATION

	2015 $	2014 $
Remuneration of the auditor of the parent entity for:		
- Auditing or reviewing the financial report – Somes Cooke	54,000	62,000
- Other services – Somes Cooke	200	300
- Auditing or reviewing the financial report – BDO[(a)]	75,000	-
- Other services – BDO	79,132	17,226
Total auditors' remuneration	**208,332**	**79,526**

(a) Accrued fee for the 30 June 2015 audit performed by BDO. Refer to Note 20 for details of the change of auditor.

All non-audit services performed by BDO described above were performed prior to the appointment of BDO Audit (WA) Pty Ltd as the auditors of the Company.

19. KEY MANAGEMENT PERSONNEL COMPENSATION

Names and positions held of consolidated and parent entity key management personnel in office at any time during the financial year are:

Key Management	***Position***
John Simpson	Managing Director / CEO
Warwick Grigor	Director (Non-Executive)
Neil Warburton	Director (Non-Executive)
John Harrison	Director (Non-Executive) (appointed 1 September 2014)
Evgenij Iorich	Director (Non-Executive) (appointed 2 February 2015)
Glenn Black	Chief Executive Officer – South Africa
David Coyne	Chief Financial Officer
Ralph Knode	Chief Executive Officer - Strata Energy Inc.
Jonathan Whyte	Company Secretary
Alfred Gillman	Director (Non-Executive) (retired 1 July 2015)

Refer to the Remuneration Report contained in the Report of the Directors for details of the remuneration paid or payable to each member of the consolidated group's key management personnel for the year ended 30 June 2015.

The totals of remuneration paid to key management personnel of the Company and the consolidated group during the year are as follows:

	2015 $	2014 $
Short-term employee benefits	2,151,470	2,488,102
Post-employment benefits	52,282	41,226
Share-based payments	877,463	905,417
	3,081,215	**3,434,745**

20. EVENTS AFTER THE REPORTING DATE

On 1 July 2015 the Company appointed Mr Richard Lockwood as Non-Executive Chairman.

On 17 July 2015 the MU1 wellfield data package was submitted to the WDEQ and the NRC for review and approval prior to the commencement of production.

On 3 August 2015 the Company appointed Mr Harrison Barker as a Non-Executive Director.

On 12 August 2015 ASIC consented to the resignation of the Company's auditors, Somes Cooke. The reason for the change of auditor was due to the Company preparing 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 Peninsula is subject to compliance with certain provisions of the Sarbanes-Oxley Act of 2002.

A provision within the Sarbanes-Oxley Act is a requirement that Peninsula's auditor must be registered with the 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. BDO Audit (WA) Pty Ltd (BDO) are a PCAOB registered auditor and therefore meet the requirements of the Sarbanes Oxley Act.

On 25 August 2015, the Company despatched a Notice of Extraordinary Meeting to shareholders regarding a meeting to be held on 24 September 2015. One of the resolutions that shareholders are asked to approve at the meeting is a consolidation of the issued capital of the Company at a ratio of 40 to 1.

On 26 August 2015 we announced the entry into two new uranium concentrate purchase and sale agreements for the delivery of 1,935,000 lbs of uranium concentrate. Deliveries commence in 2016 and continue through to 2024. The agreements contain prices that are consistent with prices quoted by uranium industry commentators during the first half of the 2015 calendar year. Terms and conditions of the agreements reflect uranium industry norms.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

21. SHARE-BASED PAYMENTS

Share-based payment expenses for the year to 30 June 2015 comprises:

	2015 $	2014 $
Employee incentive shares issued (i)	21,000	236,879
Shares issued to consultants (ii)	80,645	-
Options issued under consulting agreement	-	45,000
Accrual for employee incentive shares (iii)	748,222	-
Performance Rights expensed (iv)	632,904	1,410,076
Total share-based payments expense	**1,482,771**	**1,691,955**

(i) 1,000,000 ordinary shares issued to employees under existing contracts during the period. Fair value of the shares issued was the market value on the date of issue.

(ii) 3,360,215 ordinary shares issued to consultants under existing contracts during the period. Fair value of the shares issued was the market value on the date of issue.

(iii) 28,777,778 ordinary shares were issued to employees and consultants on 17 July 2015 at both Peninsula Energy and Strata Energy for achievements relating to the successful financing in February 2015 and the completion of key permitting milestones. Issue of the shares was approved on 12 June 2015. Fair value of the shares issued was the market value on the date of issue.

(iv) In previous financial years, 177,000,000 Class D, E and F Performance Rights were issued. Of these, 132,000,000 were issued to key management personnel. The Performance Rights are convertible into ordinary shares upon the satisfaction of various criteria which are set out in the Notice of Meeting released to the ASX on 27 October 2011. The fair value of the Performance Rights is being brought to account over their vesting periods. A further 6,000,000 Performance Rights were issued during the year to 30 June 2015. The following table sets out the assumptions made in determining the fair value of the Rights granted.

