



15 November 2018

Companies Announcement Office
Via Electronic Lodgement

PENINSULA ENERGY LIMITED QUARTERLY RESULTS WEBCAST PRESENTATION

Peninsula Energy Limited (**Peninsula**) advises that it held an investor update webcast on 7 November 2018 including the attached presentation to cover the September 2018 quarter.

A recording of the webcast is available on the link below:

<http://www.pel.net.au> under "Announcements" subsection "Presentations".

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.

September 2018 Quarter Results

Webcast | 7 November 2018



PENINSULA
ENERGY LIMITED



ASX: PEN

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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 Guiling. Mr. Guiling 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. Guiling is Principal of independent consultants World Industrial Minerals. Mr. Guiling 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. Guiling consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

- **Highlights of the Quarter**

1. **Lance Results and Activities**
2. **Low pH Permitting Progress**
3. **Low pH Feasibility Study**
4. **Quarterly Costs & Cash Flow Analysis**
5. **Karoo Update**
6. **Uranium Market**
7. **Investment Highlights**



Header House 5 & Wells

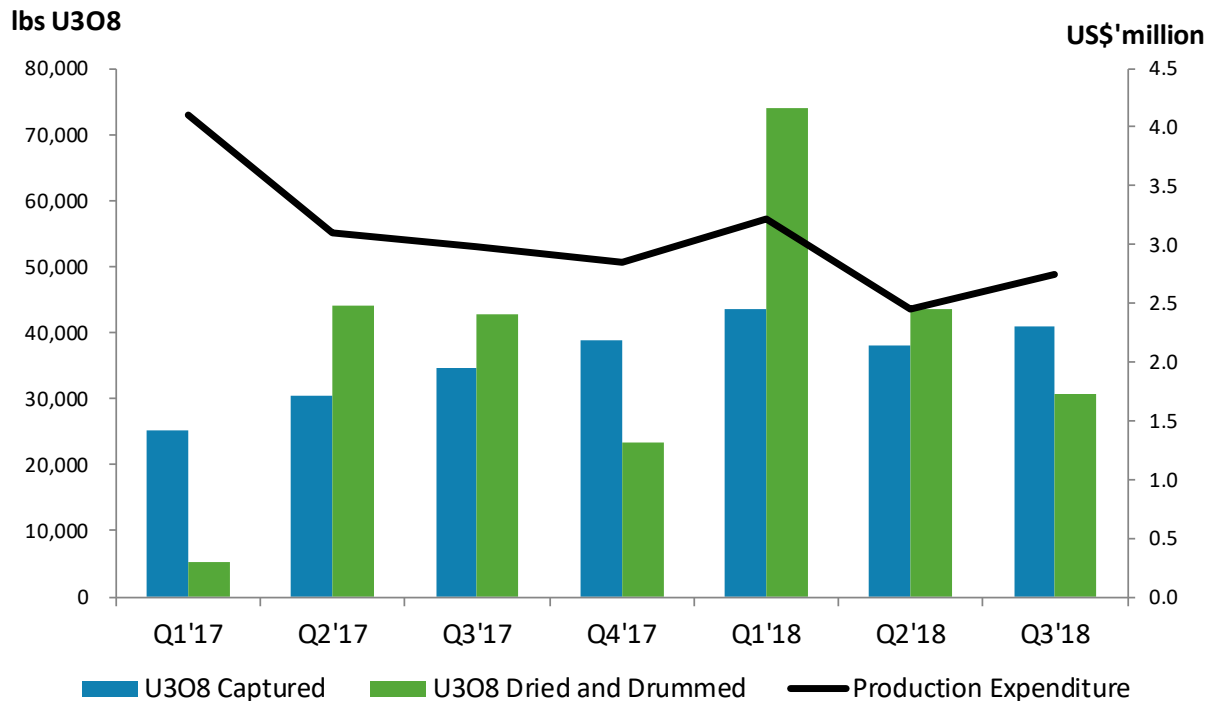
Mr Wayne Heili – Managing Director & CEO

Mr David Coyne – Finance Director & CFO

Lance - Steady Production Results

- **September Quarter production higher than guidance**
 - 40,920 lbs produced in the quarter
 - 30,835 lbs dried & drummed in the quarter
 - 100,000 lbs U₃O₈ sold on 1 October 2018
 - Reduced production expenditures during transitional period

Quarterly Production and Expenditure



- **Permit and License amendments progressing in line with original timing expectations**

