



6 April 2018

Companies Announcement Office  
*Via Electronic Lodgement*

## **LANCE PROJECTS MARCH QUARTER OPERATING PERFORMANCE**

Peninsula Energy Limited (**Peninsula or Company**) is pleased to report that production from the Lance Projects during the quarter ended 31 March 2018 was 43,638 pounds  $U_3O_8$ . The March quarter production is an increase of approximately twelve percent on the December quarter.

Wayne Heili, Peninsula's Managing Director and CEO commented, "The most recent quarter continues our precedent of achieving consecutively higher quarter over quarter production levels at Lance. We are pleased to report production levels for the most recent quarter that exceed the upper band of our 30,000 to 40,000 pounds  $U_3O_8$  per quarter forecast range during the transition phase to low pH operations. I'd like to commend our Lance operations team for achieving consistently improved production levels while also upholding our important safety and environmental values of no loss-time accidents, no environmental incidents and no permit violations."

The daily production rate continued to improve through the March quarter, realising an average of 485 pounds  $U_3O_8$  per day during the quarter (average of 427 pounds  $U_3O_8$  per day during the December quarter). Process improvement initiatives that have been implemented during 2017 have been largely responsible for ensuring that wellfield flow rates remained relatively stable during challenging winter conditions over the past 3 months. No new header houses were introduced during the quarter.

The Company is maintaining its current production guidance levels for the upcoming quarter as it advances the planned transition to low pH operations at Lance. Transitioning to a low pH ISR operation has the potential to align the operating performance and cost profile of Lance with the industry leading global uranium production projects.

Additional details on the quarterly production performance and cash flow will be included in the Quarterly Activities Statement for the quarter ended 31 March 2018, scheduled to be released by the Company in the second half of April 2018.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read "Wayne Heili", is written over a light blue horizontal line.

**Wayne Heili**  
**Managing Director/CEO**

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

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