Performance Rights - Valuations and Assumptions

Tranche 1	Class D	Class E	Class F
Number issued	48,000,000	48,100,000	48,200,000
Effective grant date	28 Nov 2012	28 Nov 2012	28 Nov 2012
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	85%	85%	85%
Risk-free interest rate	2.72%	2.63%	2.63%
Exercise price	Nil	Nil	Nil
Expected life (years)	1.87	2.87	3.87
Share price on effective date of grant	$0.041	$0.041	$0.041
Fair value on effective date of grant	$0.021	$0.021	$0.022

Tranche 2	Class D	Class E	Class F
Number issued	2,000,000	2,000,000	2,000,000
Effective grant date	27 Feb 2013	27 Feb 2013	27 Feb 2013
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	80%	80%	80%
Risk-free interest rate	2.63%	2.70%	2.74%
Exercise price	Nil	Nil	Nil
Expected life (years)	1.62	2.62	3.62
Share price on effective date of grant	$0.032	$0.032	$0.032
Fair value on effective date of grant	$0.012	$0.012	$0.013

Tranche 3	Class D	Class E	Class F
Number issued	4,900,000	4,900,000	4,900,000
Effective grant date	29 May 2013	29 May 2013	29 May 2013
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	80%	80%	80%
Risk-free interest rate	2.56%	2.59%	2.67%
Exercise price	Nil	Nil	Nil
Expected life (years)	1.38	2.38	3.38
Share price on effective date of grant	$0.024	$0.024	$0.024
Fair value on effective date of grant	$0.005	$0.006	$0.008

Tranche 4	Class D	Class E	Class F
Number issued	4,000,000	4,000,000	4,000,000
Effective grant date	21 Jun 2013	21 Jun 2013	21 Jun 2013
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	80%	80%	80%
Risk-free interest rate	2.55%	2.70%	2.83%
Exercise price	Nil	Nil	Nil
Expected life (years)	1.31	2.31	3.31
Share price on effective date of grant	$0.025	$0.025	$0.025
Fair value on effective date of grant	$0.005	$0.007	$0.008

Tranche 5	Class D	Class E	Class F
Number issued	-	3,000,000	3,000,000
Effective grant date	-	28 Nov 2014	28 Nov 2014
Dividend yield	-	0.00%	0.00%
Expected volatility	-	70%	70%
Risk-free interest rate	-	2.48%	2.41%
Exercise price	-	Nil	Nil
Expected life (years)	-	0.87	1.88
Share price on effective date of grant	-	$0.021	$0.021
Fair value on effective date of grant	-	$0.0002	$0.0011

All Performance Rights granted to key management personnel are convertible into ordinary shares in Peninsula Energy Limited upon the achievement of performance hurdles, which confer a right of one ordinary share for every Performance Right held. Class D Performance Rights shall vest and convert to shares when the price of the Company's shares as traded on the ASX is at least 8 cents or more for 30 consecutive trading days and expire on 13 October 2015. Class E Performance Rights shall vest and convert to shares when the price of the Company's shares as traded on the ASX is at least 12 cents or more for 30 consecutive trading days and expire on 13 October 2015. Class F Performance Rights shall vest and convert to shares when the price of the Company's shares as traded on the ASX is at least 16 cents or more for 30 consecutive trading days and expire on 13 October 2016.

All equity transactions with specified directors and specified executives have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arm's length.

Performance Rights on issue are as follows:

Grant Date	Class	Granted	Vested as at 30 June 2015	Converted to Ordinary Shares to 30 June 2015	Lapsed to 30 June 2015	Balance at 30 June 2015
28 November 2012	D	48,000,000	-	-	-	48,000,000
27 February 2014	D	2,000,000	-	-	-	2,000,000
29 May 2013	D	4,900,000	-	-	-	4,900,000
21 June 2013	D	4,000,000	-	-	-	4,000,000
28 November 2012	E	48,100,000	-	-	-	48,100,000
27 February 2013	E	2,000,000	-	-	-	2,000,000
29 May 2013	E	4,900,000	-	-	-	4,900,000
21 June 2013	E	4,000,000	-	-	-	4,000,000
28 November 2014	E	3,000,000	-	-	-	3,000,000
28 November 2012	F	48,200,000	-	-	-	48,200,000
27 February 2013	F	2,000,000	-	-	-	2,000,000
29 May 2013	F	4,900,000	-	-	-	4,900,000
21 June 2013	F	4,000,000	-	-	-	4,000,000
28 November 2014	F	3,000,000	-	-	-	3,000,000
Total		**183,000,000**	**-**	**-**	**-**	**183,000,000**

* Note: Various Performance Rights previously issued were cancelled on 17 July 2015 and 4 August 2015. A total of 107,700,000 Performance Rights were cancelled.

22. LOSS PER SHARE

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

(a) Reconciliation of earnings to loss

	2015 $	2014 $ Restated
Loss	(5,345,215)	(6,518,326)
Earnings used to calculate basic and dilutive EPS	(5,345,215)	(6,518,326)

(b) Weighted average number of ordinary shares outstanding during the year

	2015 No.	2014 No.
Weighted average number of ordinary shares used in calculating basic and dilutive EPS	5,026,013,111	3,167,628,153

All options on issue (Note 16) are considered anti-dilutive and thus have not been included in the calculation of diluted loss per share. These options could potentially dilute earnings per share in the future.