Agreement State

- ✓ Effective 1 October 2018
- ✓ State of Wyoming now has primacy over both Permit to Mine and Source Material and by-product License

Permit to Mine

- ✓ Amendment request submitted April 2018
- ✓ WDEQ review comments received and responded to

Materials License

- ✓ Amendment request submitted early October 2018
- ✓ Submission consistent with Permit to Mine amendment application

LOM Production

- 33.4m lbs U_3O_8
- 17 year minelife

Financial Metrics

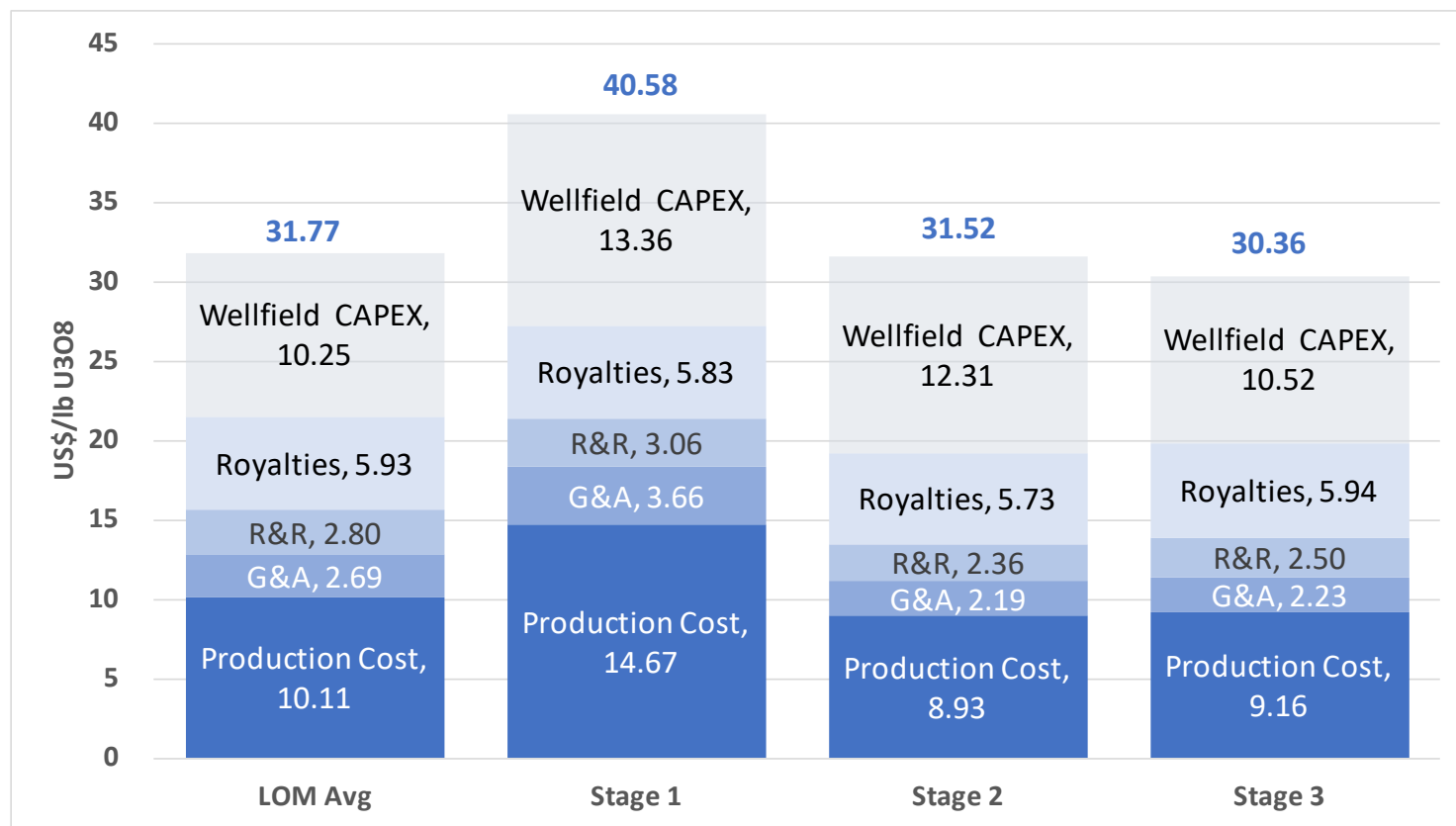
- LOM AISC of \$31.77/lb
- NPV8 \$157m at \$49/lb
- NPV8 \$254m at \$57/lb

