



PENINSULA ENERGY LIMITED

ABN 67 062 409 303

Prospectus

For a pro-rata renounceable entitlement offer of nine (9) New Shares for every five (5) Shares held by Eligible Shareholders at an issue price of A\$0.071 per New Share to raise A\$40,262,841 (**Entitlement Offer**).

This Entitlement Offer is fully underwritten by Canaccord Genuity (Australia) Limited, who is also lead manager and bookrunner. This Entitlement Offer is co-managed by Euroz Securities Limited.

Refer to section 8 of this Prospectus for details regarding the terms of the underwriting and management arrangements.

IMPORTANT NOTICE

This Prospectus has also been prepared for the purposes of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Securities issued by the Company.

This document is important and should be read in its entirety before deciding whether to apply for New Shares under this Prospectus. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, solicitor, banker, financial adviser, accountant or other professional adviser.

You should have regard to all publicly available information concerning the Company.

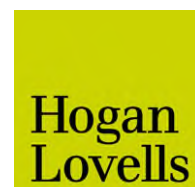
An investment in the Shares of the Company, including the New Shares offered by this Prospectus, should be considered speculative.

Not for release to US wire services or distribution in the United States, except by the Company to Eligible Shareholders

Underwriter



Legal Adviser to Peninsula



Corporate Directory

Board of Directors

Mr John Harrison
Non-Executive Chairman

Mr Wayne Heili
Managing Director/CEO

Mr David Coyne
Finance Director/CFO

Mr Mark Wheatley
Non-Executive Director

Mr Harrison Barker
Non-Executive Director

Joint Company Secretary

Mr Jonathan Whyte
Mr David Coyne

Registered Office

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Website: www.pel.net.au

Share Registry

Link Market Services Limited
Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000

Telephone: +61 1300 222 378

Solicitors to the Entitlement Offer

Hogan Lovells
Level 13, St Georges Square
225 St Georges Terrace
Perth WA 6000

Telephone: + 61 8 6208 6550
Facsimile: + 61 8 6208 6559

Important notes

You should read this entire Prospectus carefully before deciding whether to invest in New Shares. In particular, you should consider the key risks that could affect the performance of the Company or the value of an investment in the Company, details of which are outlined in section 4 of this Prospectus.

The information provided in this Prospectus is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading this Prospectus, you have any questions about the Entitlement Offer, you should contact your stockbroker, solicitor, banker, financial adviser, accountant or other professional adviser.

Regulatory information

This Prospectus is dated 4 June 2020 and was lodged with ASIC on that date. ASIC and ASX take no responsibility for the content of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company in connection with the Entitlement Offer.

Applications for New Shares offered pursuant to this Prospectus can only be submitted on an original Application Form, which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Disclaimer

Except as required by law, and only then to the extent so required, neither the Company nor any other person warrants the future performance of the Company or any return on any investment made under this Prospectus. An investment in the New Shares offered by this Prospectus should be considered speculative.

The Company has prepared this document based on information available to it at the time of preparation.

Forward-looking statements

This Prospectus contains forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions many of which are outside the control of the Company and that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

In particular, this Prospectus details some important factors and risks that could cause the Company's actual results to differ from the forward-looking statements in this Prospectus (details of which are outlined in section 4 of this Prospectus).

The pro-forma financial information provided in this Prospectus is for illustrative purposes only and is not represented as being indicative of the Company's view on its future financial condition and/or performance.

Neither the Company nor any other person guarantees the repayment of capital or the payment of income. Investors should note that the past performance of the Company provides no guidance to its future performance.

Key risks

Subscribing for New Shares the subject of this Prospectus involves a number of risks. The risk factors set out in section 4 of this Prospectus and other general risks applicable to all investments in listed securities not specifically referred to may in the future affect the value of the Shares. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of the Company, dependent on the policies adopted and approaches taken by regulatory authorities or cannot otherwise be mitigated.

If any Shareholder is unsure about subscribing for Shares, the Shareholder should first seek advice from its stockbroker, solicitor, banker, financial adviser, accountant or other professional adviser.

The following sets out a summary of some of the key risks relevant to the Company and its operations:

Risk	Details
Uranium mining risks	The Company's uranium project is located in the state of Wyoming, USA. Whilst exploration and mining for uranium is currently permitted in Wyoming there is no guarantee that it will be permitted in the future.
Low pH uranium recovery	The Company is transitioning the Lance Projects from an alkaline leach chemistry to a low pH (mild acid) leach chemistry. Whilst laboratory and small-scale field demonstrations support application of a low pH leaching agent, the Company has not yet demonstrated the use of low pH on a commercial scale.
Uranium recovery and processing	The operations of the Company may be affected by difficulties associated with recovering and extracting uranium from its uranium projects.
Carbonate content	Use of a low pH leaching agent is generally accepted as being applicable to ore bodies that have a carbonate content of less than 2.0%. Whilst the Company has tested 17 core samples that have resulted in an average of less than 2.0%, due to the scale and size of the Lance Projects there is no guarantee that the life of mine average will be less than 2.0%.
Operational risk	The operations of the Company may be affected by various factors. No assurances can be given that the Company will achieve its commercial targets and that predicted production rates for low pH mining can be achieved, despite utilisation of established and proven processes and techniques.
Low pH implementation – regulatory risk	The Company may require modifications to its existing permits and licences in order to use its preferred methods and processes and these changes may not be approved in a timely manner, if at all.
Title risk	Interests in tenements in the United States are governed by the respective State and Federal legislation and are evidenced by the granting of licences and leases. If a mining tenement is not renewed, the Company may suffer significant damage through the loss of the opportunity to develop and discover any mineral resources on the mining tenements.
Regulatory risk	The Company is exposed to any changes in the regulatory conditions under which it operates.
Resource estimates	Resource estimates are expressions of judgement based on knowledge, experience and industry practice. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change.

Risk	Details
Foreign exchange risks	The Company and its Shareholders are exposed to the fluctuations and volatility of currency exchange rates.
Service providers, agents and contractors	There is a risk that the actions of agents, contractors and services providers used by the Company in any of its activities may have a negative impact on the Company.
Safety risk	The construction and operation of a uranium mining operation has the potential to cause the emission of radiological material. The Company must maintain equipment and procedures at its project facilities to protect public health and minimise danger to life or property.
Additional requirements for capital	The Company's capital requirements depend on numerous factors. If the Company is unable to obtain additional financing as needed it may adversely impact on the ability of the Company to meet its objectives.
Operating history	The Company has operated the Lance Projects since December 2015 using an alkaline leaching agent. Whilst it has conducted a field demonstration using a low pH leaching agent, it does not have a low pH operating history.
Reliance on key management	The Company's future success depends substantially on its senior management and its key personnel. There can be no assurance that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
Provision of surety bonds	Environmental obligations are met through provision of surety bonds that are partly cash backed by the Company. The ability to open up new mine units, and environmental obligation cash requirements, are dependent on the ongoing provision of surety bonds by insurance companies.
Existing debt maturity	The Company is required to repay or otherwise re-structure its existing debt facility on or before 31 October 2020 and if this Entitlement Offer does not raise an amount sufficient to repay the debt in full then the Company may not be able to continue as a going concern. Further details on the Facilities are set out in section 8.5.
Underwriting risk	If the Underwriting Agreement is terminated and the Entitlement Offer does not proceed or does not raise the funds required for the Company to meet its stated objectives, the Company would need to find alternative financing to meet its funding requirements. If the Company does not raise the funds required or cannot find alternative financing to repay its debt in full then the Company may not be able to continue as a going concern.
Third party risk	If the Company fails to meet its obligations in terms of product quantity, quality or timing, there may be a risk that contracts are terminated. This may have a material adverse effect upon the Company's financial performance and results of operations.
Risks associated with operating in the United States	The Company has material operations in the United States and is exposed to the risks associated with operating in a foreign country.
Environmental risk	The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. There is a risk that significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.
Exploration risks	There can be no guarantee that the Company's planned exploration and evaluation programs will lead to positive exploration and evaluation results and the delineation of a commercial deposit or further, a commercial uranium mining operation.
Insurance risk	Insurance of risks associated with minerals exploration and production is not always available and, where available, the costs can be prohibitive.
Commodity price risk	Volatility in commodity markets may materially affect the profitability and financial performance of the Company and the price of its Shares. In addition, any sustained low global price for uranium (as well as other related commodities) may adversely affect the Company's business and financial results, and its ability to finance, and the financing arrangements for activities and its planned capital expenditure commitments (in the ordinary course of the Company's operations).

Risk	Details
Competition	Competition from other uranium producers, developers and explorers may affect the potential future cash flow and earnings which the Company may realise from its operations.
Economic risk	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.
Coronavirus (COVID-19) risk	The global economic outlook is facing uncertainty due to the COVID-19 pandemic, which has had and may continue to have a significant impact on capital markets and share prices. The Company's share price may be adversely affected by the economic uncertainty caused by COVID-19. Further, any measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations.
Market conditions	Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Changes in the price of uranium can have a significant impact on the economic performance of a project.
Litigation	From time to time, the Company may become involved in litigation and disputes.

In addition, there are a number of general risks that are common to all investments in shares and are not specific to the business model and operations of the Company. Further details regarding risks that may affect the Company in the future are set out in section 4.

The Shares offered under this Prospectus carry no guarantee of profitability, dividends, return of capital or the price at which they may trade on ASX. The past performance of the Company should not be considered a guide to its future performance.

Prospectus availability

Eligible Shareholders can obtain a copy of this Prospectus during the Offer Period on the Company's website at www.pel.net.au or by contacting the Company's Share Registry on 1300 222 378 (within Australia) or +61 1300 222 378 (outside Australia). If you access the electronic version of this Prospectus, you should ensure that you download and read the entire Prospectus.

The electronic version of this Prospectus on the Company's website will not include a personalised Application Form. You will only be entitled to accept the Entitlement Offer by completing and returning your personalised Application Form, which accompanies this Prospectus, or by making a payment via BPAY® using the information provided on your personalised Application Form (refer to section 6 of this Prospectus for further information).

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to a hard copy of this Prospectus or a complete and unaltered electronic version of this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

Foreign jurisdictions

This Prospectus has been prepared to comply with the requirements of the laws of Australia and is being sent to Eligible Shareholders. No action has been taken to register the New Shares in any jurisdiction outside of Australia.

See section 1.11 of this Prospectus for further details in relation to persons in other jurisdictions.

Trading Entitlements and New Shares

The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade Entitlements before they receive their Application Form, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or otherwise, or who otherwise trade or purport to trade Entitlements in error or which they do not hold or are not entitled to.

The assignment, transfer and exercise of Entitlements trading on ASX is restricted to persons meeting certain eligibility criteria. If holders of Entitlements at the end of the trading period do not meet eligibility criteria, they will not be able to exercise the Entitlements and, as a result, they will receive no value for them.

The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters you should first consult with your stockbroker, solicitor, accountant or other professional adviser.

Refer to section 1.5 for more details on trading of New Shares and Entitlements.

Glossary

Terms and abbreviations used in this Prospectus are explained in the Glossary in section 10 of this Prospectus.

A reference in this Prospectus to time is a reference to the local time in Perth, Western Australia, unless otherwise stated.

All financial amounts in this Prospectus are expressed in Australian dollars, unless otherwise stated.

Governing law

This Prospectus and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

Enquiries

If you have any questions in relation to the Entitlement Offer, please contact your stockbroker, solicitor, banker, financial adviser, accountant or other professional adviser.

If you have any enquiries in relation to the Application Form, please contact the Company's Share Registry on 1300 222 378 (within Australia) or +61 1300 222 378 (outside Australia).

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Chairman's letter

Dear Shareholders

On behalf of the Board I am pleased to offer you the opportunity to invest in Peninsula Energy Limited through a pro-rata renounceable entitlement offer of New Shares announced on 4 June 2020. Peninsula is completing a \$40,262,841 capital raise at the Offer Price of \$0.071 per Share. The entitlement offer is fully underwritten and open to all Eligible Shareholders (**Entitlement Offer**).

The Entitlement Offer is being conducted by way of a pro-rata renounceable entitlement offer. Under this Prospectus, Eligible Shareholders are invited to purchase nine (9) New Shares for every five (5) Shares held at 7.00pm (AEST) on the Record Date at the Offer Price of \$0.071 per New Share.

The Offer Price of the New Shares represents a discount of 45.4% to the Company's closing price on 28 May 2020, the last day the Shares were traded before the Entitlement Offer was announced. New Shares will rank equally with existing Shares in all respects from allotment, including entitlement to dividends/distributions.

We recognise that the Offer Price is a significant discount to the last closing price and the price of the capital raise completed in early 2020. Shareholders will be aware that the Company carries US\$16.821m of debt and that your Board has been negotiating for some 18 months an arrangement that would achieve a partial monetisation of one of our offtake contracts. The proceeds of that arrangement were intended to repay the major portion of the Company's debt. The viability of the arrangement depended on the ability to purchase uranium in the Spot market, at the time of execution, at a price that would generate a significant upfront payment to the Company. With the recent increase in the Spot price for uranium, the upfront value of the proposed partial contract monetisation has decreased substantially. If the partial monetisation was to be completed at or around the current Spot price, with all proceeds used for repayment of the debt, the Company would still be faced with a substantial residual debt balance due for repayment in less than 12 months.

Having extended the maturity of the debt a number of times over the past 3 years, the Company is faced with the very real prospect that the debt holders would no longer accommodate any further extensions. Despite the many positive attributes of Peninsula's position in the uranium market, including its offtake contracts, the unresolved status of our corporate debt is a drag upon the Company's share price and threatens its ability to continue as a going concern.

After considering the realistic options available to the Company, the Board determined that the most pragmatic option available was to raise sufficient funding to retire the debt in full and give the Company the opportunity to realise the potential inherent in the existing portfolio of uranium sale contracts and the transition to low pH operations. Mindful of the proximity of the maturing debt, the Board took the prudent decision to avail the Company of the certainty provided by the current buoyant fund raising environment after what have been and may yet return to uncertain and volatile equity markets.

In this COVID-19-influenced market, equity raises that are primarily for the repayment of existing debt and for re-structuring the balance sheet are being priced at substantial discounts to prevailing market prices. By undertaking this capital raise as an Entitlement Offer without an upfront placement of shares, the Board is providing all existing shareholders with the first opportunity to participate at the Offer Price. We encourage all of our shareholders to consider this Entitlement Offer on its merits and support the actions of the Company to re-position itself as a debt free uranium mining company with an enviable portfolio of long term uranium concentrate sale and purchase agreements.

The Entitlement Offer is fully underwritten by Canaccord Genuity (Australia) Limited (**Canaccord or Underwriter**), who is also acting as lead manager and bookrunner. The Entitlement Offer is co-managed by Euroz Securities Limited (**Euroz**). Canaccord (as underwriter) has entered into sub-underwriting arrangements with a number of persons to sub-underwrite the underwritten amount. Details on the underwriting, sub-underwriting and management arrangements are described in sections 8.1 to 8.4.

The Entitlement Offer includes the ability to trade the Entitlements until 17 June 2020 on the ASX.

This Prospectus relates to the Entitlement Offer and Entitlements allotted under it. This Prospectus contains important information about the Entitlement Offer and the Company's business. In section 2 you will find an overview of the Company and an update on the Company's activities.

Over the past 2½ years, the Company has made significant advances in transitioning the existing alkaline based operations at the Lance Projects to one that will use a low pH mining solution, significantly enhancing the economic potential of our flagship project when we re-commence production. The Board believes that our numerous low pH achievements over this time period, and an improving outlook for uranium demand and prices, have not been reflected in the value of our equity. Our Company and its equity value continue to be burdened by the ongoing spectre of near-term debt maturity.

