



29 November 2018

Companies Announcement Office
Via Electronic Lodgement

PENINSULA AGM – CHAIRMAN’S ADDRESS

Dear Shareholder,

Ahead of today’s Annual General Meeting, it may be useful to reflect on the year that is behind us, talk about the year ahead and to highlight some of the initiatives and news flow that shareholders can look forward to.

Our share price performance over the year is not one that the Board is happy with. Much of this is market related and common to all uranium stories but some too is related to the performance of Lance and the hard, but necessary decision taken by the Board to change process chemistry at the operations and to seek permit and license amendments that will allow us to operate using a low pH or mild sulphuric acid solution. During the year, shareholders will have been aware of the announcements associated with this initiative, including the low pH White Paper and all of the related technical studies and lab scale tests that formed the basis for the release of the feasibility study. This study demonstrates that mild acid will allow us to transition to a competitive uranium operation.

The Company recently received the good news that we will be able to run a low pH field demonstration, which will allow the Company to show that we can successfully lower the pH level down to that required for mining and commence rehabilitation of the mining zone aquifer. In addition, the demonstration will help us fine tune a number of assumptions used in the feasibility study. A further positive consequence of a successful field demonstration should be that the data produced will allow us to ramp up more quickly under the anticipated conditions of the revised permits and licenses, should market conditions improve.

I am also pleased to report that just yesterday, in case shareholders missed it, we announced that the Wyoming Department of Environmental Quality confirmed that they have completed their review of our proposed amendment to the Permit to Mine and that we have been directed to move to the 60 day Public Review Stage of the amendment process. This is a major step forward in the permit amendment process.

We also made a decision to exit the Karoo Project after unsuccessfully trying to divest the project. This decision allows the Company to focus fully on the Lance Projects and the tasks ahead to complete the exciting transformation initiative.

It would be remiss of me not to mention the significant achievement of monetising one of our sales contracts early in the calendar year to raise \$US19m. This successful transaction allowed the Company to partly fund the transformation initiative and of note, allowed Peninsula to be one of only a few small to midcap uranium companies that did not raise equity this year. On the corporate front, it is also very significant to note that our major shareholders agreed to extend

the Convertible Note term out by 2 years giving the Company time to progress its technical programme and hopefully time for markets to improve.

The Board is looking forward to the upcoming Peninsula news flow, especially through to mid next year. The most significant items to watch out for are; technical updates on recent additional column leach tests and the progress of the low pH field demonstration, the imminent commencement of the public review process for the amendment of the Permit to Mine, updates on the status of the Source Material License amendment process, and then after public review and due consideration of the comments received, the grant of the Permit to Mine amendment.

An investigation by the U.S Department of Commerce into price depression on the part of overseas uranium producers at the expense of U.S producers is ongoing under Section 232 of the U.S Trade Expansion Act. Results of the DOC's analysis are due in the first half of next calendar year and will also be of interest as the likely remedies could benefit the U.S. based Lance Project.

I'd also like to take the opportunity to thank again the Board of Peninsula, our management team and all our employees for their hard work during the year. It is not an easy time to be in the uranium business but we feel confident that this hard work will ultimately pay off when markets turn as they always do.

Yours sincerely



John Harrison
Non-Executive Chairman

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