Three Stage Expansion Plan

Stage	Year	Expansion CAPEX	Production Cost \$/lb.	AISC \$/lb.	Capacity mlbs/yr
Stage 1	2019	\$5.3m	\$14.67	\$40.58	1.15
Stage 2	2024	\$43.1m	\$8.93	\$31.52	2.3
Stage 3	2026	\$70.3m	\$9.16	\$30.36	3.0

- **Significant improvement over current alkaline performance**
- **Attractive economics irrespective of s232 outcomes**

FS Outcomes - All-in Sustaining Cash Costs: LOM and by Stage



- Comparative basis to Kazakhstan type low pH ISR (ie, exclude royalties & local taxes, rest. & rehab, DDWs for rest. & rehab and permitting/regulatory costs)
 - Stage 1: \$28.87/lb U₃O₈; Stage 2: \$21.03/lb U₃O₈; Stage 3: \$19.60/lb U₃O₈

Note: All-in sustaining cash costs **exclude** CAPEX for low pH transition, Stage 2 expansion and Stage 3 expansion and are calculated as at the steady state production rate for each respective stage

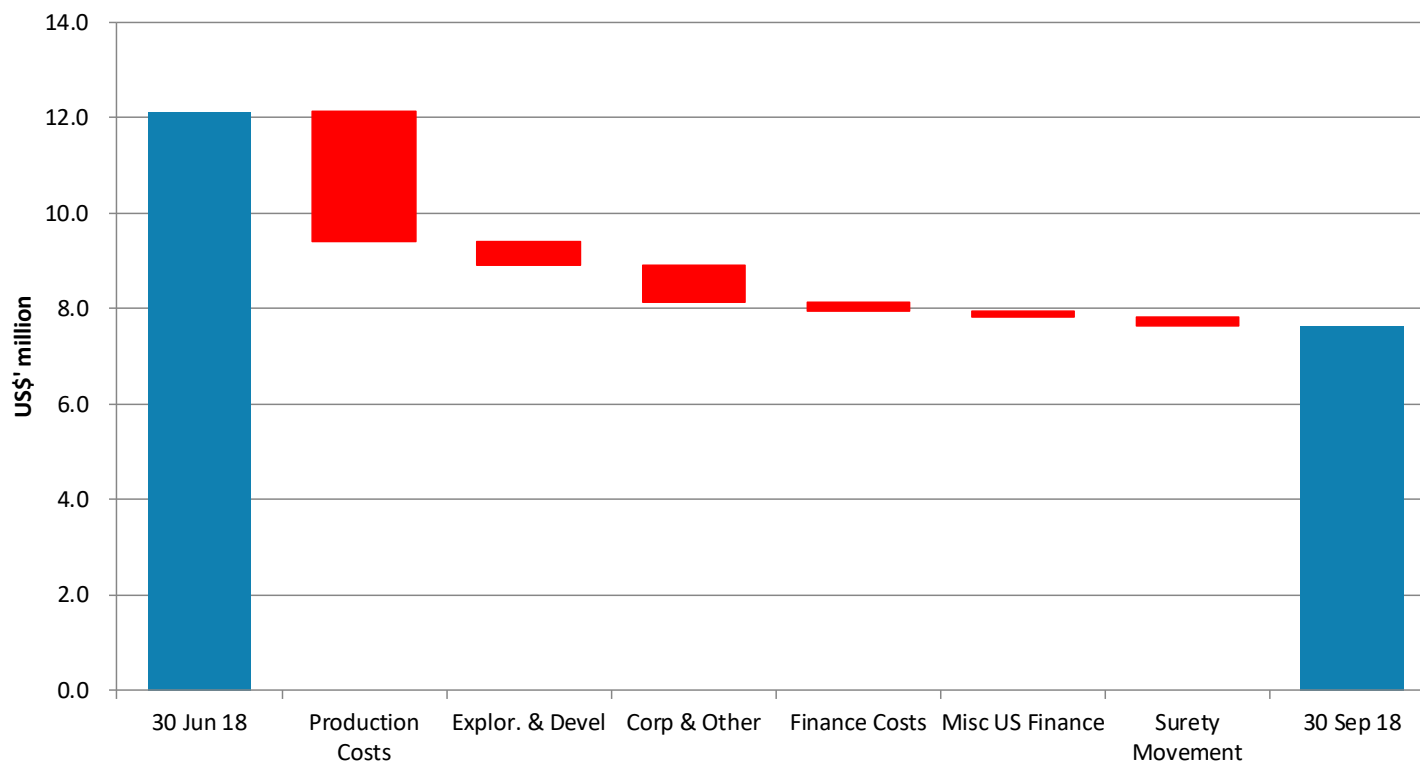
Quarterly Cost Performance Review

- Spending discipline continues