As the monetisation is no longer proceeding, the Maturity Date of our existing debt is 31 October 2020 and proceeds raised from this Entitlement Offer are being used to repay it in full.

Completion of this capital raise will leave our Company debt-free and with a significant cash balance which, together with projected cash margins from our contract book are forecast, to see us through to the 2022 calendar year. With working capital that is projected to see us into the 2022 calendar year. With the cessation of the partial contract monetisation transactions, we are also able to retain the full value of our enviable portfolio of long-term uranium concentrate sale and purchase agreements that have a weighted average delivery price of between US\$51 and US\$53 per pound U3O8 through to 2030. In each of the 2021 and 2022 calendar years, we have 450,000 lbs U3O8 contracted for delivery to our customers. As we do not need to produce the uranium for these deliveries, by purchasing the uranium on-market at or around current reported spot prices, we could make cash margins of US\$6 million to US\$8 million on these sales in each of these two years.

Repaying the existing debt in full also saves us almost US\$2 million per annum in interest and withholding tax payments. A debt-free balance sheet is expected to open a range of funding and corporate options as we progress towards a production re-start decision in the months ahead. Further details on the debt are set out in sections 1.10 and 8.5.

I, and my fellow Directors, remain firmly of the view that the Company is well positioned to capitalise on continued improvements in not only the global uranium market, but specifically the market for uranium mined in the United States (**US**). The recent recommendations from the United States Nuclear Fuel Working Group have put in place the policy framework that is expected to materially benefit US uranium mines, including our Lance Projects. The US Department of Energy's intent to purchase 17 to 19 million pounds of US-mined uranium over a 10-year period provides an excellent opportunity for Peninsula to augment the existing uranium sale contract portfolio. Additional uranium sale contracts will underpin a decision to re-commence production.

Peninsula is the only ASX-listed uranium mining company with long-term uranium concentrate sale and purchase agreements and the ability to participate in a near-term US government-initiated uranium buying programme.

COVID-19 caused us to pause most of our field activities in the interests of the health and safety of our personnel, our contractors and the broader community in which we operate. We have now reached a point where it is safe to re-commence activities on our new low pH field demonstration in a previously unmined area. A drill rig has been remobilised to site to complete wellfield development activities and we expect to commence operating the new low pH field demonstration during the quarter ending September 2020.

We have not been completely idle during the recent COVID-19 induced slowdown. We have progressed additional column leach tests and plan to conduct more tests over the coming months to continue to optimise the business. One of our recent column leach tests using core from an unmined area where uranium recovery was less than expected, indicated that the rate of uranium recovery could be greatly enhanced through the addition of an oxidant into the leaching solution, as is typical of

other low pH operations. We are keen to trial this in the new low pH field demonstration, as well as the use of our existing ponds as settlement ponds to assist in the management of fines, which are typically encountered at other low pH in-situ recovery mines when acidifying the mining zone.

As the new low pH field demonstration is planned to run until mid-2021, the next 12 month period is an ideal time for us to request and attain any necessary amendments to our existing low pH permit and licence, for enhancements that we identify through our continuous improvement activities and which will lead to better long term outcomes when we re-commence production. Use of the existing ponds to assist in fines management in commercial operations and the addition of an oxidant in new unmined areas will fall into that category.

Should uranium markets improve to an extent that we wish to make a Final Investment Decision before mid-2021, we are fully authorised to re-commence production using the low pH method. The existing mine units 1 and 2 which still contain a resource of approximately 700,000 lbs U₃O₈ are planned to be the initial source of low pH production. They were previously subjected to alkaline mining and we do not envisage the need to add an oxidant to the leach solution in these mine units. Additionally, we have other means to manage any fines encountered during mining zone acidification as we progress the approval to use the existing ponds as our preferred means.

Funds raised under the Entitlement Offer, net of expenses, together with proceeds from the sale of uranium and existing cash reserves will be used for the following purposes through to early 2022:

- as noted above, repayment in full of the existing term debt that has a current face value of US\$16.821 million;
- payment of interest accrued under the term debt facility from the period of 1 April 2020 through to the date of debt repayment;
- early preparation activities for the planned transition to low pH operations, including deep disposal well modifications, process plant modifications and wellfield conversion; and
- general working capital purposes including progression of the low pH de-risking and optimisation activities through additional column leach testing and operation of the new low pH field demonstration.

For additional information on the use of funds raised from the Entitlement Offer, please refer to section 1.10.

To apply for New Shares under the Entitlement Offer, you must complete the personalised Application Form accompanying this Prospectus before the Closing Date of 24 June 2020.

I would encourage you to read this Prospectus in its entirety before making your investment decision. Risk factors associated with the investment are set out in section 4 and I recommend you fully consider these.

On behalf of the Board I strongly recommend this Entitlement Offer to you and look forward to your ongoing support and investment as the Company transitions to a low pH in-situ recovery uranium producer.

Yours faithfully



John Harrison
Non-Executive Chairman
Peninsula Energy Limited

Key Entitlement Offer information

Eligible Shareholders Entitlement	9 New Shares for every 5 Shares held by Eligible Shareholders
Offer Price per New Share	\$0.071
Maximum amount to be raised under the Entitlement Offer before costs	\$40,262,841
Maximum number of New Shares to be issued under the Entitlement Offer	567,082,271
Maximum Number of Shares on issue on completion of the Entitlement Offer	882,127,977

Key dates

Lodgement of Prospectus and Appendix 3B with ASIC and ASX	Thursday, 4 June 2020
Dispatch letters to optionholders	Thursday, 4 June 2020
Entitlements are quoted on a deferred settlement basis	(From market open) Tuesday, 9 June 2020
Record Date to determine Entitlement to New Shares	Wednesday, 10 June 2020
Entitlement Offer Opening Date	Monday, 15 June 2020
Dispatch of Prospectus, Application Form and letters to Ineligible Shareholders and an ASX announcement that this has been done	Monday, 15 June 2020
Deferred settlement trading in Entitlements ends	(From market close) Monday, 15 June 2020
Entitlements traded on a normal settlement basis	(From market open) Tuesday, 16 June 2020
Entitlements trading on ASX ends at close of trading	Wednesday, 17 June 2020
Last day to extend Closing Date	Friday, 19 June 2020
Entitlement Offer Closing Date	Wednesday, 24 June 2020
Announcement of results of issue (including notification of any Shortfall)	Monday, 29 June 2020
Issue and allotment of New Shares under the Entitlement Offer	Tuesday, 30 June 2020
Lodgement of Appendix 2A with ASX applying for quotation of New Shares	Tuesday, 30 June 2020]

Deferred settlement trading ends	Tuesday, 30 June 2020
New Shares commence trading on a normal settlement basis	Wednesday, 1 July 2020
Dispatch of holding statements	Thursday, 1 July 2020
Last date to issue any Shortfall Shares (see section 1.7)	Thursday, 24 September 2020

Note: These dates (other than the date of this Prospectus and date of lodgement of this Prospectus with ASX and ASIC) are indicative only. The Company reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Entitlement Offer, including extending the Closing Date or accepting late applications, either generally or in particular cases, without notice.

Frequently asked questions (FAQs)

What is the Entitlement Offer?	The Entitlement Offer is a pro-rata renounceable entitlement (with entitlement trading) to Eligible Shareholders to apply to purchase nine (9) New Shares for every five (5) existing Shares held as at the Record Date.	Section 1.1
What is my Entitlement?	Each Eligible Shareholder is entitled to subscribe for nine (9) New Shares for every five (5) Shares held on the Record Date.	Application Form and section 1.2
What is the Offer Price?	The Offer Price is A\$0.071 per New Share.	Section 1.1
Am I an Eligible Shareholder?	Eligible Shareholders are those Shareholders who, as determined by the Company at its absolute discretion: <ul style="list-style-type: none"> • is a Shareholder as at the Record Date; • has a registered address on the Company's Register in Australia, New Zealand, Brazil, France, Hong Kong, Singapore, Switzerland, the United Kingdom or the United States; and • is eligible under all applicable securities laws to receive an offer under the Entitlement Offer. 	Section 1.3
What happens if I am a Shareholder on the Record Date but not an Eligible Shareholder?	You will not be entitled to subscribe for New Shares under the Entitlement Offer. Ineligible Shareholders will have their percentage shareholding in the Company (held at the Record Date) diluted as a result of the Entitlement Offer.	Section 1.11
How much will be raised from the Entitlement Offer?	The Entitlement Offer will raise \$40,262,841 (before costs).	Section 1.10
What is the purpose of the Entitlement Offer and how will the funds raised be used?	The funds raised under the Entitlement Offer, net of expenses of the Entitlement Offer, together with proceeds from the sale of uranium and existing cash reserves will be used for the following purposes: <ul style="list-style-type: none"> • repayment in full of the existing term debt that has a current face value of US\$16.821 million; • payment of interest accrued under the term debt facility from the period of 1 April 2020 through to the date of debt repayment; • early preparation activities for the planned transition to low pH operations, including deep disposal well modifications, process plant modifications and wellfield conversion; and • general working capital purposes including progression of the low pH de-risking and optimisation activities through additional column leach testing and operation of the new low pH field demonstration. 	Section 1.10

Is the Entitlement Offer underwritten?	Yes, the Entitlement Offer will be fully underwritten by the Underwriter. The Underwriter has also entered into sub-underwriting arrangements. The Entitlement Offer will be lead managed by the Lead Manager and co-managed by the Co-Manager.	Sections 1.8, 8.1 to 8.4
What are the tax implications of participating in the Entitlement Offer?	Taxation implications will vary depending upon the specific circumstances of individual Shareholders. Investors should obtain their own professional advice as to the particular taxation treatment which will apply to them.	Section 8.17
Are there any risks?	There are risks associated with an investment in the Company. These include risks relating to the Company's business, risks relating to the Entitlement Offer and risks associated with financial investments generally. These risks are set out in more detail in section 4 of this Prospectus.	Section 4
What effect will the issue of New Shares under the Entitlement Offer have on the control of the Company?	The potential effect that the issue of the New Shares under the Entitlement Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand and, if applicable, the number of Oversubscription Shares allocated in the Oversubscription Offer and the number of Shortfall Shares placed. The Directors will not allocate Oversubscription Shares or place Shortfall Shares if it would result in a Shareholder increasing their voting power to a level of over 19.9% as a result of the Offer. Further details of the effect on control are set out in section 5.	Sections 1.16 and 5
Where can I find more information about the Company?	For more information on the Company and its projects please see the Company's website (www.pel.net.au) and the Company's ASX announcements (also available on the Company's website and the ASX's website (www.asx.com.au)).	

Actions for Eligible Shareholders

How do Eligible Shareholders find out what their Entitlement is?	Your Entitlement is set out on the personalised Application Form accompanying this Prospectus.	Application Form
What can I do with my Entitlement?	You can do the following: <ul style="list-style-type: none"> • take up all or part of your Entitlement; • sell all or part of your Entitlement to persons meeting certain eligibility criteria on ASX or by transferring it directly to another eligible person; or • do nothing, in which case your Entitlement will lapse. 	Section 6.1

<p>How do I participate in the Entitlement Offer?</p>	<p>If you wish to take up all or part of your Entitlement, you must either:</p> <ul style="list-style-type: none"> • complete and return the personalised Application Form to the Share Registry together with a cheque, bank draft or money order for the full Application Monies so that it is received by the Share Registry by no later than 5:00pm (AEST) on the Closing Date; or • pay the full Application Monies via BPAY® by no later than 5:00pm (AEST) on the Closing Date. 	<p>Sections 6.2 and 6.3</p>
<p>Can I sell or transfer my Entitlement?</p>	<p>Yes, the Entitlement Offer is renounceable, meaning you can sell or transfer your Entitlement.</p>	<p>Sections 1.5 and 6.1</p>
<p>What happens if I do not take up my Entitlement, or take up only part of my Entitlement?</p>	<p>Shareholders should be aware that their Entitlement may have value. Entitlements are renounceable, which enables Eligible Shareholders who do not wish to take up all or part of their Entitlement to seek to sell or trade all or some of their Entitlement on ASX. If you do not wish to accept or trade any part of your Entitlement, you are not obliged to do anything.</p> <p>If you do not take up all of your Entitlement by the Closing Date, then any Entitlements which you do not take up, sell or transfer will form part of the Oversubscription Offer and/or Shortfall. This will likely result in your interest in the Company being diluted.</p>	<p>Section 6.1</p>
<p>Can I take up more than my Entitlement?</p>	<p>Shareholders may apply for New Shares above their Entitlement by applying to participate in the Oversubscription Offer.</p>	<p>Section 1.7</p>
<p>How do I participate in the Oversubscription Offer?</p>	<p>Entitlements that are not taken up by Eligible Shareholders will be available for subscription through the Oversubscription Offer.</p> <p>Shareholders who wish to apply for New Shares above their Entitlement and participate in the Oversubscription Offer should complete the relevant section of the Application Form (titled "Additional New Shares" and return it, together with the Application Monies for the value of those Oversubscription Shares (at A\$0.071 per Oversubscription Share).</p>	<p>Section 1.7</p>
<p>How will the Oversubscription Offer be allocated?</p>	<p>The Directors reserve the right to, in conjunction with the Lead Manager and Co-Manager, place any Oversubscription Shares at their absolute discretion.</p> <p>If the Oversubscription Offer is oversubscribed by Shareholders, the Company intends to scale back, pro-rata, applications for Oversubscription Shares.</p> <p>To the extent that any Oversubscription Shares remain after the above allocations, this will form the Shortfall, whereby the Directors, in conjunction with the Lead Manager and Co-Manager reserve the right to place the Shortfall Shares to third parties who are not Shareholders and who are not Related Parties or associates of the Underwriter.</p>	<p>Section 1.7</p>

	<p>The Directors will exercise their discretion subject to the Corporations Act and having regard to the prohibition on persons acquiring voting power in the Company of 20% or above.</p> <p>Any Shortfall Shares will be placed no later than three (3) months after the Closing Date.</p>	
Enquiries	<p>If you have any enquiries in relation to the Application Form or your Entitlement, please contact the Company's Share Registry on 1300 222 378 (within Australia) or +61 1300 222 378 (outside Australia) or consult your professional adviser.</p>	

1. Details of the Entitlement Offer

The information set out in this section is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus.

1.1 Overview of the Entitlement Offer

Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders are being offered the opportunity to purchase nine (9) New Shares for every five (5) Shares held as at 7:00pm (AEST) on 10 June 2020 (the **Record Date**), at the Offer Price of A\$0.071 per New Share.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of 567,082,271 New Shares will be issued pursuant to this Entitlement Offer to raise \$40,262,841. Fractional Entitlements will be rounded up to the nearest whole number.

The Entitlement Offer opens on 15 June 2020 and will close at 5:00pm (AEST) on 24 June 2020 (the **Closing Date**).

Eligible Shareholders will be allotted Entitlements under the Entitlement Offer which can be taken up in whole or in part or traded on ASX (or transferred directly to another person) in whole or in part. This means that if you do not wish to take up all or part of your Entitlement, you may sell on ASX or transfer all or part of your Entitlement to persons meeting certain eligibility criteria in order to realise value from your Entitlement. You may incur brokerage costs if you sell your Entitlement on ASX. Eligible Shareholders may, in addition to their Entitlement apply for Oversubscription Shares.