23. CAPITAL, LEASING AND DELIVERY COMMITMENTS

		Consolidated Group	
		2015 $	2014 $
(a)	**Exploration Tenement Leases**		
	Payable - Exploration Tenement Leases (not later than one year)	**1,346,176**	**1,645,609**

The consolidated group has certain obligations with respect to mining tenements and minimum expenditure requirements on areas held. For exploration licence expenditures, commitments are only expected for the following year. Financial commitments for subsequent periods are contingent upon future exploration results and cannot be estimated.

(b)	**Capital Commitments**		
	Payable – Equipment Items (not later than one year)	**13,726,420**	**701,323**

As part of the construction of the CPP, Strata has capital commitments to the building contractor, Trec Inc.

(c)	**Office Building Lease**		
	Payable – Commercial Lease (not later than one year)	279,248	279,248
	Payable – Commercial Lease (later than one year and not later than five years)	605,037	951,283
		884,285	**1,230,531**

On 8 August 2014, Peninsula completed a sale and lease back agreement of its Head Office premises in Perth. The lease agreement is for a term of 5 years on standard commercial terms.

(d)	**Photocopier Lease**		
	Payable –Operating Lease (not later than one year)	**1,157**	**6,944**
(e)	**Mobile Equipment Leases**		
	Payable –Operating Lease (not later than one year)	**92,756**	**-**

(f) U_3O_8 Delivery Commitments

Under a contract entered into in February 2011, Peninsula has commitments to deliver approximately 1.0m lbs of U3O8 in aggregate commencing in 2016 and concluding in 2020. This existing contract has a weighted average price (WAP) of US$73-$75 per pound.

Under a contract entered into in December 2014, Peninsula has commitments to deliver up to 912,500 lbs of U3O8 between 2016 and 2024. The base price for the contract is consistent with the Term contract price reported by uranium industry commentators (UxC and TradeTech) during November 2014. Escalation is applied to the base price on a quarterly basis over the term of the contract, commencing in the first quarter of calendar year 2015.

24. FINANCIAL RISK MANAGEMENT

The consolidated group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments and accounts receivable and payable, notes issued to debt providers, loans to subsidiaries, bills and leases.

Financial Risk Management Policies

The consolidated group manages its exposure to a variety of financial risks, market risk (including currency risk, commodity price risk and interest rate risk), credit risk, liquidity risk and cash flow interest rate risk in accordance with the Audit and Risk Management Committee Charter and specific approved group policies. These policies are developed in accordance with the consolidated group's operational requirements. The consolidated group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessment of prevailing and forecast interest rates and foreign exchange rates. The consolidated group manages credit risk by only dealing with recognised, creditworthy third parties and liquidity risk is managed through the budgeting and forecasting process.

Specific Financial Risk Exposures and Management

The main risks the consolidated group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk, credit risk and equity price risk.

(a) Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the consolidated group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for approval, granting and removal of credit limits, regular monitoring of exposures against such limits and monitoring the financial stability of significant customers and counterparties), ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 30 days from invoice date.

Risk is also minimised by investing surplus funds in financial institutions that maintain a high credit rating.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the reporting date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The consolidated group has no significant concentration of credit risk with any single counterparty or group of counterparties. However, on a geographical basis, the consolidated group has significant credit risk exposures to the United States, South Africa and Australia given the substantial operations in those regions. Details with respect to credit risk of Trade and Other Receivables are provided in Note 6. Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 6.

Credit risk related to balances with banks and other financial institutions are managed in accordance with approved Board policy. The consolidated group's current investment policy is aimed at maximising the return on surplus cash, with the aim of outperforming the benchmark within acceptable levels of risk return exposure and to mitigate the credit and liquidity risks that the consolidated group is exposed to through investment activities.

The following table provides information regarding the credit risk relating to cash and money market securities based on Standard and Poor's counterparty credit ratings.

	2015 $	2014 $ Restated
Cash and Cash Equivalents		
- A Rated	32,644,734	7,027,753
- A Rated – Restricted Cash	-	10,123,626
	32,644,734	17,151,379

(b) Liquidity Risk

Liquidity risk arises from the possibility that the consolidated group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The consolidated group manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments. The consolidated group's liquidity needs can be met through a variety of sources, including the issue of equity instruments and short or long term borrowings.

Alternative sources of funding in the future could include project debt financing and equity raisings, and future operating cash flow. These alternatives will be evaluated to determine the optimal mix of capital resources.

