



3 May 2017

Companies Announcement Office
Via Electronic Lodgement

PENINSULA ENERGY LIMITED QUARTERLY RESULTS WEBCAST PRESENTATION

Peninsula Energy Limited (**Peninsula**) held an investor update webcast including the attached presentation to cover the March quarter and path forward at **11am AEST (9am AWST)** today.

A recording of the webcast will be available on the same link within approximately 2 to 3 hours after the conclusion of the webcast and also on Peninsula's website: <http://www.pel.net.au> under "Investor Info" subsection "Audio Broadcasts".

Yours sincerely

A handwritten signature in black ink, appearing to read "J Whyte", is positioned above the typed name of the signatory.

Jonathan Whyte
Company Secretary

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

Q1 - CY2017 Results

03-May-2017



Disclaimer & Competent Person

This presentation is provided on the basis that the Company nor its representatives make any warranty (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in the Presentation and nothing contained in the Presentation is, or may be relied upon as, a promise, representation or warranty, whether as to the past or the future. The Company hereby excludes all warranties that can be excluded by law. The Presentation contains material which is predictive in nature and may be affected by inaccurate assumptions or by known and unknown risks and uncertainties, and may differ materially from results ultimately achieved.

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Please note that in accordance with Clause 17 of the JORC (2012) Code, the potential quantity and grade of the “Exploration Target” in this presentation must be considered conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Please note that Production Targets within this presentation 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.

Competent Person Statement

The information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves at Peninsula’s 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 they are 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’. Mr. Guilinger consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

The information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves 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 (AusIMM) and the South African Council for Natural Scientific Professions (SACNASP)). Mr van der Walt is a Geological Consultant and Director of Geoconsult International (Pty) Ltd. 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 they are 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. van der Walt consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

- **Quarterly Highlights**

1. **Board & Management Changes**
2. **Uranium Sales**
3. **Uranium Market**
4. **Production**
5. **Costs**
6. **Financial Position**
7. **Debt Facilities & Gearing**
8. **CY2017 Outlook**



Winter image of Devils Tower National Monument, Wyoming.

Mr Wayne Heili – Managing Director & CEO

Mr David Coyne – Finance Director & CFO

- **The Board completed a planned transition at the end of the quarter**
 - *Mr Wayne Heili replaced Mr John (Gus) Simpson as MD & CEO*
 - *Mr Warwick Grigor and Mr Richard Lockwood stepped down*
 - *Mr David Coyne joined the Board as Finance Director*
- **The new Peninsula Board of Directors**