The New Shares offered under this Prospectus will be issued on a fully paid basis and will rank equally in all respects with the Shares on issue at the date of this Prospectus. Please refer to section 7 for further information regarding the rights and liabilities attaching to the New Shares.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in section 1.10 of this Prospectus.

1.2 Entitlement

Each Eligible Shareholder who is registered as the holder of Shares at 7:00pm (AEST) on the Record Date is entitled to participate in the Entitlement Offer. The number of New Shares to which you are entitled is shown on your personalised Application Form accompanying this Prospectus.

Shareholders who do not take up all of their Entitlement will have their percentage shareholding in the Company diluted as a result of the Entitlement Offer.

If you have more than one holding of Shares, you will be sent more than one personalised Application Form and you will have a separate Entitlement for each separate holding. It is the responsibility of Applicants to determine their allocation prior to trading in the New Shares. The sale by Applicants of New Shares prior to the receipt of a holding statement is at the Applicant's own risk.

The Company will offer New Shares in the United States to Eligible Shareholders pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. Entitlements may not be transferred to persons in the United States and US persons may not purchase Entitlements that are listed on the ASX.

1.3 Eligible Shareholders

An Eligible Shareholder is a Shareholder who, as determined by the Company at its absolute discretion:

- is a Shareholder as at the Record Date;
- has a registered address on the Company's Register in Australia, New Zealand, Brazil, France, Hong Kong, Singapore, Switzerland, the United Kingdom or the United States (in the states of Colorado, Nebraska, New York or Wyoming); and
- is eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

1.4 Opening Date and Closing Date

The Entitlement Offer will be open for receipt of Applications on the Opening Date, 15 June 2020.

The Company will accept Applications, including Application Money, until 5:00pm (AEST) on the Closing Date, 24 June 2020, subject to the Company varying the Closing Date in accordance with the Corporations Act and ASX Listing Rules.

1.5 Entitlement trading

The Entitlement Offer is renounceable. This means that Eligible Shareholders who do not wish to take up all or part of their Entitlement may sell or transfer their Entitlement in order to realise the value that may attach to their Entitlement.

Entitlement trading on ASX

If you wish to sell all or part of your Entitlement, you must provide appropriate instructions to your stockbroker and provide them with any information requested by them in order to effect your instructions as soon as possible. You must allow sufficient time for your instructions to be carried out.

The Entitlement will be quoted on ASX and trading of the Entitlement will commence on ASX on 9 June 2020 and will cease at the close of trading on 17 June 2020, unless extended. Please refer to section 6.1(c) of this Prospectus.

Entitlement trading other than on ASX

If you wish to transfer all or part of your Entitlement, you will need to sign a standard Renunciation and Transfer Form or contract a CHESS controlling participant. Please refer to section 6.1(d) of this Prospectus.

1.6 Application Money

Application Money will be held in trust in a subscription account established and held by the Company on behalf of each Eligible Shareholder until the New Shares are issued. If necessary, Application Money (\$2.00 or greater) will be refunded as soon as reasonably practicable, without interest. Interest earned on any Application Money will be for the benefit of the Company and will be retained by the Company regardless of whether New Shares are issued under the Entitlement Offer.

1.7 **Oversubscription Offer**

Entitlements that are not subscribed for under the Offer will be available for subscription through the Oversubscription Offer.

Shareholders who wish to apply for New Shares above their Entitlement (and participate in the Oversubscription Offer) should complete the relevant section of the Application Form (titled "Additional New Shares") and return it, together with together with the Application Monies for the value of those Oversubscription Shares (at A\$0.071 per Oversubscription Share) to the Company.

The Directors reserve the right to place the Oversubscription Shares at their absolute discretion and to reject any application for Oversubscription Shares or to issue a lesser number of Oversubscription Shares than applied for. It is also possible that, if all Shareholders take up their Entitlements, no Oversubscription Shares may be available for issue.

If the Oversubscription Offer is oversubscribed by Shareholders, the Company intends to scale back, pro-rata, applications for Oversubscription Shares. An Application for Oversubscription Shares accompanied by payment of Application Monies does not guarantee the allotment of any Oversubscription Shares. It is an express term of the Oversubscription Offer that applicants for Oversubscription Shares may be required to accept a lesser number of Oversubscription Shares allocated to them than applied for. If a lesser number is allocated, excess application money will be refunded without interest as soon as practicable after the Closing Date.

To the extent that any Oversubscription Shares remain after the above allocations, this will form the Shortfall and subject to the Corporations Act and ASX Listing Rules, the Directors reserve the right, in conjunction with the Lead Manager and Co-Manager, to issue Shortfall Shares at their absolute discretion (including to third parties who are not Shareholders and who are not Related Parties or associates of the Underwriter).

In accordance with ASX Listing Rule 7.2 (Exception 3), any Shortfall Shares may be issued within three (3) months of the Closing Date, on terms no more favourable than the terms of the Entitlement Offer and will not count towards the Company's 15% threshold under Listing Rule 7.1 or 10% threshold under Listing Rule 7.1A.

Please note that it is the responsibility of each Eligible Shareholder to ensure that it will not breach the takeovers provisions under the Corporations Act (the 20% threshold) by applying for Oversubscription Shares. These provisions are set out in section 606 of the Corporations Act. No Eligible Shareholder will be permitted to acquire Oversubscription Shares to the extent the Directors consider (acting reasonably) that doing so would result in a contravention of the takeovers limits in section 606 of the Corporations Act.

The Oversubscription Offer and placement of the Shortfall are separate offers made pursuant to this Prospectus. The Shortfall will remain open for up to three (3) months following the Closing Date. The purpose of offering the Oversubscription Shares and Shortfall Shares pursuant to this Prospectus is to comply with section 708A(11) of the Corporations Act so that investors issued with Oversubscription Shares or Shortfall Shares pursuant to the Oversubscription Offer or Shortfall (as relevant) can sell their Oversubscription Shares or Shortfall Shares within the next 12 months without the issue of a prospectus.

Please refer to section 8.8 for further information on section 708A(11) of the Corporations Act.

1.8 **Underwriting**

The New Shares to be issued under the Entitlement Offer are fully underwritten by the Underwriter.

A summary of the Underwriting Agreement, including the events whereby the Underwriter may be released from its obligations under the Underwriting Agreement, is set out in section 8.1 of this Prospectus.

1.9 **Sub-underwriting and other commitments**

The Underwriter has entered into sub-underwriting arrangements with various investors for the underwritten amount.

A summary of the key aspects of the sub-underwriting arrangements is set out in section 8.2 of this Prospectus.

1.10 **Purpose of the Entitlement Offer and intended use of funds**

The Entitlement Offer is proposed to raise \$40,262,841 (~US\$25.8 million).

The funds raised under the Entitlement Offer, net of expenses, together with existing cash reserves and proceeds from the sale of uranium under existing term contracts will be used for the following purposes:

- repayment in full of the existing term debt that has a current face value of US\$16.821 million;
- payment of interest accrued under the term debt facility from the period of 1 April 2020 through to the date of debt repayment;
- early preparation activities for the planned transition to low pH operations, including deep disposal well modifications, process plant modifications and wellfield conversion; and
- general working capital purposes including progression of the low pH de-risking and optimisation activities through additional column leach testing and operation of the new low pH field demonstration.

The entirety of the Debt becomes immediately repayable on maturity. The maturity date of the Debt (**Maturity Date**) varies depending on whether the Monetisation completes prior to 30 June 2020. If the Monetisation completes on or before 30 June 2020, the Maturity Date is 22 April 2021. If the Monetisation does not complete on or before 30 June 2020, the Maturity Date is 31 October 2020.

As the Monetisation is no longer proceeding, the Maturity Date is 31 October 2020 and proceeds raised from this Entitlement Offer are being used to repay the Debt in full.

The Company is proposing to prepay the outstanding Debt in full prior to the Maturity Date. Such a voluntary prepayment requires the prior consent of a majority of Lenders holding 75% of the outstanding Debt. The Company has procured an in-principle consent from each of the Lenders to the voluntary prepayment in full of the Debt prior to the Maturity Date.

It is anticipated that the repayment of the outstanding Debt will take place shortly after, if not simultaneously with, closing of the Entitlement Offer and receipt of funds by the Company.

On repayment of the Debt in full, the Peninsula Group will be entitled to a full discharge and release of all of the security over Peninsula Group's assets held on behalf of the Lenders in support of the Facilities. The Company is liaising with the Lenders and the security trustee to confirm requirements and process for provision of the relevant discharges and releases.

In the event that circumstances change, business opportunities vary from expected or other beneficial opportunities arise, the Directors reserve the right to vary the proposed use of funds to maximise the benefit to Shareholders. However, given the primary purpose of the use of funds raised under this Entitlement Offer is for the debt repayment, the amount allocated to the

debt repayment will not change. Please refer to section 2 for further information regarding the Company's strategy.

1.11 Treatment of foreign Shareholders

This Prospectus and the accompanying Application Form does not constitute an offer of New Shares and Entitlements in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer. New Shares and the Entitlements may not be offered or sold in any country outside Australia except to the extent permitted below.

Return of a duly completed Application Form or BPAY® payment will be taken by the Company to constitute a representation by the Applicant that there has been no breach of applicable securities laws.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and anyone who receives this Prospectus should observe such restrictions, as discussed below. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the New Shares, the Entitlements or the Entitlement Offer, or otherwise permit a public offering of New Shares or Entitlements, in any jurisdiction outside Australia.

It is the responsibility of any Applicant to ensure compliance with any laws of the country relevant to their Application. Return of a duly completed Application Form and/or payment of Application Money will be taken by the Company to constitute a representation that there has been no breach of such laws.

Nominees and custodians may not distribute this document, and may not permit any beneficial Shareholder to participate in the Offer, in any country outside Australia, New Zealand or Singapore except, with the consent of the Company, to beneficial Shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Offer.

Brazil

The Company is not listed with any stock exchange, over-the-counter market or electronic system of securities trading in Brazil. The New Shares and the Entitlements have not been and will not be registered with any securities exchange commission or other similar authority, including the Brazilian Securities and Exchange Commission (**Comissão de Valores Mobiliários** or **CVM**). The New Shares and the Entitlements will not be directly or indirectly offered or sold within Brazil through any public offering, as determined by Brazilian law and by the rules issued by the CVM, including law no. 6,385 (Dec. 7, 1976) and CVM rule no. 400 (Dec. 29, 2003), as amended.

No act involving a public offering in Brazil may be performed without prior registration with CVM. Without prejudice to the above, the sale and solicitation of New Shares and the Entitlements is limited to "professional investors" and "qualified investors" as defined in rules of the CVM, including rule no. 554 (Dec. 17, 2014), as amended.

This document may not be distributed to the public in Brazil or disclosed in any manner whatsoever to any person or entity in Brazil other than the addressee.

European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares and the Entitlements be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU)

2017/1129 of the European Parliament and the Council of the European Union (the **Prospectus Regulation**).

In accordance with Article 1(4) of the Prospectus Regulation, an offer of New Shares and Entitlements in each member state of the European Union is limited:

- to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- to fewer than 150 natural or legal persons (other than qualified investors); or
- in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

Hong Kong

WARNING: The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

The New Shares and the Entitlements are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these New Shares is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. The offer of New Shares is renounceable in favour of members of the public.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Singapore

This document and any other materials relating to the New Shares and the Entitlements have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares and Entitlements may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not such a Shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares and the Entitlements being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares and the Entitlements. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares and Entitlements may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (**SIX**) or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice as such terms are understood pursuant to art. 35 of the Swiss Financial Services Act (**FinSA**) or the listing rules of any stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares or the Entitlements may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company or the New Shares have been or will be filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares and Entitlements will not be supervised by, the Swiss Financial Market Supervisory Authority. This document is personal to the recipient only and not for general circulation in Switzerland.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares and the Entitlements.

The New Shares and the Entitlements may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares and the Entitlements has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together, **relevant persons**). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares and Entitlements have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements and New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

Ineligible Shareholders and appointment of nominee

The Company is of the view that it is unreasonable to extend the Offer to Ineligible Shareholders, having regard to:

- the number of Ineligible Shareholders;
- the number and value of the New Shares which would be offered to Ineligible Shareholders if they were Eligible Shareholders; and
- the cost of complying with the legal requirements, and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, the Offer is not being extended to Ineligible Shareholders. The Company will send all Ineligible Shareholders details of the Offer and advise that the Company is not extending the Offer to them.

The Company has, however, appointed Canaccord Genuity (Australia) Limited as a nominee (**Nominee**) to arrange the sale of those Entitlements that would otherwise have been issued to Ineligible Shareholders had they been Eligible Shareholders. The Nominee will direct the net proceeds (if any) to the Company or another party on its instruction to facilitate pro-rata payments to Ineligible Shareholders.

The Nominee will have the absolute and sole discretion to determine the timing and the price at which the Entitlements may be sold and the manner in which any sale is made. After deduction for any withholding required by law (in the Company's reasonable opinion) the proceeds of sale (if any) will be distributed to the Ineligible Shareholders for whose benefit the Entitlements have been sold in proportion to the Entitlement they would have been issued had they been Eligible Shareholders (after deducting brokerage commission and other expenses).

The ability to procure subscribers for Entitlements or to sell Entitlements on ASX, and the price at which Entitlements can be sold, will depend on various factors, including market conditions. To the maximum extent permitted by law, neither the Company nor the Nominee, nor their respective related bodies corporate, nor the Directors, officers, employees, agents or advisers of any of them, will be liable for a failure to sell Entitlements at any particular price.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the Company.

In limited circumstances, and in the Company's absolute discretion, the Company may elect to treat as Eligible Shareholders certain institutional or sophisticated persons who would otherwise not be Eligible Shareholders because their registered addresses are not in Australia, New Zealand, Brazil, France, Hong Kong, Singapore, Switzerland, the United Kingdom or the United States.

1.12 ASX waivers and ASIC relief

The Company has confirmed that no waivers from the ASX Listing Rules are required in relation to the Entitlement Offer. The Company is not relying on any specific ASIC relief in order to conduct the Entitlement Offer.

1.13 Expenses of the Entitlement Offer

In the event that all Entitlements are accepted, the total expenses of the Entitlement Offer are estimated to be approximately A\$2,685,573 (excluding GST) and are expected to be applied towards the items set out in the table below:

Expenses	Maximum subscription (A\$)
ASIC fees	\$3,206
ASX quotation fees	\$44,367
Legal fees	\$147,000
Offer Management and Underwriting Fee	\$2,416,000
Printing and dispatch	\$65,000
Miscellaneous (estimate)	\$10,000
Total	\$2,685,573

1.14 Allotment of New Shares

New Shares issued pursuant to the Entitlement Offer will be allotted as soon as practicable after the Closing Date.

Holding statements for New Shares issued under the Entitlement Offer will be dispatched to Shareholders in accordance with the requirements of the ASX Listing Rules and the timetable set out at the commencement of this Prospectus.

1.15 ASX listing

Application for Official Quotation by ASX of the New Shares offered pursuant to this Prospectus will be made as soon as possible and in any event within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of this Prospectus, (or such period as varied by ASIC), the Company will not issue any New Shares and will repay all Application Money for the New Shares within the time prescribed under the Corporations Act, without interest.

The anticipated date of commencement of Official Quotation of the New Shares issued in accordance with this Prospectus is 1 July 2020, subject to ASX's discretion and compliance with the ASX Listing Rules. The fact that ASX may grant Official Quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

1.16 Effect on control

The potential effect that the issue of the New Shares under the Entitlement Offer will have on the control of the Company and the consequences of that effect will depend on a number of factors, including investor demand and, if applicable, the number of Oversubscription Shares placed in the Oversubscription Offer and/or the Shortfall Shares placed in the Shortfall.