The following table details the consolidated group's non-derivative financial instruments according to their contractual maturities. The amounts disclosed are based on contractual undiscounted cash flows. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial Asset and Financial Liability Maturity Analysis

	Within 1 Year		1-5 Years		Over 5 Years		Totals	
Financial Assets	2015 $	2014 $ Restated	2015 $	2014 $	2015 $	2014 $	2015 $	2014 $ Restated
Cash & cash equivalents	32,644,734	7,027,753	-	-	-	-	32,644,734	7,027,753
Restricted cash & cash equivalents	-	10,123,626	-	-	-	-	-	10,123,626
Trade and other receivables	3,752,133	3,356,330	-	-	-	-	3,752,133	3,356,330
Other financial assets	-	-	3,806	1,088	-	-	3,806	1,088
Total Financial Assets	**36,396,867**	**20,507,709**	**3,806**	**1,088**	**-**	**-**	**36,400,673**	**20,508,797**
Financial Liabilities								
Trade and other payables	3,703,926	838,601	-	-	-	-	3,703,926	838,601
Borrowings	266,104	23,394,433	916,775	795,730	257,875	242,631	1,440,754	24,432,794
Total Financial Liabilities	**3,970,030**	**24,233,034**	**916,775**	**795,730**	**257,875**	**242,631**	**5,144,680**	**25,271,395**

(c) Market Risk

(i) Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The consolidated group does not use derivatives to mitigate these exposures.

At the reporting date, the details of outstanding contracts are as follows:

	Effective Average Fixed Interest Rate			
Maturity of Amounts	2015 %	2014 %	2015 $	2014 $
Less than 1 year	1.33	1.66	28,316,829	7,959,909
1 to 2 years	-	-	-	-
2 to 5 years	-	-	-	-
Total Financial Assets			**28,316,829**	**7,959,909**

Maturity of Amounts	2015 %	2014 %	2015 $	2014 $
Less than 1 year	6.70	6.20	266,104	188,019
1 to 2 years	6.90	5.81	916,775	795,730
2 to 5 years	3.75	3.75	257,875	242,631
Total Financial Liabilities*			**1,440,754**	**1,226,380**

* Total excludes BlackRock Notes.

Interest Rate Risk - BlackRock Notes

Maturity of Amounts	2015 %	2014 %	2015 $	2014 $
Less than 1 year	-	22.30	-	23,206,414
1 to 2 years	-	-	-	-
2 to 5 years	-	-	-	-
Total Notes Financial Liability			**-**	**23,206,414**

On 10 December 2012, Peninsula announced that it had executed a series of definitive agreements with funds managed by BlackRock Financial Management, Inc. providing for the issuance of US$22 million in senior secured notes.

On 22 December 2014, the amount drawn under the notes issued by BlackRock funds was repaid in full and all notes on issue were redeemed in full on this date.

(ii) Foreign Exchange Risk

The consolidated group is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the consolidated group's measurement currency. Any exposure to movements in US dollar currency is mitigated through the maintenance of a US dollar (USD) denominated position. The consolidated group has no hedging contracts in place as at the date of this report.

The carrying amount of the consolidated group's USD denominated financial assets and financial liabilities at the reporting date are disclosed below. A 10.00% strengthening of the Australian dollar (AUD) against the USD at 30 June 2015 would have impacted equity and loss before tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2014.

	Currency	2015 $	2014 $
Exchange rate at reporting date		0.7655	0.9419
Financial Assets			
Cash & cash equivalents	AUD	30,002,591	3,094,268
	USD	22,966,983	2,914,491
Trade and other receivables	AUD	2,510,358	2,344,623
	USD	1,921,679	2,208,400
Financial Liabilities			
Trade and other payables	AUD	2,823,560	539,086
	USD	2,161,435	507,765
Borrowings	AUD	1,182,879	24,190,163
	USD	905,494	22,784,715
Net Financial Assets / (Liabilities)	AUD	28,506,510	(19,290,358)
	USD	21,821,733	(18,169,588)
10% strengthening of the AUD against the USD:			
- effect on equity		(2,850,651)	1,929,036
- effect on loss before tax		-	-

A 10% weakening of the AUD against the USD at 30 June 2015 would have had the equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

(iii) Price Risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors of commodities. The consolidated group is also exposed to securities price risk on investments held for trading or for medium or longer terms. The value of the consolidated group's investments, as detailed in Note 8, is not material enough to be considered a risk at the reporting date.

Fair Value

Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

- Cash and short-term investments – the carrying amount approximates fair value because of their short term to maturity;
- Trade receivables and trade creditors – the carrying amount approximates fair value;
- Listed investments: for financial instruments traded in organised financial markets, fair value is the current quoted market bid price for an asset adjusted for transaction costs necessary to realise the asset; and
- Other assets and liabilities approximate their carrying value.
- The fair value of non-current borrowings as disclosed in Note 14 approximately equals the carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below:

2015

	Level 1	Level 2	Level 3	Total
Financial Assets	**$**	**$**	**$**	**$**
Available-for-sale financial assets:				
- Listed investments	3,806	-	-	3,806
Total Financial Assets	**3,806**	**-**	**-**	**3,806**

2014

	Level 1	Level 2	Level 3	Total
Financial Assets	**$**	**$**	**$**	**$**
Available-for-sale financial assets:				
- Listed investments	1,088	-	-	1,088
Total Financial Assets	**1,088**	**-**	**-**	**1,088**

Included in Level 1 of the hierarchy are listed investments. The fair value of these financial assets have been based on the closing quoted bid prices at reporting date, excluding transaction costs.

25. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

Ultimate Parent Entity

Peninsula Energy Limited is the ultimate parent entity. The parent entity has related party transactions with its subsidiaries whereby the parent funds exploration, evaluation and development expenses, and general and administrative expenses incurred by its subsidiaries. These expenses are charged to the subsidiaries through inter-company loans.