Payments for: (US\$'000)	Actual Dec Qtr CY17	Actual Mar Qtr CY18	Actual Jun Qtr CY18	Actual Sep Qtr CY18	F'cast Dec Qtr CY18
Exploration & Evaluation	185	169	197	159	550
Development & PPE	537	786	491	327	500
Production	2,847	3,219	2,457	2,739	2,700
Sales, Admin & Corporate ⁽¹⁾	361	601	381	329	250
Staff (Corporate)	253	288	284	539	300
	4,183	5,063	3,810	4,093	4,300

(1) Excludes financing charges, debt repayments, US\$3.8m VAT amount remitted in June Quarter and US\$3.0m debt repayment made on 20 April 2018.

Available Cash⁽¹⁾ Balances and Movement



- Outflows consistent with forecast
- No sales proceeds received during the quarter; \$4.5m rec'd on 31 Oct 2018
- Finance costs include legal & EGM costs for Con Note extension

1) Available Cash excludes amounts placed on deposit to secure guarantees and surety bonds

- All development and progression activities have ceased

Ongoing Activities

- ✓ Site office now closed
- ✓ Full time personnel and contractors let go

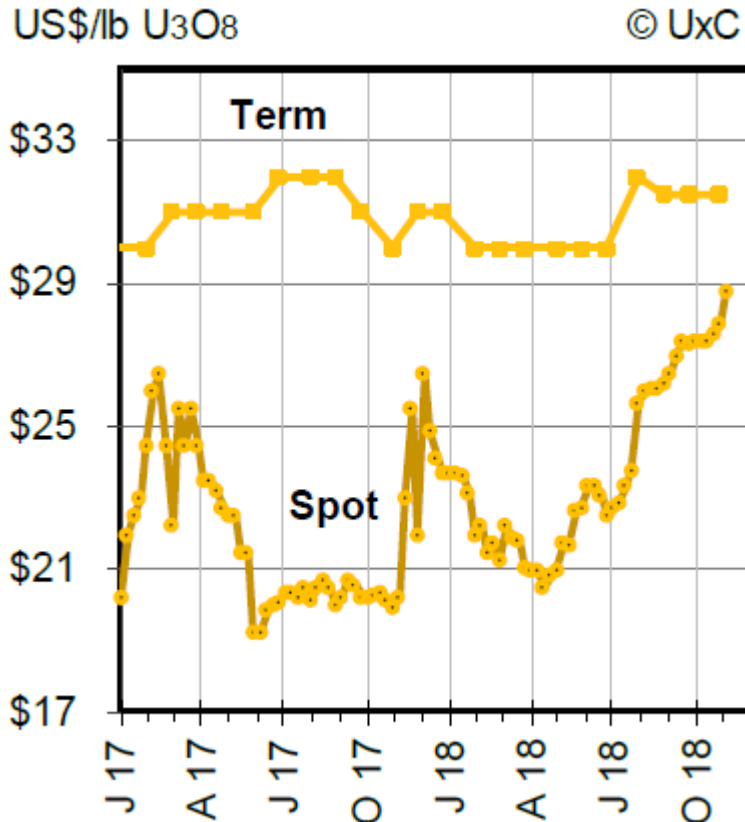
Rest. & Rehab.