The maximum number of New Shares to be issued pursuant to the Entitlement Offer is 567,082,271 Shares. If each Eligible Shareholder elects to subscribe for all of the New Shares offered to them the issued capital of the Company will comprise 882,127,977 Shares.

If all Shareholders do not take up their Entitlement some Shareholders may increase their voting power in the Company through the acquisition of Oversubscription Shares and/or Shortfall Shares.

The Entitlement Offer is fully underwritten by Canaccord. Canaccord has entered into sub-underwriting arrangements with various investors for the underwritten amount.

The Directors reserve the right to place the Oversubscription Shares at their absolute discretion and to reject any application for Oversubscription Shares or to issue a lesser number of Oversubscription Shares than applied for. To the extent that any Oversubscription Shares remain after the above allocations, this will form the Shortfall and subject to the Corporations Act and ASX Listing Rules, the Directors reserve the right, in conjunction with the Lead Manager and Co-Manager, to issue Shortfall Shares at their absolute discretion (including to third parties who are not Shareholders and who are not Related Parties or associates of the Underwriter).

The Directors will not place Shortfall Shares or allocate Oversubscription Shares if it would result in a Shareholder increasing their voting power to a level of over 19.9% as a result of the Offer.

Below is a summary of the effect on the total number of Shares in the Company each of Paradice and RCF VI will have a relevant interest in (and voting power) under different take up scenarios, following the issue of New Shares under the Entitlement Offer.

	Before the Offer		Post Offer (Full take up by Paradice and RCF VI only)		Post Offer (Full take up by all Shareholders)	
	# of Shares	%	# of Shares	%	# of Shares	%
RCF VI	30,512,937	9.69	85,436,224	9.69	85,436,224	9.69
Paradice	29,230,303	9.28	81,844,848	9.28	81,844,848	9.28
Underwriter and sub-underwriters	0	0.00	459,544,439	52.09	0	0.00
Other Shareholders	255,302,466	81.04	255,302,466	28.94	714,846,905	81.04
Total	315,045,706	100.00	882,127,977	100.00	882,127,977	100.00

The "Full take up by Paradice and RCF VI" column of the table assumes that Paradice and RCF VI subscribe for New Shares equivalent to their full entitlement, no other Eligible Shareholders subscribe for their Entitlement and the balance is subscribed for by the Underwriter and sub-underwriters.

The level of control of all Eligible Shareholders that do not subscribe for their full Entitlement will decrease.

It is not expected that any change in the total relevant interest of the above will have any material consequences on the control of the Company.

No Shareholder or new investor in the Company will acquire voting power equal to or greater than 20% under the Entitlement Offer (or the Oversubscription Offer and/or the placement of the Shortfall).

Further details regarding the relevant interests of substantial holders is set out in section 8.11.

1.17 **Withdrawal of the Entitlement Offer**

The Company reserves the right to withdraw the Entitlement Offer at any time, in which case the Company will refund Application Monies in accordance with the Corporations Act and will do so without interest.

1.18 **CHESS**

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). ASX Settlement, a wholly-owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If your shareholding is held on a broker sponsored sub-register, ASX Settlement will send you a CHESS statement. The CHESS statement will set out the number of New Shares issued to you under this Prospectus, and provide details of your holder identification number and the participant identification number of the sponsor.

If your shareholding is held on the issuer sponsored sub-register, your statement will be dispatched by the Share Registry and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Company statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time. However, a charge may be incurred for additional statements.

1.19 **Enquiries**

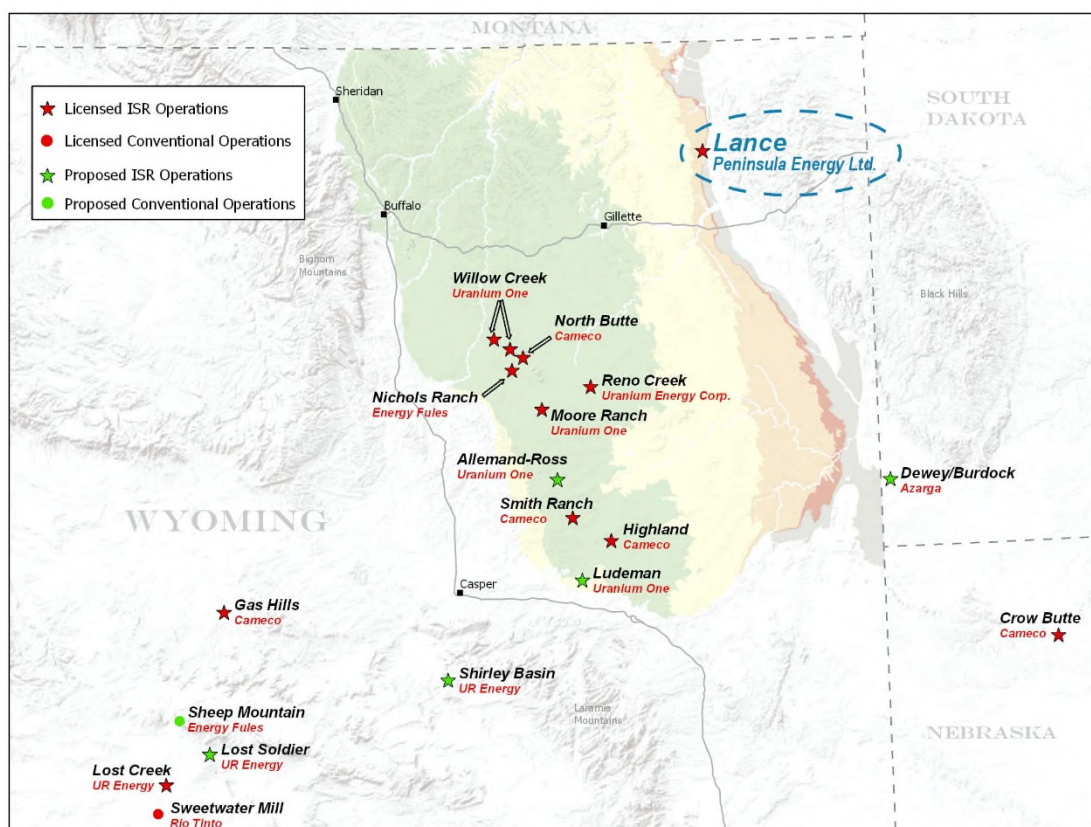
If you have any enquiries in relation to the Application Form or your Entitlement, please contact the Company's Share Registry on 1300 222 378 (within Australia) or +61 1300 222 378 (outside Australia) or consult your professional adviser.

2. Overview of the Company and Lance Projects

Peninsula is a uranium mining company with its primary asset being the Lance Projects in Wyoming, USA. The Lance Projects commenced mining operations in December 2015 using the ISR mining method, applying an alkaline mining solution. To date, the Lance Projects have proven to be only modestly amenable to alkaline mining solutions and the Company is in the process of transitioning the Project to one using the ISR method with low pH mining solutions (mild sulphuric acid).

The Company is also in the process of completing its withdrawal from the Karoo Projects in South Africa, which follows unsuccessful attempts to sell this uranium exploration and evaluation stage project in 2017 and early 2018. No further development funding is being applied to the Karoo Projects and the Company expects that completion of the sale of freehold farmland held through one of the Karoo Projects joint ventures will fully cover remaining restoration and rehabilitation costs that are estimated to be US\$685,000.

Figure 1: Lance Projects location, Wyoming USA



2.1 Lance Projects - introduction

The Lance Projects are located on the northeast flank of the Powder River Basin, Wyoming, USA. The Lance Projects were originally explored in the 1970s as part of a joint venture between Nuclear Dynamics Inc., Bethlehem Steel Corporation, and (later) Pacific Power & Hydro (the **NuBeth JV**). From 1970-79, the NuBeth JV discovered thirteen zones of substantial uranium mineralisation associated with an extensive system of Roll-Fronts.

The Lance Projects area covers over 120km² within which there is a combined length of 305km of roll-fronts, often in a stacked configuration, held by Strata Energy, Inc (a wholly owned subsidiary of Peninsula). Exploration drilling during 2008-2012 confirmed significant uranium resources: as at 31 December 2018, the project has a remaining JORC Code-

compliant resource of 53.6mlbs U₃O₈.¹ The resource is delineated over three production areas within the Lance Projects – Ross, Kendrick and Barber.

2.2 Lance Projects – historic operating performance

Following completion of financing in late 2014 / early 2015, the processing plant and Mine Units 1 and 2 at the Lance Projects commenced construction in early 2015. Production at the Lance Projects commenced in December 2015 from the first header house in mine unit 1 using an alkaline leaching agent. To date, the Company has developed mine units 1 and 2 within the Ross Production Area at the Lance Projects. Mine units 1 and 2 comprise 10 header house units with associated injection and recovery wells, trunklines and powerlines.

Since commencing production, the Lance Projects have proven to be only modestly amenable to the use of alkaline mining solutions. Less than 50% of the resource in mine units 1 and 2 placed under wellfield pattern have been recovered to date. The Company now plans to use a low pH solution in mine units 1 and 2 to recover the bulk of the remaining resource (refer to section 2.4 below).

While uranium recovery rates have been disappointing using alkaline based solutions, the first 3 to 4 years of operation have confirmed a number of other key attributes required for successful long term in-situ recovery operations. Operations to date have demonstrated the vertical confinement of the mineralised aquifer and the Company has been able to maintain the mining solution within the boundaries of the mine unit perimeter monitor well boundary. Extraction well flow rates in both mine units have generally averaged above 15 gallons per minute (**gpm**) since operations commenced. Each of these attributes are key contributors to the success of long term in-situ recovery operations, irrespective of whether an alkaline or low pH solution is used.

Annual production from the Lance Projects, together with annual sales of uranium (split between sales from produced and purchased uranium) are shown in Table 1 below:

Table 1: Lance Projects production and sales summary

('000 lbs U ₃ O ₈)	CY2016	CY2017	CY2018	CY2019	CY2020 (to 31 Mar 2020)
Production	127	129	143	25	-
Dried & Drummed	80	115	162	54	-
Sales					
From Production	5	193	170	65	-
From Purchases	200	190	55	116	116
Total Sales	205	383	225	181	116

Note: Production in December 2015 (first month of operations) was negligible and in the period from 1 January 2020 to 31 March 2020 was negligible.

¹ JORC Table 1 included in an announcement to ASX released on 14 November 2018: "Revised Lance Projects Resource Tables". Peninsula confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

As a result of the transition to low pH operations, combined with the ability for the Company to meet its existing CY2020 term contract delivery obligations with purchased uranium, in early July 2019 the Company idled alkaline based production activities at the Lance Projects. This enables the Company to focus on completion of the low pH field demonstration and de-risking and optimisation activities in advance of the planned low pH transition.

2.3 Lance Projects – mineral resource estimate

The Company updates its mineral resource estimate annually and the current JORC Code-compliant 53.6mlb mineral resource estimate is effective as at 31 December 2018 (see Table 2 below). It is based on a database containing over 8,000 drill holes comprised of historic drilling (1970s and 1980s) in addition to exploration, delineation and production drilling carried out by Peninsula since 2008.

Table 2: Lance Projects classified resource summary

Classification	Tons (million)	Grade (ppm U3O8)	U3O8 (mlbs)
Measured	3.4	487	3.7
Indicated	11.1	495	12.1
Inferred	36.2	474	37.8
Total	50.7	479	53.6

Prior to production, conversion of resources to reserves is generally not possible for ISR resources: the JORC Code requires commercial production to be achieved for a number of years before reserves can be estimated. Consequently, ISR projects are typically developed and operated based on known resources only. This is recognised by JORC as standard and common practice for ISR mineral resources.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves at the Lance Projects is based on information compiled by Mr Benjamin Schiffer. Mr Schiffer is a Registered Professional Member of the Society of Mining, Metallurgy and Exploration (Member ID #04170811). Mr Schiffer is a professional geologist employed by independent consultant WWC Engineering. Mr Schiffer has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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'.

2.4 Lance Projects – low pH transition – laboratory tests

In October 2017 the Company announced the outcomes of research initiatives aimed at improving the operating performance at the Lance Projects. These outcomes included encouraging laboratory agitation leach test results using lower pH solutions (mild acids), which returned peak uranium solution grades averaging nearly 1.0 g/L with uranium recoveries typically over 90%. The Company believes that a transition to a low pH recovery system will not only positively transform the Lance Projects but could also position the Company to rapidly grow production when uranium markets improve. All uranium operations globally that are in the 1st quartile of the cost curve are ISR facilities that utilise low pH leaching agents.

In early 2018, the Company initiated two column leach tests. Column leach tests more closely simulate the ISR mining environment as the test sample is loaded into a fixed position vessel and not agitated during the test. The test lixiviate is passed through the sample in a plug – flow manner simulating how the flow would occur in actual ISR mining. These two column leach

tests were the first column leach tests to be conducted by the Company for the use of either an alkaline based or low pH based leaching agent. Column leach tests allow for uranium head grades to be analysed with the passage of time as lixiviate flows through the core sample in the column. This in turn allows for head grades to be measured and recovery to be calculated for each pore volume of lixiviate that has contacted the uranium ore sample.

The first column test was carried out on core taken from an existing mining area in Mine Unit 1 that had been subject to alkaline mining operations for approximately 14 months before the core was obtained in February 2017. Some key objectives of this test were to confirm the leach efficiencies observed from the agitation leach tests, observe whether calcium sulfate (gypsum) precipitation occurs and to demonstrate that mineral resource zone groundwater restoration is achievable using conventional techniques in a packed column – plug flow environment. Accordingly, the test was not intended to seek an optimised mining outcome. The test was successful in confirming the leach efficiencies (peak head grade of 298 ppm U₃O₈, average head grade of 80 ppm U₃O₈ and recovery of 65% during 10 mining phase pore volumes). An average head grade lower than the agitation leach test was expected given that the core sample was taken from an area that had been subject to alkaline mining.

Similarly, the recovery of 65% was also as expected as the test was not intended to maximise recoveries due to the intention to move expeditiously into testing groundwater restoration methods. Acid consumption was higher than that which is used in the Feasibility Study (see Section 2.6) as this core had higher than average carbonate content. Carbonates are a significant factor in determining acid requirements.

Other key objectives of the test, namely confirmation that no gypsum precipitation occurs and the demonstration that groundwater restoration is achievable using conventional methods, were successfully achieved.

The second column test commenced in March 2018 with the overriding objective to obtain low pH column leach data on mineral resource that is representative of typical Lance Projects uranium resources not yet impacted by alkaline mining. Core for this test was taken from within the area that is planned to be Mine Unit 4 in the Ross Permit Area of the Lance Projects.

Results from the second column leach test were very encouraging. After only 13.5 pore volumes, 80% of the contained uranium was recovered, with total recovery of 90% during the extended leaching phase of the test. The average head grade was 105 ppm U₃O₈ and the peak head grade was 694 ppm U₃O₈. Acid consumption during the test equated to 56.9 pounds per pound of contained U₃O₈ which was also close to the acid requirement theoretically determined from mass balance calculations for consuming 100% of carbonates contained within the core sample.

During mining operations, the Company intends to target a pH level of approximately 2.0 Standard Units (S.U.) as this is the pH level during the column leach tests that yielded successful uranium extraction rates.