Service Agreements

Peninsula Energy Limited charged its wholly owned subsidiaries, Tasman Pacific Minerals Limited and Strata Energy Inc, a management fee for the provision of corporate, financial management, administration and other services during the year. The total management fee charged was $3,487,887 (2014: $3,941,769).

Peninsula Energy Limited charged a related party with a director in common, Indus Energy NL, for the provision of financial management and administrative functions totalling $48,000 for the year ended 30 June 2015.

26. OPERATING SEGMENTS

The consolidated group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors and Managing Director / CEO (chief operating decision makers) in assessing performance and determining the allocation of resources. Segments are identified on the basis of area of interest. Financial information about each segment is provided to the chief operating decision makers on at least a monthly basis.

The consolidated group has three reportable operating segments as follows:

- Lance Uranium Projects, Wyoming USA;
- Karoo Uranium Projects, South Africa; and
- Corporate/Other.

Basis of accounting for purposes of reporting by operating segments

(a) Accounting policies adopted

Unless otherwise stated, all amounts reported to the Board of Directors and Managing Director / CEO, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the consolidated group.

(b) Inter-segment transactions

Corporate charges are allocated to reporting segments based on an estimation of the likely consumption of certain head office expenditure that should be used in assessing segment performance.

(c) Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives the majority asset economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(d) Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of that segment. Borrowings and tax liabilities are generally considered to relate to the consolidated group as a whole and are not allocated. Segment liabilities include trade and other payables.

(e) Unallocated items

The following items of revenue, expenditure, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Net gains on disposal of available-for-sale financial investments;
- Impairment of assets and other non-recurring items of revenue and expense;
- Other financial liabilities; and
- Retirement benefit obligations.

Segment Performance

30 June 2015	Lance Projects Wyoming, USA $	Karoo Projects South Africa $	Corporate/ Other $	Total $
Revenue				
External sales	-	-	48,000	48,000
Inter-segment sales	-	-	3,487,887	3,487,887
Inter-segment interest	-	-	2,388,709	2,388,709
Interest revenue	11,237	255	173,352	184,844
Total Segment Revenue	**11,237**	**255**	**6,097,948**	**6,109,440**
Inter-segment elimination	-	-	(5,876,596)	(5,876,596)
Total Segment Revenue	**11,237**	**255**	**221,352**	**232,844**
Expenses				
Depreciation and amortisation	(226,332)	(4,272)	(12,660)	(243,264)
Allocated Segment Expenses	**(226,332)**	**(4,272)**	**(12,660)**	**(243,264)**
Unallocated				
Employee benefits expense	-	-	-	(2,327,746)
General and administrative expenses	-	-	-	(1,493,140)
Professional fees	-	-	-	(921,806)
Finance costs	-	-	-	(780,863)
Share-based payments	-	-	-	(1,482,771)
Interest expense	-	-	-	(49)
Sale of fixed assets gain/(loss)	-	-	-	(12,265)
Foreign exchange gain/(loss)	-	-	-	1,731,067
Capitalised costs written off	-	-	-	(47,222)
Loss after income tax	**-**	**-**	**-**	**(5,345,215)**
Segment Assets				
Exploration & evaluation	-	11,808,698	-	11,808,698
Development	119,867,014	-	-	119,867,014
Property, plant and equipment	10,017,594	7,110,573	40,946	17,169,113
Cash and cash equivalents	1,025,642	182,245	31,436,847	32,644,734
Trade and other receivables	2,510,358	366,795	874,980	3,752,133
Other financial assets	-	-	3,806	3,806
Total Assets	**133,420,608**	**19,468,311**	**32,356,579**	**185,245,498**

30 June 2014 - Restated	Lance Projects Wyoming, USA $	Karoo Projects South Africa $	Corporate/Other $	Total $
Revenue				
External sales	-	-	72,000	72,000
Inter-segment sales	-	-	3,941,769	3,941,769
Inter-segment interest	-	-	2,543,980	2,543,980
Interest revenue	11,051	402	100,447	111,900
Total Segment Revenue	**11,051**	**402**	**6,658,196**	**6,669,649**
Inter-segment elimination	-	-	(6,485,749)	(6,485,749)
Total Segment Revenue	**11,051**	**402**	**172,447**	**183,900**
Expenses				
Depreciation and amortisation	(183,710)	(5,377)	(25,010)	(214,097)
Allocated Segment Expenses	**(183,710)**	**(5,377)**	**(25,010)**	**(214,097)**
Unallocated				
Employee benefits expense	-	-	-	(2,998,975)
Other share-based payments	-	-	-	(1,691,955)
Interest expense	-	-	-	(19,108)
General and administrative expenses	-	-	-	(1,461,082)
Professional fees	-	-	-	(527,011)
Sale of fixed assets gain/(loss)	-	-	-	329,418
Foreign exchange gain/(loss)	-	-	-	(48,107)
Impairment expense	-	-	-	(71,309)
Loss after income tax	**-**	**-**	**-**	**(6,518,326)**
Segment Assets - Restated				
Exploration & evaluation	-	9,820,327	-	9,820,327
Development	79,519,800	-	-	79,519,800
Property, plant and equipment	4,694,094	6,694,291	54,970	11,443,355
Cash and cash equivalents	3,094,268	17,835	3,915,650	7,027,753
Restricted cash and cash equivalents	10,123,626	-	-	10,123,626
Trade and other receivables	2,344,623	311,217	700,490	3,356,330
Other financial assets	-	-	1,088	1,088
Total Assets - Restated	**99,776,411**	**16,843,670**	**4,672,198**	**121,292,279**