John Harrison, Non-Executive Chairman

Wayne Heili, Managing Director & CEO

David Coyne, Finance Director & CFO

Harrison (Hink) Barker, Non-Executive Director

Evgenji Iorich, Non-Executive Director

Mark Wheatley, Non-Executive Director

Capital Markets

Exec. Leadership & Technical

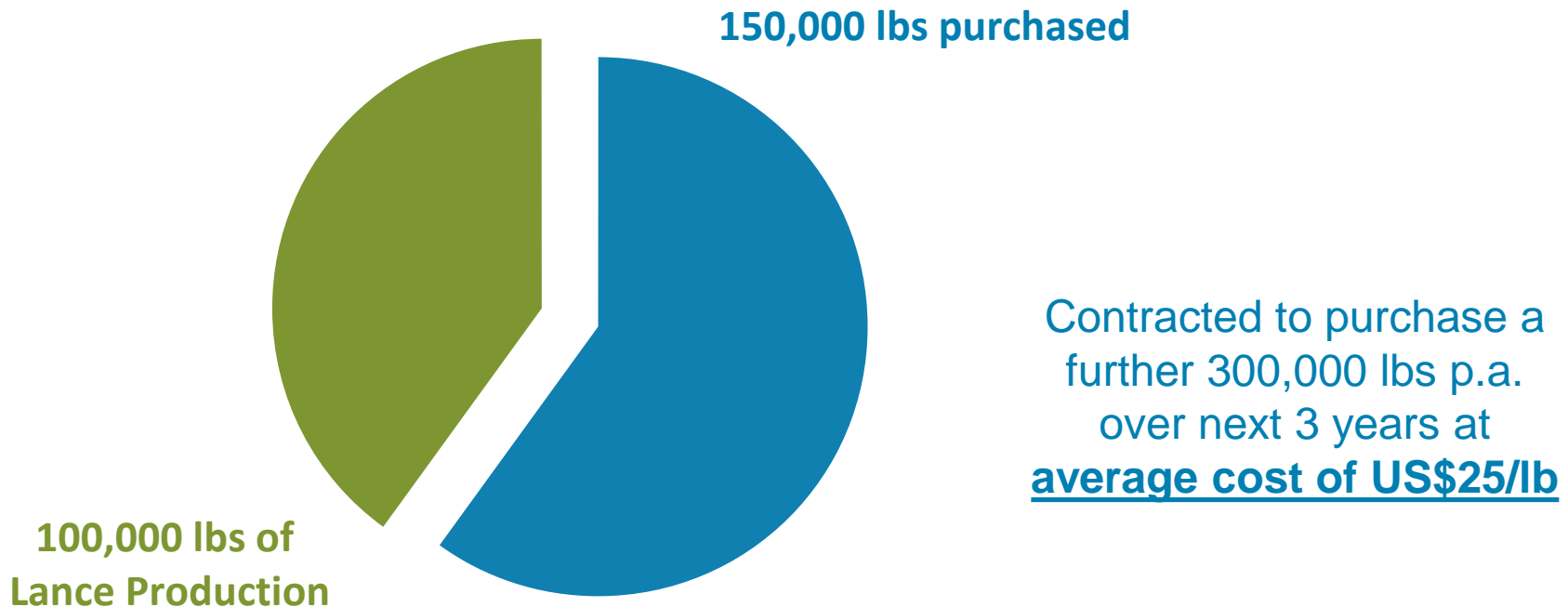
Finance & Risk Management

Nuclear Fuel Markets

Buy Side Capital Markets

Mining CEO & ISR Technical

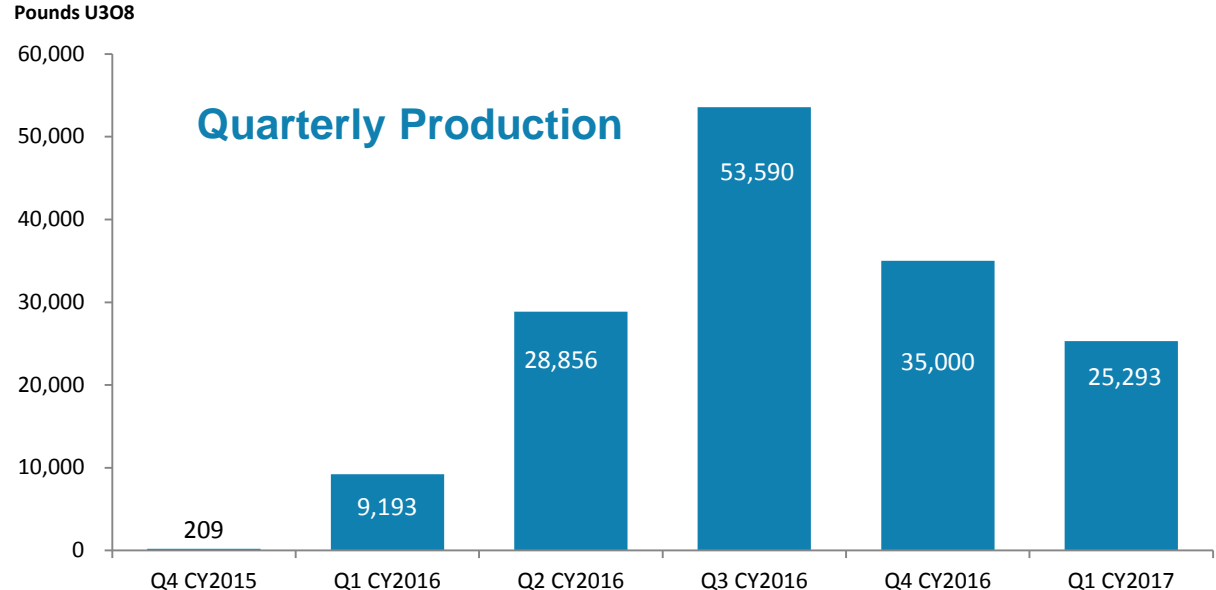
- **250,000 pounds** of U_3O_8 sold at an average **US\$54/lb**