Two additional column leach tests were completed during the December 2018 quarter on core from the Kendrick Permit Area, a planned future ISR operating area (**Test 3**) and from core taken from the operating Mine Unit 1 (**Test 4**).

Highlights of Test 3 and Test 4 include:

- Uranium recoveries above 90% were obtained within 10 test pore volumes in Test 3 and within 16 test pore volumes in Test 4 (an area already subject to mining under alkaline solutions), confirming the efficiency of the low pH leaching agent;
- Results from Test 3 were particularly encouraging given that the recent low pH Feasibility Study used 14 pore volumes to achieve 90% uranium recovery in all new mining areas;

- Both tests ultimately achieved uranium recoveries above 95%, further demonstrating the effectiveness of the low pH leaching agent;
- Peak uranium concentrations obtained during testing were 474 mg/L U3O8 (Test 3) and 253 mg/L U3O8 (Test 4);
- Average uranium concentrations over the duration of the tests were 105 mg/L U3O8 (Test 3) and 80 mg/L U3O8 (Test 4), validating prior grade assumptions; and
- Acid consumption rates were substantially below levels used in the low pH Feasibility Study, but consistent with the Company's overall acid requirements model.

In early 2020, and as part of the low pH de-risking and optimisation activities, the Company initiated two (2) additional column leach tests in advance of commencing operations in a new low pH field demonstration in a previously unmined area. These tests were aimed at testing the rate of mining acidification that would be applied during the new field demonstration. A final report on the outcomes of these tests has not yet been completed, however, review and analysis of data generated during the tests on this fresh core indicates that the lower than expected uranium recovery after 20 pore volumes was significantly improved soon after the addition of an oxidant to the low pH lixiviant, leading to the hypothesis that oxidant is likely to improve leach kinetics (rate of uranium recovery and overall quantity of uranium recovered) in commercial operations for new mining units that have not previously been oxidised through alkaline mining.

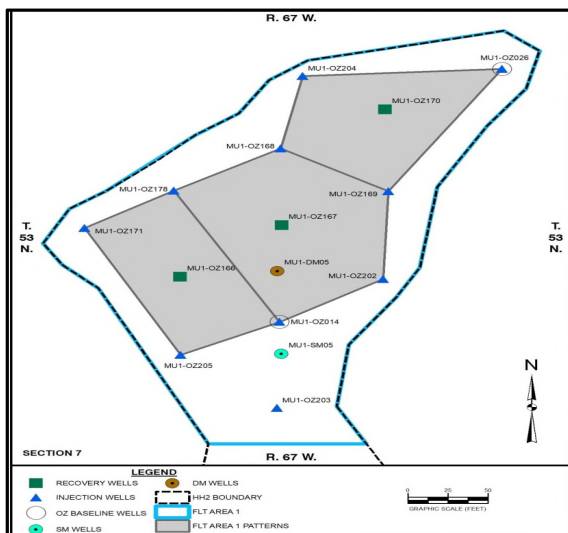
The Company plans to conduct additional low pH column leach testing prior to commencing acid injection in the new low pH field demonstration. The additional column leach tests are aimed at confirming, or otherwise, that new mine units to be operated using the low pH ISR process will benefit from the addition of an oxidising agent. If the additional column leach test is positive in this regard, the Company anticipates operating the new low pH field demonstration with an oxidising agent added to the low pH (mild sulphuric acid) lixiviant.

Refer to section 2.8 below for further information on the regulatory consents required to add an oxidant during low pH commercial operations.

2.5 Lance Projects – low pH transition – initial field demonstration

The first low pH field demonstration occurred in three adjoining recovery patterns which were previously operated utilising alkaline ISR solutions within Mine Unit 1 and was planned with both mining and restoration phases.

Figure 2: field demonstration wellfield patterns



At the outset of the mining phase, the field demonstration area was operated for a period of three weeks without introducing low pH solutions in order to collect important baseline operational data. The injection of low pH solutions in the trial area commenced in late December 2018.

Beyond observing the uranium recovery behaviour while employing low pH test solutions, a key technical performance objective of the mining phase demonstration was to lower the local mining zone pH to the targeted level of approximately 2.0 S.U. without compromising the ability to move lixiviant through the mining zone. This performance objective was successfully achieved during the March quarter of 2019. Average injection and extraction well flow rates were also maintained in line with the low pH Feasibility Study parameters.

The three test recovery patterns had previously been operated to economic exhaustion using an alkaline mining solution but have yielded substantially elevated solution uranium grades and correspondingly higher recovery rates when low pH solutions were subsequently employed. In addition, the recorded uranium head grades obtained from all three test patterns tracked ahead of those modelled for the equivalent period in the Feasibility Study.

The reduced pH levels were achieved in less than three pore volumes, consistent with the low pH Feasibility Study parameters. Acid injection rates and consumption metrics were also consistent with the low pH Feasibility Study parameters for areas previously subject to alkaline mining.

As the mining phase of the low pH field demonstration successfully demonstrated all key technical objectives, the Company proceeded to the restoration phase activities of the demonstration during the June quarter of 2019. During the initial restoration demonstration phase, the main technical objective was to return the pH in the mining zone to above 5.0 S.U. At this pH level, industry standard groundwater restoration techniques can be employed to complete the groundwater rehabilitation.

The Company announced on 2 September 2019 that it had successfully raised the pH level above the target of 5.0 S.U. The Interim Operations Report was submitted to the regulator in late September 2019 and in November 2019 the WDEQ approved the report. In December 2019, an Interim Restoration Report was submitted to the WDEQ describing the progress of the initial groundwater restoration and that the Company believed it had met the pre-determined initial restoration criteria.

In April 2020, the WDEQ notified the Company that it had approved the Initial Restoration Report bringing an end to the process of obtaining approvals to utilise the low pH method through the entirety of the Ross Permit Area at the Lance Projects, subject only to meeting two pre-operational licence conditions (revisions to the radiation protection program and updates to the surety bond).

2.6 Lance Projects – low pH Feasibility Study

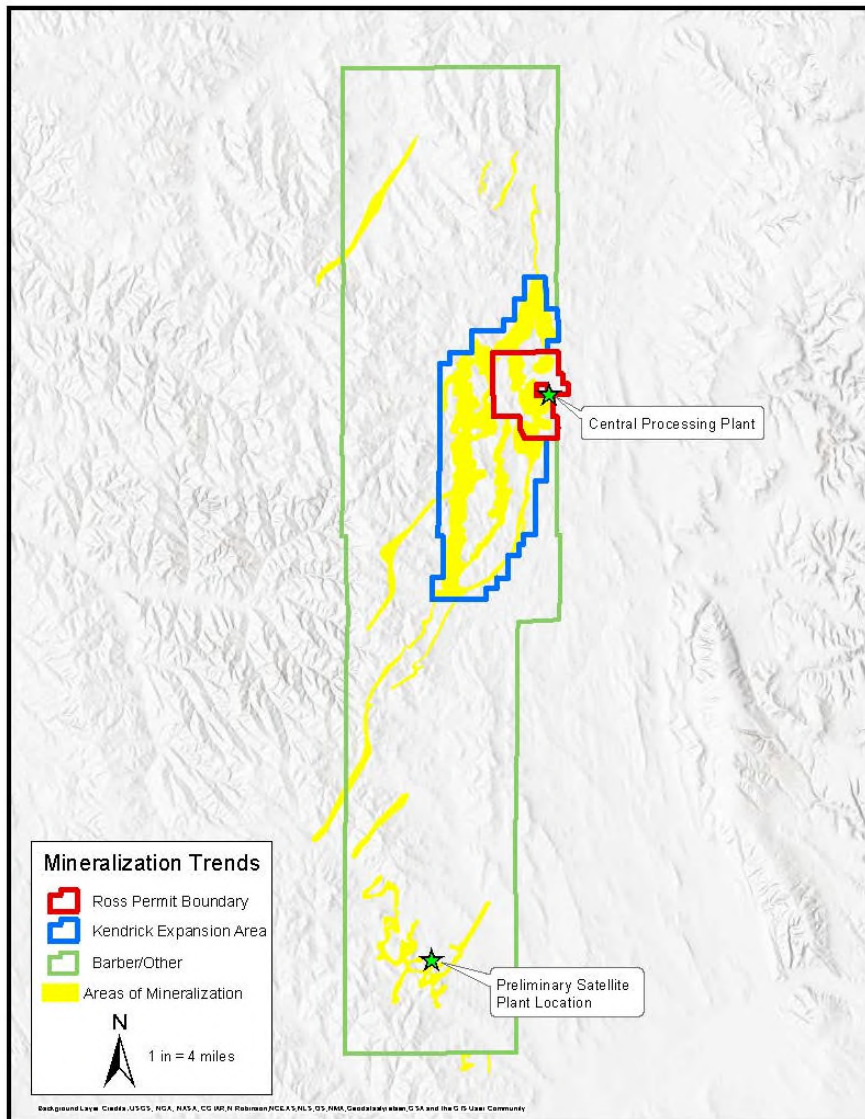
In September 2018, the Company announced the outcomes of the low pH Feasibility Study. As the Lance Projects have been in production since 2015, the Feasibility Study built upon existing infrastructure with revisions made to materials and processes required to accommodate the low pH solutions. The major changes include immediate replacement of the small quantity of incompatible materials used in the existing alkaline process, adjustments to reagent processes, and revision to the life of mine plan and resources.

The Feasibility Study is based on surface facilities and/or wellfields at three production areas:

1. Ross Production Area (**Ross**);
2. Kendrick Production Area (**Kendrick**); and

3. Barber Production Area (**Barber**).

Figure 3: Lance Projects, production areas



Current alkaline ISR operations at the Lance Projects are authorised for mining at Ross only. The Feasibility Study includes a staged expansion of the current operational facility into a full processing plant including elution, precipitation and drying equipment (**PP**) at Ross followed by the construction of a satellite plant at Barber. Kendrick will operate as an extension of Ross with mining solutions pipelined to and from the Ross PP. This staged expansion strategy is similar to previous studies.

The Feasibility Study assumes the expanded project including Ross, Kendrick and Barber will build to a peak steady state average production of up to 3.0mlbs U_3O_8 per annum. Implementation of the Feasibility Study development plan, including the commencement of Stage 1 low pH transition activities, is on hold until the Company completes its de-risking activities and makes an investment decision to proceed with the first stage of the development plan.

The Feasibility Study estimates that the Lance Projects will generate net earnings over the life of the Lance Projects, before financing costs and income tax, of US\$469.3 million. The economic evaluation of these production areas, conducted as part of the Feasibility Study,

yield an estimated **NPV₈ of US\$156.5 million (real), at US\$49 per pound U₃O₈ average sales price** (includes US\$50 per pound U₃O₈ sales price for uncontracted production with deliveries starting in 2022) **and US\$254 million (real) at US\$57 per pound U₃O₈ average sales price** (includes US\$60 per pound U₃O₈ sales price for uncontracted production with deliveries starting in 2022).

The CAPEX including contingency to complete the transition to low pH operations was estimated to be US\$5.3 million at the time of the Feasibility Study, which was completed before the low pH Field Demonstration commenced. LOM CAPEX including CAPEX for the transition to low pH operations, ongoing wellfield development, Stage 2 expansion, Stage 3 expansion and contingency amounts is US\$461.2 million or US\$13.81 per pound U₃O₈ produced.

Stage 2 expansion CAPEX is estimated to be US\$43.1 million (including contingency) and includes costs to expand the process plant and increase wellfield flow rate capacity from 3,750 gpm to 7,500 gpm. Stage 3 expansion CAPEX is estimated to be US\$70.3 million (including contingency) and includes costs to construct a satellite plant and the initial development of wellfields in Barber with a flow rate capacity of 7,500 gpm.

Direct LOM OPEX including site general and administrative costs, restoration and rehabilitation costs and contingency is estimated at US\$15.59 per pound U₃O₈ produced.

The estimated total cost of uranium produced over LOM is US\$35.33 per pound U₃O₈ including CAPEX, OPEX, project site general and administrative costs, royalties and indirect taxes, ongoing wellfield development, closure costs and cost contingencies. The LOM all-in sustaining cash cost, excluding CAPEX for the low pH transition and Stage 2 and 3 expansions, is US\$31.77 per pound U₃O₈ produced.

The Feasibility Study has used a discount rate of 8% and has included contingencies relative to the respective production areas due to differing levels of confidence in accordance with the amount of design and geological information that is available for each production area. No escalation is applied to revenue or costs. Cost estimates for Ross have been prepared with an estimated range of +/- 5% accuracy based on the relatively higher level of confidence in the design, the quantity of data, and the use of actual operating and wellfield development parameters achieved to date from existing operations. Cost estimates for Kendrick and Barber have been prepared with an estimated range of +/- 10% accuracy based on a relatively lower level of confidence in the design data and quantities for these production areas, although these estimates are based on actual operating cost information and wellfield development cost information from Ross.

The CAPEX and OPEX estimates in the Feasibility Study were developed primarily from actual costs incurred at the Lance Projects to date, combined with data from the engineering consultant, construction experience on recent uranium ISR projects, historical information and vendor quotes. The CAPEX and OPEX estimates were based on estimated total production of 33.4mlbs U₃O₈ over a 17-year mine life.

Mineral recovery and performance used in the Feasibility Study is derived from data from agitation and column leach testing conducted by independent consultants contracted by the Company. Uranium recovery from the mineral resource was determined using an estimated wellfield recovery factor from 54% (Inferred resources) to 81% (Measured and Indicated resources). The production schedule assumes an average solution uranium grade (head grade) for each new mining unit of approximately 70ppm when flowing to the process plant.

The Feasibility Study has applied two streams of revenue. The first stream reflects the revenue from the contracts already in place. The second stream assumes that uncontracted production is sold at a price of US\$50/lb U₃O₈ with deliveries commencing in 2022. All amounts are un-escalated and expressed in 2018 dollars with the weighted average price for the base case at US\$49/lb.

Key metrics and outcomes of the Feasibility Study are shown in the following table:

Table 3: Lance Projects low pH feasibility study summary

Study Outcomes	
Estimated Life of Mine (LOM)	17 years
Estimated LOM Production (mlbs U ₃ O ₈)	33.4
LOM Project Revenue (real) (\$USm)	1,644
LOM Operating Cashflow (before tax) (\$USm)	925
Base Case NPV ₈ at US\$49/lb Avg Price (\$USm)	156.5
NPV ₈ at US\$57/lb Avg Price (\$USm)	254.0
Base Case IRR at US\$49/lb Avg Price (%)	30%
IRR at US\$57/lb Avg Price (%)	39%
Average Annual Net Cash Flow per annum at US\$49/lb Avg Price (US\$m)	26.9
Average Annual Net Cash Flow per annum at US\$57/lb Avg Price (US\$m)	40.4
LOM Recovery (%)	62.3%
Key Metrics	
Peak Steady State Production Rate (mlbs U ₃ O ₈ p.a)	Total
- LOM	3.0
- Stage 1	1.15
- Stage 2	2.3
- Stage 3	3.0
OPEX (incl Royalties) (\$USm Total)	520.6
LOM Direct OPEX (incl Restoration) (\$US/lb)	15.59
Low pH Transition CAPEX (\$USm Total)	5.3
Stage 2 & 3 Expansion CAPEX (\$USm Total)	113.4
Wellfield Replacement & Sustaining CAPEX (\$USm Total)	342.4
LOM Wellfield Replacement & Sustaining CAPEX (\$US/lb)	10.25
All in Sustaining Cash Cost (\$US/lb)	
- LOM	31.77
- Stage 1	40.58
- Stage 2	31.52
- Stage 3	30.36

There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration and delineation work will result in the determination of indicated mineral resources or that the production target itself will be realised.