27. CONTINGENT LIABILITIES

In December 2013, the Company completed the acquisition of the South African uranium assets held by AREVA. As part of the commercial arrangements, an additional amount of US$45 million is to be paid to AREVA at the time that at least 50% of project development funding is secured. If 50% of project development funding is not secured within 25 years, no additional contingent payment is liable to be made. In order to achieve at least 50% of project development funding, additional exploration and delineation drilling is required, a bankable feasibility study needs to be completed and a mineral reserve to support the first five to seven years of mining operations is required. Until these activities are completed, it is improbable that this additional payment is required.

The Board is not aware of any other circumstances or information which leads them to believe there are any other material contingent liabilities outstanding as at 30 June 2015.

28. PARENT ENTITY INFORMATION

	2015 $	2014 $ Restated
Current assets	32,300,912	4,598,437
Total assets	**179,051,108**	**121,034,969**
Current liabilities	831,563	310,004
Total liabilities	**831,563**	**310,004**
Issued capital	205,653,218	138,326,267
Accumulated losses	(40,948,787)	(29,629,401)
Share-based payment reserve	13,009,388	11,522,373
Foreign currency translation reserve	505,726	505,726
Total equity	**178,219,545**	**120,724,965**
Profit/(loss) of parent entity	**(11,319,386)**	**2,783,572**
Other comprehensive income	**-**	**-**
Total comprehensive profit/(loss) of the parent entity	**(11,319,386)**	**2,783,572**

29. RETIREMENT BENEFIT OBLIGATIONS

(a) Superannuation

The parent contributes to a non-company sponsored or controlled superannuation fund. Contributions are made to an accumulation fund and are at least the minimum required by law. There is no reason to believe that funds would not be sufficient to pay benefits as vested in the event of termination of the fund on termination of employment of each employee.

30. CASH FLOW INFORMATION

(a) Reconciliation of cash flow from operations with loss after income tax

	2015 $	2014 $ Restated
Loss after income tax	(5,345,215)	(6,518,326)
Non-cash flows in loss:		
Sale of fixed assets (gain)/loss	12,265	(329,418)
Depreciation	243,264	214,097
Impairment expense	-	71,309
Capitalised costs written off	47,222	-
Share-based payments expense	1,482,771	1,691,955
Salary Sacrifice Shares	27,000	133,215
Change in assets and liabilities		
Decrease/(increase) in trade and other receivables relating to operating activities	(117,303)	-
(Decrease)/increase in trade and other payables	1,269,828	(456,045)
Increase in provisions relating to operating activities	31,040	15,858
Movement in trade and other payables relating to investment activities	(2,533,008)	277,988
Cash flow from operations	**(4,882,136)**	**(4,899,367)**

(b) Acquisition and disposal of entities

During the financial year the group did not acquire or dispose of any entities that materially affected cash flows.

(c) Non cash investing and financing activities

During the financial year, Peninsula made a number of share-based payments, which are outlined at Note 16.

DIRECTORS' DECLARATION

For the year ended 30 June 2015

In accordance with a resolution of the Board of Directors, I state that:

In the opinion of the Directors:

(1) (a) the consolidated financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and accompanying notes are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated group's financial position at 30 June 2015 and of its performance for the year ended on that date;

(ii) complying with Accounting Standards and Corporations Regulations 2001; and

(iii) other mandatory professional reporting requirements.

(b) there are reasonable grounds to believe that the consolidated group will be able to pay its debts as and when they become due and payable; and

(c) the audited remuneration disclosures set out in the Remuneration Report of the Directors' Report for the year ended 30 June 2015 comply with section 300A of the *Corporations Act 2001*.

(2) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2015.

(3) The consolidated group has included in the notes to the consolidated financial statements and explicit and unreserved statement of compliance with International Financial Reporting Standards.

On behalf of the Board

John Simpson
Managing Director / CEO

Perth, 18 September 2015

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INDEPENDENT AUDITOR'S REPORT

To the members of Peninsula Energy Limited

Report on the Financial Report

We have audited the accompanying financial report of Peninsula Energy Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Stat*ements, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Peninsula Energy Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Peninsula Energy Limited is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Peninsula Energy Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO

Wayne Basford

Director

Perth, 18 September 2015

ASX ADDITIONAL INFORMATION

a) Distribution of Shareholders (as at 17 September 2015)

Spread of Holdings	Number of Ordinary Shareholders	Number of Shares
1 - 1,000	289	86,948
1,001 - 5,000	507	1,601,507
5,001 - 10,000	688	5,498,224
10,001 - 100,000	3,969	180,474,747
100,001 - and over	3,284	6,749,166,573
TOTAL	**8,737**	**6,936,827,999**

b) Top Twenty Shareholders (as at 17 September 2015)

