



4 November 2019

Companies Announcement Office
Via Electronic Lodgement

INTERIM OPERATIONS REPORT APPROVED BY WDEQ

Peninsula Energy Limited (**Peninsula or Company**) is pleased to advise that the low pH Interim Operations Report (**IOR**) has been approved by the Wyoming Department of Environmental Quality (**WDEQ**). WDEQ review of the IOR was a condition of the previously announced grant of the Permit to Mine (**PTM**) and Source Materials Licence (**SML**) amendments for the Lance Projects in Wyoming, USA (**Lance Projects**).

In December 2018, Peninsula initiated field trials of the proposed new low pH in situ recovery (**ISR**) process at the Lance Projects. The field trials were designed to demonstrate the ability to comply with technical requirements contained in the approved PTM and SML amendments, the two overarching regulatory approvals which authorise commercial-scale low pH operations at the Lance Projects. Following the successful outcomes of the field trials, the required IOR was submitted to the WDEQ on 20 September 2019. With the approval of the IOR, Peninsula now has full regulatory authorisation for low pH ISR operations in Mine Units 1 & 2, the already-mined areas of the Lance Projects, subject only to meeting two pre-operational license conditions (revisions to the radiation protection program and updates to surety bond).

Wayne Heili, Peninsula's Managing Director/CEO, commented: *"It is a significant milestone for the Company and the U.S domestic uranium production industry to receive regulatory confirmation of the successful demonstration of both the low pH in-situ recovery and initial restoration activities at Lance. The approval of the Interim Operations Report is a key step in the progression of our ambition to be the first U.S. based uranium ISR project to utilise the cost effective and efficient low pH methodology. I would like to congratulate the site team in Wyoming on this impressive achievement.*

While we wait with a sense of optimism for the potentially positive initiatives expected to be brought forward by the President following the United States Nuclear Fuel Working Group recommendations, the Company will continue with its planned activities designed to de-risk and refine key technical aspects of the low pH transition at Lance."

As described in the Company's announcement of 21st March 2019, implementation of low pH ISR at the Lance Projects is to be completed in four phases. The Phase 1 field demonstration of mining operations and the initial restoration stage is now complete. Phase 2, the commercial scale low pH ISR operations in Mine Units 1 and 2 can now occur along with the Phase 3 groundwater restoration field demonstration activities. The Phase 3 demonstration will conclude upon approval by the WDEQ of an Interim Restoration Report. A board decision will then be made on timing for initiation of Phase 4 production operations in new mine units.

The commencement of commercial scale low pH ISR operations in Mine Units 1 and 2 (Phase 2 operations) will be dependent on the extent of improvement in market conditions and demand for uranium mined in the United States, together with the completion of the previously announced de-risking activities, expected to be achieved during the first half of the 2020 calendar year. The Company is capable of fully satisfying its sales obligations through 2020 without further production activities at the Lance Projects.

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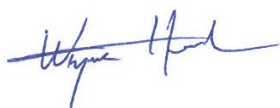
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Over the next 6 to 9 months, the Company will continue with the low pH de-risking and optimisation activities currently underway including:

- Tests on ion exchange resins and systems that have specifications better suited to low pH operations (as compared to resins and systems used in the low pH field demonstration which were the same as those used for alkaline based operations since December 2015);
- Refinement of the system acidification process and the handling of fines material that is typically generated during in-situ recovery and groundwater restoration operations using low pH solutions; and
- Re-design of the acid storage and distribution system.

The Company expects to make an announcement on the restructuring of the Convertible Note Facility, to lift the trading halt, in the coming days.

Yours Sincerely,



Wayne Heili
Managing Director/CEO

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

About Peninsula Energy Limited

Peninsula Energy Limited (PEN) is an ASX listed uranium mining company which commenced in-situ recovery operations in 2015 at its 100% owned Lance Projects in Wyoming, USA. Following a positive feasibility study, Peninsula is embarking on a project transformation initiative at the Lance Projects to change from an alkaline ISR operation to a low pH ISR operation with the aim of aligning the operating performance and cost profile of the project with industry leading global uranium production projects.