2.7 Lance Projects – low pH de-risking and optimisation

In late 2019, the Company commenced activities associated with further de-risking and optimising the planned future transition to low pH commercial operations. Key activities included:

- extraction of fresh core for, and commencement of, additional column leach tests that were aimed at testing different rates of initial acidification;

- development and preparation of a new low pH field demonstration area in a previously unmined portion of mine unit 1, with the commencement of low pH injection planned for the September 2020 quarter; and
- evaluating measures to optimise the ion exchange system capture efficiency and resin loading levels.

Indications from the 2020 column leach tests are that new mining units are likely to benefit from the addition of an oxidising agent as part of the low pH mining method. Process modification opportunities were identified during the initial field demonstration including the opportunity to use the existing site holding ponds as settlement ponds to assist in the management of fines that are typically encountered at low pH uranium ISR operations. The Company plans to trial both processes during the new field demonstration. Refer to the discussion in section 2.8 for an overview of the regulatory requirements to adopt these items in future low pH commercial operations.

The estimated cost of completing the de-risking and optimisation activities, is US\$1.0 million. Upon completion of de-risking and optimisation activities, the Company is likely to revise and update the September 2018 low pH Feasibility Study.

While the company has planned and projected near-term sales commitments, there are currently no near-term requirements for production from the Lance Projects, It is anticipated that the de-risking and optimisation activities will continue through to the end of the September quarter of the 2021 calendar year. Initiation of commercial scale low pH operations in Mine Units 1 and 2, and the commencement of development in new Mine Unit 3 will be guided by uranium market conditions and the Company's requirements for produced uranium. The Company also intends to complete, or predominantly complete, the de-risking activities and optimisation activities before making an investment decision to commence production, although positive changes in uranium market conditions could accelerate a decision.

2.8 Lance Projects – low pH regulatory approvals

The two overarching regulatory approvals governing the development and operation of a uranium ISR mine in the state of Wyoming, USA, are the Permit to Mine (**PTM**) and the Source Materials License (**SML**). Both are administered by the WDEQ with the Land Quality Division administering the PTM and the Uranium Recovery Program (URP) administering the SML. While a range of other permits and licences are required, the PTM and SML set forth the majority of the regulations and operating conditions for the Lance Projects.

In 2018 the Company commenced the amendment request process to modify the approved PTM and SML for the addition of the use of a low pH method to the already approved use of an alkaline leaching method. In April 2020, the WDEQ notified the Company that it had approved the Initial Restoration Report bringing an end to the process of obtaining approvals to utilise the low pH method through the entirety of the Ross Permit Area at the Lance Projects, subject only to meeting two pre-operational licence conditions (revisions to the radiation protection program and updates to the surety bond).

Even though the Company is now authorised to use the low pH method at the Lance Projects, the current de-risking and optimisation activities may result in a desire by the Company to seek further revisions to the PTM, SML and other permits and licences in order to implement preferred operating methods and processes. Periodic amendments and/or revisions to existing licences and permits are commonplace for ISR operations in Wyoming as companies, such as Peninsula, adopt a practice of continuous improvement.

Indications from recent low pH column leach tests are that addition of an oxidant to the sulphuric acid lixiviant is likely to improve overall leach kinetics in new mine units that have not previously been subjected to alkaline based extraction. Addition of an oxidising agent can be carried out for test purposes during the field demonstration, but commercial use of an oxidising

agent will require an amendment to existing permits/licences. The Company has reasonable expectations that the review and determination of such an amendment request would take between 9 and 12 months.

Additionally, the Company has determined that its preferred method of handling fines typically encountered when acidifying the mining zone is to use existing ponds on site as settlement ponds. Use of the ponds as settlement ponds may also be trialled during a field demonstration, however, modification of the function of the existing ponds for low pH commercial operations will also require an amendment to existing approvals. The Company also has reasonable expectations that the review and determination of such an amendment request would take between 9 and 12 months.

The Company intends to identify and seek any additional amendments required to implement its preferred methods and processes prior to making a final investment decision for the re-commencement of mining operations using the low pH method. In the event the Company makes a final investment decision prior to receiving these approvals, the Company is able to use its existing approvals and methods until such amendments are received.

2.9 Lance Projects – product sales

Peninsula has up to 5.5 million lbs of U_3O_8 remaining under contract for delivery to major utilities located in the United States and Europe through to 2030 at a weighted average delivery price of US\$51-53/lb U_3O_8 .² Within the quantity of 5.5 million lbs U_3O_8 , 4.2 million lbs U_3O_8 are committed quantities for delivery through to 2030. Up to 1.3 million lbs U_3O_8 are deliveries that are optional, at the election of the respective customers, to be delivered between 2022 and 2026.

These contracts provide a substantial revenue stream to the Company whilst allowing it to preserve significant quantities of planned U_3O_8 production for contracting during future periods. The Company is capable of fully satisfying the balance of its current 2020, 2021 and 2022 sales obligations without further production activities.

In the remainder of the 2020 calendar year, the Company has 75,000 lbs U_3O_8 to deliver to a customer and already contracted to purchase this uranium at a price less than US\$27/lb U_3O_8 . In the 2021 and 2022 calendar years, the Company is obligated to deliver 450,000 lbs U_3O_8 in each year to its customers. No forward purchase commitments have been entered into for uranium that the Company requires in 2021 and 2022.

If the Company was to procure 450,000 lbs U_3O_8 at or around current reported spot prices, for delivery in 2021, at or around current reported spot prices, this combined with the remaining delivery of 75,000 lbs in 2020, would realise net cash proceeds of approximately US\$9 million would be realised.

The Company continues to engage with its existing and potential new customer base regarding possible new long-term uranium concentrate sale and purchase agreements targeting pricing mechanisms that would support increased production scenarios under the planned transition to low pH ISR mining at the Lance Projects. The US Department of Energy's intent to purchase 17 to 19 million lbs of US-mined uranium over a 10-year period provides an opportunity for Peninsula to augment the existing uranium sale contract portfolio.

² Weighted average delivery price through to 2030 is expressed in nominal terms, and is based on an existing portfolio of committed and option contracts containing a combination of i) fixed prices, ii) fixed rates of escalation, and iii) variable rates of escalation. Contracts containing variable rates of escalation have been escalated at an assumed future escalation rate of 2.0% per annum.

3. Company information

3.1 Board of Directors

The Directors of the Company bring to the Board relevant expertise and skills, including industry and business knowledge, financial management and corporate governance experience.

The following persons are Directors of the Company as at the date of this Prospectus:

Mr John Harrison
Non-Executive Chairman

Mr Harrison brings to Peninsula a wealth of broking and corporate finance experience acquired over a 45-year career, including 20 years of investment banking in London. During this time, Mr Harrison developed an extensive international contact base advising companies across a range of commodities (including uranium), as well as related engineering and service businesses, in both an M&A and Equity Capital markets context. He acted for numerous companies quoted on the Main List and the Alternative Investment Market of the London Stock Exchange, as well as the Australian, Johannesburg and Toronto Exchanges. During his investment banking career, Mr Harrison was the Managing Director at Numis Securities in London in charge of the Corporate Finance resources sector and subsequently UK Chairman of specialist Anglo-Australian resources advisory and broking business RFC Ambrian. He was founding Chairman of UK coking coal development company West Cumbria Mining Ltd and is currently a Non-Executive Director of that company.

Mr Wayne Heili
Managing Director/CEO

Mr Heili has spent the bulk of his 30-year professional career in the uranium mining industry. He most recently served as President and Chief Executive Officer of Ur-Energy, Inc. where he successfully oversaw the design, construction, commissioning and ramp-up of the Lost Creek in-situ uranium project in Wyoming USA. Prior to joining Ur-Energy, Inc., Mr Heili served as Operations Manager of the Christensen Ranch/Irigaray in-situ uranium mines in Wyoming and has experience in ISR and conventional uranium mines in Texas. He holds a Bachelor of Science in Metallurgical Engineering from Michigan Technological University and is a past President of the Uranium Producers of America.

Mr David Coyne³
Finance Director/CFO/Joint Company Secretary

Mr Coyne has over 25 years' experience in the mining, and engineering and construction industries, both within Australia and internationally. Prior to joining Peninsula, Mr Coyne held senior executive positions with Australia listed companies Macmahon Holdings Limited and VDM Group Limited, and with unlisted global manganese miner Consolidated Minerals. Over the past 10 years, Mr Coyne has been directly involved in numerous equity and debt raising transactions and has been the project director on a company-wide systems implementation project. Mr Coyne has previously served on the Board of listed iron ore miner, BC Iron Limited, where he also held the role of Chairman of the Audit and Risk Management Committee.

³ As outlined out in the Company's ASX announcement on 4 June 2020, Mr Coyne's full-time role with the Company will end in mid-July. Mr Coyne will continue to assist the Company for a period under a consultancy arrangement and will remain on the Board as a Non-Executive Director. Refer to section 8.6 for further details.

Mr Mark Wheatley
Non-Executive Director

Mr Wheatley is a chemical engineer with corporate finance experience and a career spanning more than 30 years in mining and related industries. He has worked in the uranium industry since 2003 and been involved in ISL project exploration, feasibility studies, start up, production, rehabilitation and closure. His uranium experience includes the roles of Chairman and CEO of Southern Cross Resources Inc, the operator of the Honeymoon ISR uranium project, Non-Executive Director of Uranium One Inc. and Uranium Resources Inc. Mr Wheatley is currently a Non-Executive Director of Ora Banda Mining Limited. His other board roles have included Non-Executive Chairman of Xanadu Mines Ltd, Gold One International Ltd, Goliath Gold Mining Ltd, Norton Gold Fields Ltd and non-executive directorships of St Barbara Ltd and Riversdale Resources Limited.

Mr Harrison Barker
Non-Executive Director

Mr Barker retired 1 June 2015 from the Generation segment of Dominion Resources with over 40 years of fossil and nuclear fuel commercial and technical responsibilities. Since 1992, Mr Barker had been the manager responsible for Dominion's procurement of nuclear fuel and the related processing steps of conversion from U3O8 to UF6, enrichment of UF6, and fabrication of nuclear fuel assemblies. He is a former Chair of the Nuclear Energy Institute's Utility Fuel Committee, and a past member of the World Nuclear Fuel Market Board of Directors (Chairman for two years). He served on an Advisory Board to American Uranium Corporation while they attempted to develop the Wyoming Reno Creek uranium deposit. From 1975 to 1984 he worked as an engineer and supervisor in the areas of nuclear fuel quality assurance, nuclear core design, nuclear fabrication contract administration, nuclear fuel procurement, spent fuel transportation and disposal planning during a period when Dominion was building its regulated nuclear operating fleet in Virginia. Mr Barker holds a Bachelor of Science degree in Electrical Engineering and a Master's in Nuclear Engineering Science both from the University of Florida.

3.2 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Entitlement Offer; or
- (c) the Entitlement Offer.

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	# of Shares	%	Share Entitlement	\$
Mr John Harrison	21,000	0.01	37,800	2,684
Mr Wayne Heili	716,931	0.23	1,290,476	91,624
Mr David Coyne	506,151	0.16	911,072	64,686
Mr Mark Wheatley	129,045	0.04	232,281	16,492
Mr Harrison Barker	-	-	-	-

The Directors also hold Restricted Share Units as set out in the table below.

Director	# of RSU's
Mr John Harrison	-
Mr Wayne Heili	1,359,589 ¹
Mr David Coyne	953,475 ¹
Mr Mark Wheatley	-
Mr Harrison Barker	-

¹RSU's are held in trust for the recipients and vest in equal tranches over a three year period.

The Directors also hold Options as set out in the table below.

Director	Exercisable at \$0.50 on or before 30 Nov 2022
Mr John Harrison	240,000
Mr Wayne Heili	900,000
Mr David Coyne	450,000
Mr Mark Wheatley	180,000
Mr Harrison Barker	180,000

As at the date of this Prospectus the Directors intend to take up some or all of their Entitlement.

3.3 Directors' fees

Other than as set out below, no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or the Entitlement Offer.

Directors are entitled to Directors' fees and other payments, which are disclosed in the Company's annual financial reports. The Directors' current annual remuneration is as follows:

Name	Remuneration			
	Year ended 30 June 2018		Year ended 30 June 2019	
	Short term ¹ US\$	Long term ² US\$	Short term ¹ US\$	Long term ² US\$
Mr John Harrison	86,801	-	78,674	17,989
Mr Wayne Heili	422,257	229,258	353,382	178,447
Mr David Coyne	375,560	149,121	293,889	118,341
Mr Harrison Barker	88,770	-	67,289	13,492
Mr Mark Wheatley	63,668	-	58,738	13,492
Mr Evgenij Iorich ³	50,391	-	13,151	-

Notes:

1. Short term remuneration includes cash, fees, salary, superannuation payments, medical insurance (where applicable) and short-term incentive plan payments under the Company's remuneration plan;
2. Long term remuneration includes restricted share units and options issued under the Company's Long-Term Incentive Plan. Section 5.3 of this prospectus sets out a summary of the restricted share units and options on issue as at the date of this prospectus; and
3. Mr Iorich resigned on 15 October 2018.

The Constitution of the Company provides that the Non-Executive Directors shall be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Directors prior to the first annual general meeting of the Company, to be divided among themselves and in default of agreement then in equal shares (**Remuneration Pool**). The Remuneration Pool shall not be increased except pursuant to a resolution passed at a general meeting of the Company (the total Remuneration Pool currently being A\$550,000). In addition, no Director shall be paid as whole or part of his remuneration a commission on or percentage of operating revenue.

If a Director, being willing, is called on to perform extra services or to make any special exertions in going or residing abroad or otherwise for the Company, the Company may remunerate that Director by payment of a fixed sum determined by the Directors and that remuneration may be either in addition to or in substitution for that Director's share in the Remuneration Pool described above.

The Directors may also be paid all travelling and other expenses properly incurred by them in attending, participating in and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the business of the Company.

4. Risk factors

4.1 Introduction

The New Shares offered by this Prospectus should be considered speculative.

Prior to deciding whether to take up their Entitlement, Shareholders should read this Prospectus and review announcements made by the Company to ASX (at www.asx.com.au, ASX: PEN) in order to gain an appreciation of the Company, its activities, operations, financial position and prospects. In addition, the Directors strongly recommend that investors examine the contents of this Prospectus and consult their professional advisers before deciding whether to take up their Entitlement.

There are factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance and position of the Company and the outcome of an investment in the Company. Shareholders should consider the summary risk factors set out in this Section 4 of this Prospectus when evaluating the Company and deciding whether to increase their shareholding in the Company.

The Directors consider that the following summary represents the principal risk factors which Shareholders need to be aware of in evaluating the Company and deciding whether to increase their investment in the Company but is not intended to be an exhaustive list.

Some of the risks may be mitigated by the Company using safeguards and appropriate systems and taking certain actions. Some of the risks may be outside the control of the Company and not capable of mitigation.

4.2 Company-specific risks

(a) Uranium mining risks

The Company's uranium mining project is located in the State of Wyoming, USA.

Uranium mining in Wyoming is subject to licensing regulation by the WDEQ. Whilst exploration and mining for uranium is currently permitted in the state of Wyoming, United States, there can be no guarantee that it will continue to be permitted in the future.

