



28 March 2017

Companies Announcement Office  
Via Electronic Lodgement

## CHIEF EXECUTIVE OFFICER AND BOARD CHANGES

Peninsula Energy Limited (**Peninsula** or **Company**) advises that Mr John (Gus) Simpson will be stepping down from his position as Managing Director and Chief Executive Officer and also from the Board of the Company and all its subsidiaries, effective immediately.

This decision follows careful consideration by the Board of the key operational and commercial priorities for Peninsula in the near term and beyond, together with the skillsets required to further progress the business plan of the Company. To that end the Company is pleased to advise that experienced uranium mining executive Mr Wayne Heili has been appointed to the role of Managing Director and Chief Executive Officer, effective 3 April 2017.

Mr Heili has spent the bulk of his 30-year professional career in the uranium mining industry. He most recently served as President and Chief Executive Officer of Ur-Energy, Inc. where he successfully oversaw the design, construction, commissioning and ramp-up of the Lost Creek in-situ uranium project in Wyoming USA. Prior to joining Ur-Energy, Inc., Mr Heili served as Operations Manager of the Christensen/Irigaray in-situ uranium mines in Wyoming and also has experience on conventional uranium mines in Texas. He holds a Bachelor of Science in Metallurgical Engineering from Michigan Technological University and is a past President of the Uranium Producers of America.

Mr Heili currently resides in Wyoming USA and will perform his role based there, where he can work closely with the management team in place at the Lance Projects. Mr Heili has also been acting as a technical consultant to the Company for the past 4 months.

A summary of the key terms of Mr Heili's employment are detailed in the annexure to this announcement.

Mr Simpson will receive a severance package in accordance with the terms and conditions of his employment agreement. Unvested restricted share units under the Company's Restricted Share Unit Plan will also immediately vest to Mr Simpson.

On behalf of the Board, Peninsula Non-Executive Chairman, Mr John Harrison, thanked Mr Simpson for his significant contribution to the Company. *"Gus has successfully led Peninsula from the time that the Wyoming uranium assets were acquired by the Company in 2007. He has overseen the delineation of a substantial mineral resource in Wyoming, permitting for development and operations and the evolution of Peninsula from an exploration company to a uranium producer."*

*"Despite the challenges facing the uranium industry over the past 5 years, Gus has been instrumental in securing attractively priced long term uranium concentrate sale agreements which provide Peninsula with an excellent revenue stream from which to further grow the Company."*

Commenting on the appointment of Mr Heili, Mr Harrison said "We are fortunate to be able to secure such a highly qualified senior uranium executive at this important time for the Company. Wayne oversaw the development and operation of the successful Lost Creek in-situ uranium project in Wyoming and brings industry specific operational and corporate expertise to the Company as we progress the ramp-up of the Lance Projects and studies at the Karoo Projects."

#### Board Changes

The Company wishes to advise that Mr Warwick Grigor and Mr Richard Lockwood have agreed to step down from the Board to focus on their other business interests. The Company thanks both Warwick and Richard for their contributions to the development of the Company whilst they were on the Board, including Richard's tenure as Non-Executive Chairman. Warwick has been a long-standing member of the Board, previously serving in an executive capacity and was instrumental in guiding the Company as it turned its focus to the uranium sector in the mid-2000s.

Mr David Coyne has accepted an invitation to join the Board in an executive capacity as Finance Director, effective 27 March 2017. The addition of Mr Coyne to the Board strengthens the financial and commercial skillset of the Board and provides continuity of executive representation on the Board during this period of leadership transition.

Mr Coyne has previously served as a non-executive director of ASX-listed iron ore mining company BC Iron Limited. Whilst serving on the board of BC Iron Limited, Mr Coyne chaired the Audit & Risk Management Committee.

The reduction in the number of directors reduces costs and is consistent with the broader cost reductions being implemented across the Company while conditions in the uranium mining industry remain challenging.

Yours sincerely



**John Harrison**  
**Non-Executive Chairman**  
**Peninsula Energy Limited**

For further information, please contact our office on +61 (0)8 9380 9920 during normal business hours.

**Annexure****MANAGING DIRECTOR / CEO EMPLOYMENT TERMS**

In accordance with ASX Listing Rule 3.16.4, Peninsula wishes to advise the key terms of Mr Heili's employment agreement as follows:

- **Effective Date:** The employment agreement is effective 3 April 2017;
- **Total Fixed Remuneration:** Base Salary US\$300,000 per annum, retirement plan contributions 3.5% of Base Salary and provision of medical benefits under the Company's United States medical benefits plan;
- **Short term incentives** up to 50% of Base Salary based on an annual gateway objective and on targets agreed with the Board each year;
- **Long term incentives** under the Company's Restricted Stock Unit Plan up to 50% of Base Salary based on an annual gateway objective agreed with the Board each year, payable in restricted share units, vesting over a three year period and subject to shareholder approval;
- **Employment can be terminated** by the Company or by Mr Heili at 6 months' notice. If the Company elects to terminate the employment agreement for reasons other than Mr Heili's gross misconduct or default, Mr Heili will be entitled to 6 months' Base Salary. Certain agreed trigger events will lead to Mr Heili having the option to terminate the agreement and receive a payment equal to 6 months' Base Salary; and
- The employment agreement is on-going with no fixed term.