- ✓ All borehole remediation complete
- ✓ Historic trial mining area rehab under discussion with regulators

Asset Sales

- ✓ Sale of freehold farm land has commenced
- ✓ Drought and regulatory uncertainty impacting sale progress

- The uranium spot market is now trading at multi-year highs



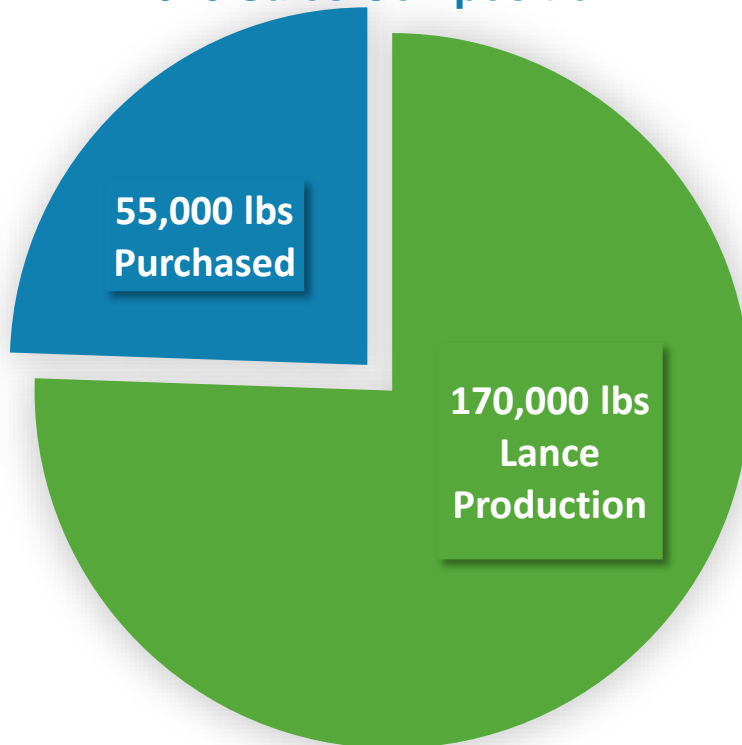
- Uranium is sold in spot & term markets
- Utilities have been buying from spot for several years, limiting term activity
- Spot market supply depth is being tested by producer/investor buying
- Term market trading volumes will remain thin pending s232 outcomes
- Both markets are expected to rise in the near term

Source: The Ux Consulting Company, LLC

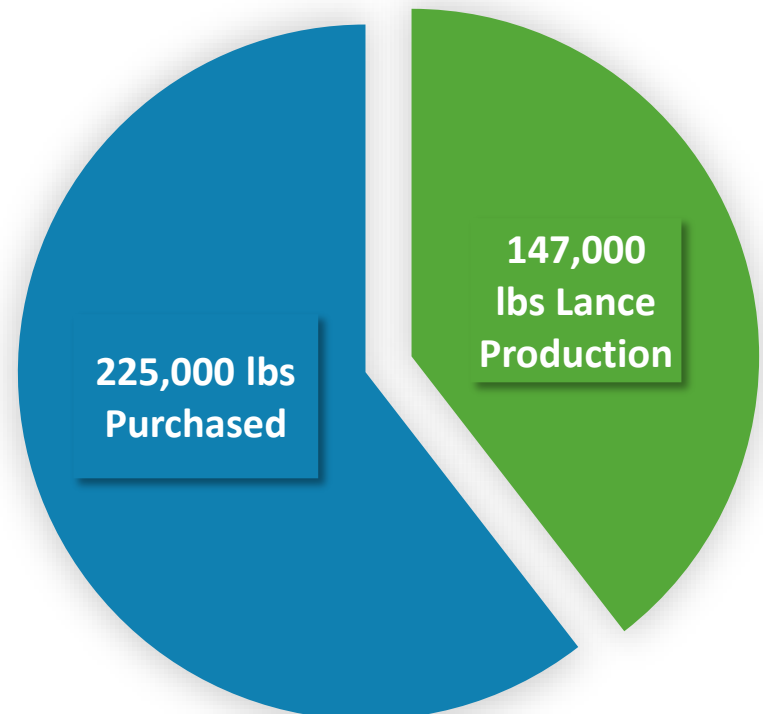
Flexible Sales Strategy








- CY2018 completed deliveries of 225,000 lbs of U₃O₈
- Some deliveries in 2019 and 2020 have flexible origin clauses allowing seller optionality
- Contracted to purchase 225,000 lbs U₃O₈ as needed – fixed purchase prices with average cost of \$23.69/lb U₃O₈
 - No negative exposure to rising uranium prices

2018 Sales Composition



2019-2020 Planned Sales Composition



Investment Criteria	Peninsula
Active US uranium production assets	
Direct exposure to Section 232 outcomes	
Long term sales contract protection	
Strong leverage to rising uranium market price	
Ability to rapidly expand production capacity	
Low current CAPEX requirements	
Experienced technical, commercial and financial team	

Questions & Answers

Contact Details

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FURTHER INFORMATION

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