(b) Low pH uranium recovery

Despite extensive low pH testing in laboratory and field demonstration environments, there can be no guarantee that commercial application of a low pH mining solution at the Lance Projects will result in rates of uranium recovery or rates of acid consumption that are consistent with the respective rates used by the Company in its technical studies budgets and business plans.

(c) Uranium recovery and processing

The operations of the Company may be affected by the success of the wellfield operation and extraction of uranium from the targeted host rock at the Lance Projects. Unknown or changing geochemical conditions may result in uranium recovery rates from the mineralised zones being significantly different from previous tests and/or mineral elements contained within the mineralised zone precipitating into solution and subsequently reducing hydraulic conductivity, impeding the flow of lixiviant through the mineralised zone. Historic exploration drilling has not revealed areas of significantly different mineralisation or host rock characteristics.

Other risks include lower hydraulic conductivities than estimated, high flare and/or recovery of significant amounts of groundwater, the need for additional injection wells

to increase uranium recovery rates, variability in the uranium concentration in the host rock and discontinuity of the mineralised zone confining layers.

(d) **Carbonate content**

Successful commercial application of low pH mining solutions to in-situ recovery uranium projects is, in part, a factor of the level of carbonate present in the mineralised zone. Carbonate contents of 2.0% or less are generally accepted as being suitable for the commercial application of low pH leaching agents. Testing of 17 core samples to date by the Company indicates that the carbonate content of the Lance Projects mineral resource is below 2.0%.

Due to the large scale and area of the Lance Projects, there is a risk that carbonate content of the host rock is greater than 2.0% in areas, which would result in higher consumption of sulphuric acid (per pound of uranium extracted) than the consumption rate estimated by the Company in its technical studies, budgets and business plans.

(e) **Operational risk**

The operations of the Company may be affected by various factors, including, failure to achieve predicted grades in exploration and mining; operational and technical difficulties encountered in mining; difficulties in constructing, commissioning, and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions; industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

These various factors mean that no assurances can be given that the Company will achieve its commercial targets and that predicted production rates will be realised.

(f) **Low pH implementation – regulatory conditions**

In March 2019, the Land Quality Division within the WDEQ issued its approval of an amendment to the existing Permit to Mine (**PTM**) and provided a framework for the future use of low pH mining solutions at the Lance Projects. In August 2019, the Uranium Recovery Program within the WDEQ issued its approval of an amendment to the existing Source Material and By-Product Licence (**SML**) allowing the future use of low pH mining solutions at the Lance Projects under the same framework. Full commercial scale implementation of low pH mining solutions was subject to the Company meeting certain pre-defined criteria contained in the amended PTM and SML as the Company completes the initial restoration activities of the low pH field demonstration. In April 2020, the Company received notification from the WDEQ of the approval of an Interim Restoration Report associated with the low pH field demonstration and it can now commence low pH operations in new mine units that have not previously been subject to alkaline based mining (ie, Mine Unit 3 and beyond).

While the Company has successfully completed the amendments to its PTM and SML to allow commercial scale low pH operations throughout the entirety of Ross Permit Area, ongoing optimisation and de-risking activities may identify proposed operational enhancements that could require additional amendments to the PTM and SML. Material operational enhancements that have been identified to date are the possible addition of an oxidising agent (eg, peroxide) in the leaching agent to be used in previously unmined areas and the change in function of the existing ponds to allow them to be used to assist in the management of fines during the initial ore zone acidification process.

The Company anticipates that it would take 9 to 12 months for any operational enhancement amendments to be approved and there is a risk that they may not be approved at all or may not be approved in a timely manner. If the amendments are not

approved or not approved in a timely manner, the Company may still commence commercial scale low pH operations under its existing approvals, however, it may not be able to achieve operational outcomes conducive to long term commercial viability.

(g) **Title risk**

Interests in tenements in the United States are governed by the respective State and Federal legislation and are evidenced by the granting of licences and leases.

In the United States, mineral and access rights are held by the Company; with surface ownership comprised of deeded agreements with private landowners, the State of Wyoming and Federal lands managed by the United States Department of Interior Bureau of Land Management.

The Company has private treaty surface access right agreements in place for the Ross Permit Area within the Lance Projects, however, surface access right agreements will need to be negotiated with individual surface holders for future exploration, development and operations in the Kendrick Permit Area and Barber Permit Area. Should the Company be unable to negotiate commercially acceptable surface access right agreements with one or more surface right holders, the Company will be required to rely upon its rights under the laws of the State of Wyoming in order to gain access rights. This may require the Company to place certain monetary amounts on deposit as surety for surface make good.

There is a risk that existing deeded agreements with private landowners and mineral right owners are not renewed as and when they fall due for renewal. Should a private landowner or mineral right owner choose to not renew an existing agreement, the Company shall be required to exercise its rights under the laws of the State of Wyoming which could be a time consuming administrative process.

(h) **Regulatory risk**

The introduction of new legislation or amendments to existing legislation by governments, developments in existing common law, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial performance of the Company and its Shares.

The Company's exploration, development and production activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the tenements.

(i) **Resource estimates**

Resource estimates are expressions of judgment based on geological data, knowledge, experience, and industry practice. These estimates were appropriate when made but may change when new information or techniques become available.

There are risks associated with such estimates. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Company's future plans, and its financial performance.

For the Lance Projects, the measured, indicated, and inferred resources are located in host sandstones that have demonstrated that they are only mildly amenable to uranium recovery using alkaline leaching agents. Laboratory tests and an ongoing field demonstration have shown that the resources are more amenable to low pH leaching agents.

Geological modelling of the extensive down-hole geophysical data has accurately defined the impermeable shale and mudstone horizons that form the confining horizons to the mineralised sandstones. Operations in Mine Units 1 and 2 from December 2015 to date (using alkaline leaching agents) have also demonstrated that the mineralised sandstones are bounded by impermeable shale and mudstone horizons.

While Peninsula is well-advanced in its exploration programme and has successfully delineated a resource in compliance with the JORC Code, there can be no guarantee that the aggregate resource will necessarily be commercially extracted in the aggregate quantities planned by the Company.

(j) **Foreign exchange risks**

The Company's revenues and majority of its costs (both capital and operating) are all denominated in United States dollars. Because the majority of costs and revenues are both denominated in the same currency a natural hedge will exist in terms of operating foreign exchange risk.

Investments in the New Shares offered under this Prospectus are made in Australian dollars, however, the profits and losses of the Company will be predominantly United States dollar based. As such, Shareholder returns will, in Australian dollar terms, be subject to risks associated with variations in the rate of exchange between the United States Dollar and the Australian dollar, as determined in international markets.

(k) **Service providers, agents and contractors**

There is a risk of financial failure or default by agents, contractors, and service providers to which the Company is or may become a party, or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities, or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

(l) **Safety risk**

The construction and operation of an ISR uranium mining operation needs to include an assessment of the potential radiological effects of exposure to uranium. Construction and operation of a central processing plant for an ISR uranium mine must consider the types of effluents and emissions, the potential exposure pathways present, and an evaluation of potential consequences of radiological emissions.

Since operations began in December 2015, the Company has operated its mine site and central processing plant in a safe and reliable manner. Ongoing and regular monitoring has not detected any radiological emissions or exposures that are outside

the limits contained in our permits and licences. There is a risk, however, that operations in the future may result in radiological emissions or exposures that are not in conformance with licence and permits. Should this occur, the Company may incur additional costs to carry out corrective actions and remedies.

(m) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to successfully transition the Lance Projects to a low pH operation and generate income from its operations, and its ability to repay or refinance its debt obligations, the Company may require further financing in addition to amounts raised in this financing. Any additional equity financing will dilute shareholdings, and new or additional debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration, development and production programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(n) **Operating history**

ISR operations commenced at the Lance Projects in December 2015 using an alkaline based mining solution and operations to date indicate that the project is only mildly amenable to an alkaline mining solution. Laboratory and field tests have indicated that the project is more amenable to a low pH mining solution (mild sulphuric acid), however, the Company does not have a track record or history of operating an in-situ recovery project using this mining solution. While members of the management team and site workforce are experienced practitioners of in-situ extraction, there is a risk that implementation of a low pH mining solution may require expertise that the current site management and workforce do not have.

(o) **Reliance on key management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

As outlined out in the Company's ASX announcement on 4 June 2020, Mr Coyne's full-time role with the Company will end in mid-July. Refer to section 8.6 for further details.

(p) **Provision of surety bonds**

The Company is required to place certain amounts on deposit with the WDEQ to act as surety for future restoration and rehabilitation obligations. To fulfil this requirement, the Company uses surety bonds provided by an insurance company for 100% of the obligation, and the surety bonds are held by the WDEQ. In order to reduce their risk, the insurance company requires the Company to place a percentage of the face value into a locked account, accessible only by the insurance company. Cash to the value of 25% of the face value of the surety bonds has been placed in a locked account by the Company.

There is a risk that the insurance company requires the Company to increase the percentage of cash backing required or that additional surety bonds may not be available to the Company on commercially reasonable terms as and when it requires them for its future activities. Should this occur, the Company may have to place additional cash amounts on deposit in a locked account (inaccessible to the Company) or place additional cash on deposit with the WDEQ.

(q) **Existing debt maturity**

On 5 November 2019, the Company announced that it had reached agreement with the holders of the US\$17 million convertible note Debt to implement a restructure of the Debt, to be effective from 3 February 2020.

The Company executed binding documentation in relation to the restructure on 25 November 2019.

Under the terms of the Debt restructure:

- the Company was required to apply the proceeds of the Monetisation in reduction of the Debt; and
- if the Monetisation was completed and the proceeds received by the Lenders by 30 April 2020 (which date was subsequently extended to 30 June 2020 by an amendment deed dated 28 April 2020), the Maturity Date was to be extended to 22 April 2021. If the Monetisation was not to be completed by 30 April 2020 (which date was subsequently extended to 30 June 2020 by an amendment deed dated 28 April 2020), the Maturity Date was to be extended only to 31 October 2020.

As the Monetisation is no longer proceeding, the Maturity Date is 31 October 2020 and proceeds from this Entitlement Offer are being used to repay the Debt in full. If the proceeds are insufficient to repay the Debt in full, then the Company shall be required to re-structure or extend the maturity of the remaining Debt balance. If the Company is not able to repay the Debt in full and cannot extend the Maturity Date of the remaining Debt on reasonable terms, then the Company may not be able to continue as a going concern. Further details on the relevant Facilities are set out in section 8.5.

(r) **Underwriting risk**

The Company has entered into the Underwriting Agreement with the Underwriter who has agreed to underwrite the Entitlement Offer, subject to certain terms and conditions. If certain conditions are not satisfied or certain events occur, the Underwriter may terminate the Underwriting Agreement.

If the Underwriting Agreement is terminated and the Entitlement Offer does not proceed or does not raise the funds required for the Company to meet its stated objectives, the Company would need to find alternative financing to meet its funding requirements. There is no guarantee that alternative funding could be sourced, either at all or on satisfactory terms and conditions. Termination of the Underwriting Agreement could materially adversely affect the Company's business, cash flow and financial position.

(s) **Third party risk**

If any of the Company's counterparties default on the performance of their obligations, it may be necessary to approach courts in the United States or Australia to seek enforcement or some other legal remedy, if no alternative settlement can be reached. Legal action can be uncertain and costly. There is a risk that the Company may not be able to seek legal redress against a defaulting counterparty, or that a legal remedy will not be granted on satisfactory terms.

Similarly, if the Company fails to meet its obligations under key contracts, for example meeting certain product quantity, quality or timing commitments, there may be a risk that contracts are terminated. Such action taken by a third party may have a material adverse effect upon the Company's financial performance and results of operations.

4.3 Industry-specific risks

(a) Risks associated with operating in the United States

Whilst exploration and mining for uranium is currently permitted in the United States, there can be no guarantee that it will continue to be permitted in the future.

Possible sovereign risks associated with operating in the United States include, without limitation, changes in the terms of mining legislation, royalty arrangements, and taxation rates; and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company.

No assurance can be given regarding future stability in the United States or any other country in which the Company may, in the future, have an interest.

(b) Environmental risk

The operations and proposed low pH activities of the Company are subject to laws and regulations concerning the environment. As with most mining operations, the Company's activities are expected to have an impact on the environment. It has been Company policy to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Uranium mining in Wyoming is subject to a strict permitting regime. Prior to commencement of mining operations, the Company was required to have in place operating plans and procedures that demonstrated the ability to comply with relevant environmental laws and regulations, and with project specific licences and permits. To date, the Company has a good track record of complying with relevant environmental laws and regulations.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products. Significant liabilities could be imposed on the Company for damages, clean-up costs, and/or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations, and/or non-compliance with environmental laws or regulations.

(c) Exploration risks

Exploration is a high risk activity that requires expenditure over extended periods of time. There can be no guarantee that planned exploration and evaluation programs will lead to positive exploration and evaluation results and the delineation of a commercial deposit or further, a commercial uranium mining operation.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

(d) Insurance risk

The Company will endeavour to maintain insurance within ranges of coverage in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of risks associated with minerals exploration and production is not always available and, where available, the costs can be prohibitive. There is a risk that insurance premiums may increase to a level where the Company considers it is

unreasonable or not in its interests to maintain insurance cover or not to a level of coverage which is in accordance with industry practice. The Company will use reasonable endeavours to insure against the risks it considers appropriate for the Company's needs and circumstances. However, no assurance can be given that the Company will be able to obtain such insurance coverage in the future at reasonable rates or that any coverage it arranges will be adequate and available to cover claims.

(e) **Commodity price risk**

The demand for, and the price of, commodities are highly dependent on a variety of factors, including international supply and demand, the price and availability of substitutes, actions taken by governments and global economic and political developments. Given the Company's main activities, which primarily involve the production of uranium, the Company's operational and financial performance, as well as the economic viability of its projects, is heavily reliant on the prevailing global price of uranium, among other things. Volatility in commodity markets may therefore materially affect the profitability and financial performance of the Company and the price of its Securities.

In addition, any sustained low global price for uranium (as well as other related commodities) may adversely affect the Company's business and financial results, and its ability to finance, and the financing arrangements for, its activities or its planned capital expenditure commitments (in the ordinary course of the Company's operations).

The factors which affect the prices for uranium, as well as other related commodities (which are outside the control of the Company and its Directors) include, among many other factors, demand for nuclear power; the quantity of global supply of uranium as a result of the commissioning of new mines, recommencement of production at idled mines and the decommissioning of others; political developments in countries which mine uranium and generate nuclear power; the weather in these same countries; the price and availability of appropriate substitutes; and sentiment or conditions in the countries and sectors in which the Company or its future business/commercial partners will potentially sell their products. Given the complex array of factors which contribute to the prevailing global price of these commodities, it is particularly difficult for the Company to predict with any certainty the prevailing price for these commodities and accordingly, investors are cautioned not to place undue reliance on any price or demand forecasts provided by the Company or by external analysts.

(f) **Competition**

Competition from Kazakhstan, United States and other international uranium producers, developers and explorers may affect the potential future cash flow and earnings which the Company may realise from its operations. For example, the introduction of new mining and processing facilities and any resultant increase in competition and supply in the global uranium market could lower the price of uranium.

4.4 **General risks**

(a) **Economic risk**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities.

(b) **Coronavirus (COVID-19) risk**

The global economic outlook is facing uncertainty due to the COVID-19 pandemic, which has had and may continue to have a significant impact on capital markets, share prices, currency, finance, trade and commodity prices. Unemployment in Australia, the United States of America and globally have spiked due to the pandemic and there is no

certainty that economies will recover to pre-COVID-19 levels or the timing of such recovery.