Name	Number of Ordinary Shares held	%
1. MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,508,264,407	21.74
2. CITICORP NOMINEES PTY LIMITED	948,016,353	13.67
3. NATIONAL NOMINEES LIMITED	606,699,795	8.75
4. J P MORGAN NOMINEES AUSTRALIA LIMITED	576,816,498	8.32
5. BNP PARIBAS NOMS PTY LTD	235,703,248	3.40
6. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	210,365,150	3.03
7. MR GAVIN MCPHERSON	50,023,750	0.72
8. MR GULKESH TINKU SINGH KOONER	48,084,570	0.69
9. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	39,385,190	0.57
10. ETCHELL CAPITAL PTY LTD	22,610,000	0.33
11. MR WALLY MICHAEL YURYEVICH	20,995,000	0.30
12. ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD	19,787,934	0.29
13. KELLCO TECHNOLOGIES PTY LTD	19,692,500	0.28
14. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	19,657,000	0.28
15. SKEGGS GOLDSTIEN PLANNERS PTY LIMITED	17,000,000	0.25
16. RALPH KNODE	16,876,941	0.24
17. GEOHEN INVESTMENTS PTY LTD	16,795,834	0.24
18. ETCHELL CAPITAL PTY LTD	16,671,707	0.24
19. MS GAYLE MAREE HUTCHINS	13,480,000	0.19
20. MR KIRIL RUVINSKY	13,239,229	0.19
Total Top 20	4,420,165,106	63.72
Other Shareholders	2,516,662,893	36.28
Total Ordinary Shares on Issue	**6,936,827,999**	**100.00**

The number of shareholders holding less than a marketable parcel of shares is 2,215, totalling 17,729,294 ordinary shares.

c) Distribution of PENOC Option Holders (as at 17 September 2015)

Spread of Holdings	Number of Option Holders	Number of Options
1 - 1,000	94	39,142
1,001 - 5,000	229	669,158
5,001 - 10,000	159	1,167,076
10,001 - 100,000	559	22,054,372
100,001 - and over	435	762,996,316
TOTAL	**1,476**	**786,926,064**

d) Top Twenty PENOC Option Holders (as at 17 September 2015)

Name	Number of Options held	%
1. CITICORP NOMINEES PTY LIMITED	174,846,818	22.22
2. NATIONAL NOMINEES LIMITED	136,259,718	17.32
3. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	30,140,428	3.83
4. PRE-EMPTIVE TRADING PTY LTD	24,000,000	3.05
5. MR RICHARD SIMPSON	22,455,218	2.85
6. MR GAVIN MCPHERSON	14,257,656	1.81
7. MERRIWEE PTY LTD	10,883,881	1.38
8. GREGORACH PTY LTD	10,762,060	1.37
9. ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD	9,812,500	1.25
10. MR ZHAO HUA LI & MRS NGOC HA TRAN	7,864,740	1.00
11. HABIBIE PTY LTD	7,400,000	0.94
12. J P MORGAN NOMINEES AUSTRALIA LIMITED	7,148,935	0.91
13. ETCHELL CAPITAL PTY LTD	7,003,101	0.89
14. MR ALFRED GEORGE STANLEY	6,550,893	0.83
15. DR MANOHAR LAL GARG	6,500,000	0.83
16. MR PETER PAUL KOZLOWSKI	6,088,621	0.77
17. MR PETER JACK WALRAVENS & MRS MADELEINE LOUISE WALRAVENS	5,225,952	0.66
18. LSA DISTRIBUTORS (QLD) PTY LTD	5,000,000	0.64
19. CG NOMINEES (AUSTRALIA) PTY LTD	5,000,000	0.64
20. MR DAVID RUSSELL GORDON & MRS LAURENTIA MARIA GORDON	4,864,250	0.62
Total Top 20	502,064,771	63.80
Other PENOC Option holders	284,861,293	36.20
Total PENOC Options on Issue	**786,926,064**	**100.00**

e) **Distribution of PENOD Option Holders (as at 17 September 2015)**

Spread of Holdings	Number of Option Holders	Number of Options
1 - 1,000	59	23,745
1,001 - 5,000	247	709,905
5,001 - 10,000	195	1,431,727
10,001 - 100,000	693	28,474,440
100,001 - and over	423	1,702,673,905
TOTAL	**1,617**	**1,733,313,722**