- **Production Restraint is becoming a common theme**
 - The big miners have cut back production by 10-12% in Q1 CY17
 - Kazatomprom, Cameco, Areva, Paladin, more
- **Demand for carbon-free nuclear power continues to grow**
 - Utilities have >800 m lbs U_3O_8 of uncovered demand over next 10 years
 - China forecast to double capacity to 58GWe by 2020/2021
 - Slow but positive signs in Japan
 - Political support gaining momentum in U.S.
- **Secondary supplies can't /won't cover the supply gap forever**

Production Results

- **25,293 lbs produced in quarter**
- **Following operating strategy announced in Q416**
 - Three new Header Houses (#'s 5, 6 & 7) commissioned
 - Two of the three new houses now contributing to production
 - HH #7 in re-circulation prior to production
 - Flow rates stabilized.



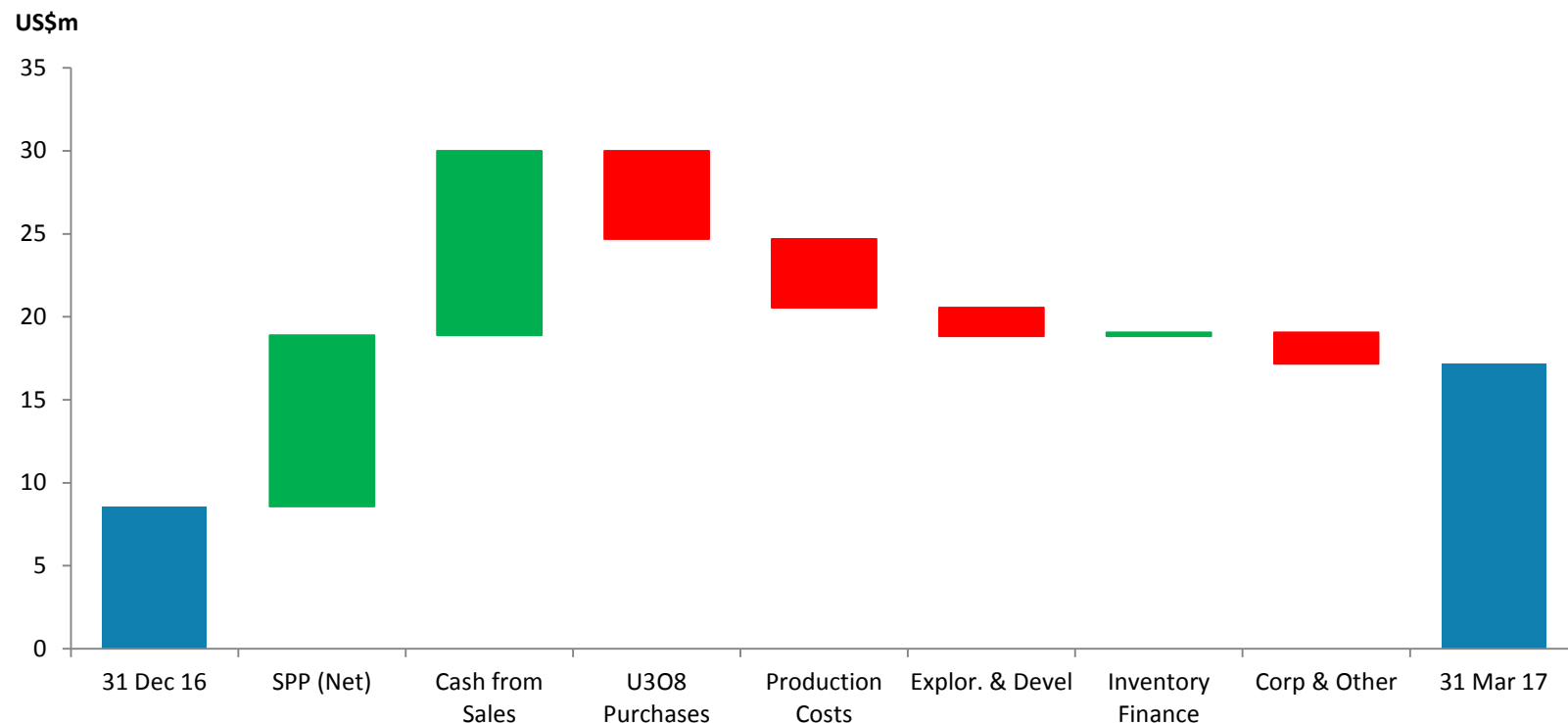
- **Tightly Controlled Development Activities and Costs**
 - Seven header houses operating
 - House #8 is under construction and is due online in Q2 CY2017
 - Well drilling is active in house #9
- **Technical Team Focussed on Optimising Operating Parameters**
 - Filtration incorporated in houses 5 & 6 proven effective
 - Process chemistry refinements
 - reverting back to lixiviant chemistry of Q3 CY2016
 - RO Plant operating to clean injection lixiviant
 - Commencing campaign of pattern reversals in operating houses
 - Research and data review
- **Substantial Cost Reduction Efforts**
 - Land holding costs
 - Renegotiating supply and service agreements

- Significant progress made on sustainable cost reductions

Payments for: (US\$'000)	Actual Dec Qtr CY16	Actual Mar Qtr CY17	F'cast Jun Qtr CY17
Exploration & Evaluation	514	285	300
Development	2,442	1,435	1,400
Production	3,531	4,130	3,700
Sales, Admin & Corporate ⁽¹⁾	1,054	1,486	450
Staff (Corporate)	367	207	300
	7,908	7,543	6,150

(1) Sales, Admin & Corporate adversely impacted in March Quarter by costs associated with staff reduction and MD/CEO change

Cash Balances and Movement



- Successful Share Purchase Plan
- Cash received from U₃O₈ sales made in December and January
- Cash paid for 250,000 lbs of purchased U₃O₈ (100,000 lbs purchased Dec 16; 150,000 lbs purchased Feb 17) – average price paid \$21.25/lb U₃O₈

Working Capital

US\$7.5m overdraft; US\$3.5m drawn
US\$7.5m TFF; US\$3.2m drawn



Repaid in full 1st week April
Trade finance smooths cashflows

Finance Leases / Mortgages

US\$1.2m outstanding at 31 Mar 17



Individual agreements
2-4 year terms

Surety Bonds

US\$12.2m surety in place at 31 Mar 17



Cash effective bonding
PEN cash backing under 25%

Convertible Notes

US\$20.0m drawn at 31 Mar 17



Extended to April 2018
Conversion price A\$0.625/share

- **Very low gearing ratio of 11% - balance sheet flexibility to fund future expansion and growth**

Outlook & Closing Remarks

- ✓ Very strong committed cash margins secured
 - ✓ **Sales and purchases at fixed prices**
- ✓ Significant contract sales book that supports long-term revenue outlook
 - ✓ **Average sale price US\$54/lb**
- ✓ ***Forecasting cash positive Q2 CY2017***
- ✓ Maintaining a healthy cash position
- ✓ Uranium production company with globally significant project resource base
- ✓ Peninsula ideally placed to capitalise on long overdue rebound in uranium price
- ✓ Strong institutional and retail shareholder support

REGISTERED OFFICE

Unit 17, Level 2, 100 Railway Road
Subiaco, Western Australia 6008
Australia

www.pel.net.au
info@pel.net.au



FURTHER INFORMATION

Wayne Heili Managing Director +61 8 9380 9920

Contact Details