f) **Top Twenty PENOD Option Holders (as at 17 September 2015)**

Name	Number of Options held	%
1. MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	762,309,803	43.98
2. CITICORP NOMINEES PTY LIMITED	236,758,940	13.66
3. J P MORGAN NOMINEES AUSTRALIA LIMITED	187,758,312	10.83
4. NATIONAL NOMINEES LIMITED	172,279,279	9.94
5. MR GAVIN MCPHERSON	39,711,945	2.29
6. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	28,803,239	1.66
7. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	25,304,595	1.46
8. MR KIRIL RUVINSKY	14,523,973	0.84
9. MR JOHN FREDERICK MASON & MRS CHRISTINE ANNE MASON	14,151,655	0.82
10. MR ALAN EDWIN OLSEN	6,311,250	0.36
11. MR PETER PAUL KOZLOWSKI	5,250,000	0.30
12. LSA DISTRIBUTORS (QLD) PTY LTD	5,198,564	0.30
13. FORSYTH BARR CUSTODIANS LTD	5,045,231	0.29
14. HABIBIE PTY LTD	5,000,000	0.29
15. MR WARREN RICHARD HUGHES	4,800,000	0.28
16. ETCHELL CAPITAL PTY LTD	4,305,000	0.25
17. MR WALLY MICHAEL YURYEVICH	3,997,500	0.23
18. SKEGGS GOLDSTIEN PLANNERS PTY LIMITED	3,250,000	0.19
19. ETCHELL CAPITAL PTY LTD	3,174,335	0.18
20. MR DAVID RUSSELL GORDON & MRS LAURENTIA MARIA GORDON	2,810,000	0.16
Total Top 20	1,530,743,621	88.31
Other PENOD Option holders	202,570,101	11.69
Total PENOD Options on Issue	**1,733,313,722**	**100.00**

g) **Unlisted Options:**

There are 8,000,000 unlisted options over unissued shares on issue, in the class exercisable at 4 cents per share on or before 31 December 2015. There is one holder in this class of option. There are 90,000,000 unlisted options over unissued shares on issue, in the class exercisable at 8 cents per share on or before 31 December 2017. There is one holder in this class of option.

h) **Voting Rights**

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

i) **Schedule of Interests in Mining Tenements:**

Location/Project Name	Tenement	Percentage Held
South Africa (Tasman Pacific Minerals Limited)		
Karoo Uranium, South Africa	PR (WC) 25	74%
Karoo Uranium, South Africa	PR (WC) 33	74%
Karoo Uranium, South Africa	PR (WC) 34	74%
Karoo Uranium, South Africa	PR (WC) 35	74%
Karoo Uranium, South Africa	PR (WC) 47	74%
Karoo Uranium, South Africa	PR (WC) 59	74%
Karoo Uranium, South Africa	PR (WC) 60	74%
Karoo Uranium, South Africa	PR (WC) 61	74%
Karoo Uranium, South Africa	PR (WC) 80	74%
Karoo Uranium, South Africa	PR (WC) 81	74%
Karoo Uranium, South Africa	PR (WC) 127	74%
Karoo Uranium, South Africa	PR (WC) 137	74%
Karoo Uranium, South Africa	PR (WC) 151	74%
Karoo Uranium, South Africa	PR (WC) 152	74%
Karoo Uranium, South Africa	PR (WC) 153	74%
Karoo Uranium, South Africa	PR (WC) 154	74%
Karoo Uranium, South Africa	PR (WC) 156	74%
Karoo Uranium, South Africa	PR (WC) 158	74%
Karoo Uranium, South Africa	PR (WC) 162	74%
Karoo Uranium, South Africa	PR (WC) 167	74%
Karoo Uranium, South Africa	PR (WC) 168	74%
Karoo Uranium, South Africa	PR (WC) 170	74%
Karoo Uranium, South Africa	PR (WC) 177	74%
Karoo Uranium, South Africa	PR (WC) 178	74%
Karoo Uranium, South Africa	PR (WC) 179	74%
Karoo Uranium, South Africa	PR (WC) 180	74%
Karoo Uranium, South Africa	PR (WC) 187	74%
Karoo Uranium, South Africa	PR (WC) 188	74%
Karoo Uranium, South Africa	PR (WC) 207	74%
Karoo Uranium, South Africa	PR (WC) 208	74%
Karoo Uranium, South Africa	PR (WC) 228	74%
Karoo Uranium, South Africa	PR (WC) 257	74%
Karoo Uranium, South Africa	PR (EC) 07	74%
Karoo Uranium, South Africa	PR (EC) 08	74%
Karoo Uranium, South Africa	PR (EC) 09	74%
Karoo Uranium, South Africa	PR (EC) 12	74%
Karoo Uranium, South Africa	PR (EC) 13	74%
Karoo Uranium, South Africa	PR (NC) 330	74%
Karoo Uranium, South Africa	PR (NC) 331	74%
Karoo Uranium, South Africa	PR (NC) 347	74%

Fiji		
RakiRaki (Geopacific JV)	SPL 1231	50%
RakiRaki (Geopacific JV)	SPL 1373	50%
RakiRaki (Geopacific JV)	SPL 1436	50%

Location/Project Name	Tenement	Percentage
Wyoming, USA (Strata Energy Inc.)		
Private Land (FEE) – Surface Access Agreement	Approx 24,581 acres	100%
Private Land (FEE) – Mineral Rights	Approx 10,078 acres	100%
Federal Mining Claims – Mineral Rights	Approx 12,717 acres	100%
Federal – Surface Access – Grazing Lease	Approx 40 acres	
State Leases – Mineral Rights	Approx 10,590 acres	100%
State Leases – Surface Access	Approx 1,229 acres	
Strata Owned – Surface Access	Approx 320 acres	

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PENINSULA ENERGY LIMITED

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