The Company's share price may be adversely affected by the economic uncertainty caused by COVID-19. Further, any measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations. The Company's operations may be further impacted if the virus causes the hospitalisation or death of the Company's existing staff.

While the Company has introduced a COVID-19 action plan including remote working to mitigate the effects of COVID-19, there is no guarantee that this plan will limit the impact of the pandemic on its operations and results.

(c) **Market conditions**

Unlike other commodities, uranium does not trade on an open market. Contracts are negotiated privately by buyers and sellers. Changes in the price of uranium can have a significant impact on the economic performance of the Company's projects.

The marketability of uranium and acceptance of uranium mining is subject to numerous factors beyond the control of the Company. The price of uranium may experience volatile and significant price movements over short periods of time. Factors known to affect the market and the price of uranium include demand for nuclear power; political and economic conditions in uranium mining, producing and consuming countries; costs; interest rates, inflation and currency exchange fluctuations; government regulations; availability of financing for nuclear plants, reprocessing of spent fuel and the re-enrichment of depleted uranium tails or waste; sales of excess civilian and military inventories (including from the dismantling of nuclear weapons) by governments and industry participants; production levels and costs of production in certain geographical areas such as Russia, Africa, and Australia; and changes in public acceptance of nuclear power generation as a result of any future accidents or terrorism at nuclear facilities.

Other than for uranium already committed under contract at agreed prices, no assurance can be given on the accuracy of future prices used in the derivation of the Company's ability to generate positive cashflow from its planned future operations.

(d) **Litigation**

From time to time, the Company may become involved in litigation and disputes. If the Company becomes involved in material protracted litigation, this could adversely affect the Company's expenditure against budget and the ability of the Company to undertake in a timely manner the activities that it is permitted to do under validly issued licences and permits.

4.5 Investment speculative

The above list of risk factors ought not to be taken as an exhaustive list of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to take up their Entitlement.

5. Purpose and effect of the Entitlement Offer

5.1 Purpose of the Entitlement Offer

The intended use of funds raised from the Entitlement Offer is detailed in section 1.10.

Further, pursuant to section 708A(11) of the Corporations Act, the Prospectus will have the effect of providing an exemption from the secondary sales provisions in section 707 of the Corporations Act in respect to Securities issued without disclosure to investors on or prior to the date of this Prospectus (provided the conditions of section 708A(11) of the Corporations Act can be met).

5.2 Effect of the Entitlement Offer

The principal effect of the Entitlement Offer will be to:

- (a) increase cash reserves by approximately A\$40,262,841 immediately after completion of the Entitlement Offer, before deducting the estimated expenses of the Entitlement Offer; and
- (b) increase the total number of Shares on issue from 315,045,706 as at the date of this Prospectus to 882,127,977 following completion of the Entitlement Offer.

5.3 Effect on the Company's capital structure

Shares

A comparative table of changes in the capital structure of the Company as a consequence of the Entitlement Offer is set out below:

Shares	
Shares on issue at date of this Prospectus	315,045,706
New Shares issued under the Entitlement Offer	567,082,271
Total Shares on issue after completion of the Entitlement Offer	882,127,977
Options	
Unquoted Options on issue as at the date of this Prospectus	27,425,000

Effect on the Company's financial position

This section provides relevant financial information for Shareholders to consider when assessing whether to participate in the Entitlement Offer, including details of the potential financial impact of the Entitlement Offer.

The pro-forma financial information should be read in conjunction with the limitations explained in the "important notes" section of this Prospectus.

Pro-forma Statement of Financial Position

Set out below is the audit reviewed Statement of Financial Position for the Company as at 31 December 2019, an unaudited Statement of Financial Position as at 30 April 2020 and an unaudited pro-forma Statement of Financial Position as at 30 April 2020 showing the financial position of the Company following the Entitlement Offer.

The pro-forma Statement of Financial Position illustrates the effect of the Entitlement Offer on the Company. It has been prepared based on the unaudited Statement of Financial Position as at 30 April 2020, adjusted for certain events that have occurred after the balance date. It is not intended to represent the financial position of the Company upon completion of the Entitlement Offer. It is provided as an illustration of the effect of the Entitlement Offer. The actual impact on the Company is dependent on a range of factors, many of which are outside the control of the Company.

The pro-forma Statement of Financial Position has been prepared to provide Shareholders with information on the pro-forma assets and liabilities of the Company. It has been prepared on the basis of accounting policies normally adopted by the Company. The financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Actual Audit Reviewed 31-Dec-19 \$'000	Proforma Unaudited 30-Apr-20 \$'000	Entitlement Offer \$'000	Proforma Unaudited post Rights 30-Apr-20 \$'000
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	5,496	4,482	8,947	13,429
Trade and other receivables	709	247	0	247
Inventory	1,118	627	0	627
Held for sale assets	933	713	0	713
Other financial assets	956	729	0	729
			8,947	15,745
TOTAL CURRENT ASSETS	9,212	6,798		
NON-CURRENT ASSETS				
Mineral development	37,389	37,403	0	37,403
Trade and other receivables	3,156	3,324	0	3,324
Property, plant and equipment	19,043	18,863	0	18,863
Other financial assets	797	846	0	846
TOTAL NON-CURRENT ASSETS	60,385	60,436	0	60,436
TOTAL ASSETS	69,597	67,234	8,947	76,181
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	1,852	694	0	694
Borrowings	16,847	16,518	(16,518)	0
Other current liabilities	882	675	(303)	372
TOTAL CURRENT LIABILITIES	19,581	17,887	(16,821)	1,066
NON-CURRENT LIABILITIES				
Borrowings	127	63	0	63

Provisions	11,418	11,417	0	11,417
TOTAL NON-CURRENT ASSETS	11,545	11,480	0	11,480
TOTAL LIABILITIES	31,126	29,367	(16,821)	12,546
NET ASSETS	38,471	37,867	25,768	63,635
EQUITY				
Issued capital	213,109	214,981	25,768	240,749
Reserves	6,912	8,485	0	8,485
Accumulated losses	(180,321)	(184,681)	0	(184,681)
Non-controlling interest	(1,229)	(918)	0	(918)
TOTAL EQUITY	38,471	37,867	25,768	63,635

6. Action required by Eligible Shareholders

All Applications for New Shares must be made by Eligible Shareholders in accordance with the instructions in this Prospectus and on the Application Form. By returning the Application Form or paying any Application Money for New Shares by BPAY®, you offer to acquire the New Shares on the terms and conditions set out in this Prospectus.

The Company reserves the right to reject any Applications for New Shares that are not made in accordance with the terms of this Prospectus or the instructions on the Application Form.

The Company also reserves the right (in its absolute discretion) to reduce the number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claims prove to be overstated or if they fail to provide information to substantiate their claims.

6.1 Options available to you

If you are an Eligible Shareholder, you may take any of the following actions. Each of these options may have a materially different outcome on any value you receive in respect of your Entitlement.

- take up all or part of your Entitlement (see section 6.1(a));
- take up more than your Entitlement (see section 6.1(b));
- sell all or part of your Entitlement to persons meeting certain eligibility criteria:
 - on ASX (see section 6.1(c)); or
 - by transferring it directly to another eligible person (see section 6.1(d)); or
- allow all or part of your Entitlement to lapse (see section 6.1(e))

(a) If you wish to take up all or part of your Entitlement

If you wish to take up all or part of your Entitlement, please either:

- complete and return the Application Form with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the Application Form,

in each case, by no later than 5:00pm (AEST) on 24 June 2020 (the Closing Date).

If you take up and pay for all or part of your Entitlement before the Closing Date, it is expected that you will be issued New Shares on 30 June 2020. The Company's decision on the number of New Shares to be issued to you will be final.

The Company also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if the Company believes their claims to be overstated or if they or their nominees fail to provide information to substantiate their claims to the Company's satisfaction.

(b) **If you wish to take up more than your Entitlement**

Regardless of the size of their present holding, if you wish to apply for more Shares than your Entitlement you will need to complete the relevant sections of the Application Form (titled "Additional New Shares") and return it, together with the necessary Application Money to the Company in accordance with the instructions in this Prospectus and on the Application Form.

Surplus application moneys will be returned to Applicants as soon as practicable following the close of the Entitlement Offer.

(c) **If you wish to sell all or part of your Entitlement on ASX**

If you wish to sell all or part of your Entitlement on ASX, you should instruct your stockbroker and provide details as requested from your Application Form. Allow sufficient time for your instructions to be carried out by your stockbroker. You may incur brokerage if you choose to sell your Entitlement on ASX.

Entitlement trading on ASX starts on a deferred settlement basis on 9 June 2020 and ceases on 17 June 2020. There is no guarantee that there will be a liquid market in traded Entitlements. A lack of liquidity may impact your ability to sell your Entitlement on ASX and the price you may be able to achieve.

The assignment, transfer and exercise of Entitlements trading on ASX is restricted to persons meeting certain eligibility criteria. If holders at the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Entitlements.

The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to you if you trade your Entitlement before the Entitlements are allotted, or before you receive your Application Form, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or fail to maintain your updated details on the Share Registry or otherwise.

If you wish to sell part of your Entitlement on ASX, follow the procedures above in respect of the part of your Entitlement you wish to sell on ASX and do nothing in respect of the balance.

Prices obtainable for Entitlements may rise and fall over the Entitlement Offer trading period and will depend on many factors including the demand for and supply of Entitlements on ASX and the value of Shares relative to the Offer Price. If you sell your Entitlements in the Entitlement Offer trading period, you may receive a higher or lower amount than a Shareholder who sells their Entitlements at a different time in the Entitlement Offer trading period.

If you sell your Entitlement, you will forgo any exposure to future increases or decreases in the value of the New Shares that would have been allotted to you had you taken up your Entitlement. Your percentage shareholding in the Company (held at the Record Date) will also be diluted.

(d) **If you wish to transfer all or part of your Entitlement other than on ASX**

If you wish to transfer all or part of your Entitlement other than on ASX, you must forward a completed Renunciation and Transfer Form to the Share Registry in relation to the part of your Entitlement that you wish to transfer. If the transferee wishes to take up all or part of the Entitlement transferred to them, they must send their Application Monies together with the Application Form related to the Entitlement transferred to them to the Share Registry.

You can obtain a Renunciation and Transfer Form by contacting the Share Registry via email at capitalmarkets@linkmarketservices.com.au during the Offer Period or from your stockbroker.

The Renunciation and Transfer Form as well as the transferee's Application Monies and the Application Form related to the Entitlement transferred to them must be received by the Share Registry at the mail delivery address in section 6.3 no later than 5:00pm (AEST) on 24 June 2020 (the Closing Date).

If the Share Registry receives both a completed Renunciation and Transfer Form and an Application in respect of the same Entitlement, the transfer will take priority over the Application.

If you wish to transfer part of your Entitlement, follow the procedures above in respect of the part of your Entitlement you wish to transfer, and do nothing in respect of the balance.

Prices obtainable for Entitlements may rise and fall over the Entitlement Offer trading period and will depend on many factors including the demand for and supply of Entitlements on ASX and the value of Shares relative to the Offer Price. If you sell your Entitlements in the Entitlement Offer trading period, you may receive a higher or lower amount than a Shareholder who sells their Entitlements at a different time in the Entitlement Offer trading period.

If you transfer your Entitlement, you will forgo any exposure to future increases or decreases in the value of the New Shares that would have been allotted to you had you taken up your Entitlement. Your percentage shareholding in the Company (held at the Record Date) will also be diluted.

You may only transfer your Entitlement in this way to a purchaser whose address is in Australia or New Zealand. Transferees of Entitlements that do not have a registered address in Australia or New Zealand will not be eligible to purchase, trade, take up or exercise Entitlements. You should inform any transferee of these restrictions. Entitlements may not be transferred to persons in the United States.

See section 1.11 for more information on restrictions on participation.

(e) **Allow all or part of your entitlement to lapse**

If you decide not to apply for all or part of your Entitlement to New Securities (or fail to apply by the Closing Date) and do not sell or transfer your Entitlements, your Entitlement will lapse. The New Shares not subscribed for will form part of the Oversubscription Offer.

By allowing your Entitlement to form part of the Oversubscription Offer, you will forgo any exposure to future increases or decreases in the value of the New Shares that would have been allotted to you had you taken up your Entitlement. Your percentage shareholding in the Company (held at the Record Date) will also be diluted.

The New Shares not subscribed for under the Offer will be available for subscription through the Oversubscription Offer (and Shortfall) in accordance with Section 1.7.

6.2 Payment

You can pay your Application Monies in the following ways:

- by BPAY®; or
- by cheque, bank draft or money order.

Cash payments will not be accepted. Receipts for payment will not be issued. The Company will treat you as applying for as many New Shares as your Application Monies will pay for in full up to your Entitlement.

The Entitlement stated on your personalised Application Form may be in excess of your actual Entitlement. Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to Applicants on any Application Monies received or refunded.

(a) Payment by BPAY

For payment by BPAY®, please follow the instructions on the personalised Application Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Application Form. If you have multiple holdings and consequently receive more than one personalised Application Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your Application will not be recognised as valid.

Should you choose to pay by BPAY®:

- you do not need to submit your personalised Application Form but are taken to make the representations, declarations, warranties and agreements on that Application Form and in section 6.4; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5:00pm (AEST) on 24 June 2020 (the Closing Date). Your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

(b) Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, complete your personalised Application Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to “Peninsula Energy Limited” and crossed “Not Negotiable”.

Your cheque, bank draft or money order must be:

- for an amount equal to A\$0.071 multiplied by the number of New Shares that you are applying for; and

- in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in foreign currency. Eligible Shareholders who reside outside of Australia must arrange for payment to be made in Australian dollars.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies as your cheque will be processed on the day of receipt. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Application Form, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your personalised Application Form) and made the representations, declarations, warranties and agreements in section 6.4. Alternatively, at the discretion of the Company, your Application will not be accepted.

6.3 Mail

To participate in the Entitlement Offer, your payment must be received no later than the Closing Date, being 5:00pm (AEST) on 24 June 2020. If you make payment via cheque, bank draft or money order, mail your completed personalised Application Form together with Application Monies to:

Mailing Address

Peninsula Energy Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001
Australia

Hand Delivery

Peninsula Energy Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
(Please do not use this address for mailing purposes)

6.4 Implications of making an Application

Submitting an Application constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn. The Application Form does not need to be signed to be binding.

If an Application is not completed or submitted correctly it may still be treated as a valid Application for New Shares. The Company's decision whether to treat an Application as valid and how to construe, amend, complete or submit the Application Form is final.

By completing and returning your personalised Application Form with the requisite Application Money or making a payment by BPAY®, you:

- agree to be bound by the terms of this Prospectus and the provisions of the Constitution;
- authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- declare that all details and statements made in the Application Form are complete and accurate;
- declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement Offer;
- acknowledge that once the Company receives the Application Form or your payment by BPAY®, you may not withdraw it except as allowed by law;
- agree to apply for, and be issued with up to, the number of New Shares that you apply for at the issue price of A\$0.071 per New Share;

- authorise the Company and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;
- agree that the allotment of New Shares to you constitutes acceptance of your Application;
- declare that you are the current registered holder(s) of the Shares in your name at the Record Date;
- acknowledge that the information contained in this Prospectus is not investment advice or a recommendation that New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
- represent and warrant that the laws of the country relevant to your Application do not prohibit you from being given this Prospectus or making an Application for New Shares;
- represent and warrant that (i) if you are in the United States, you are resident in the states of Colorado, Nebraska, Wyoming or New York (and, if resident in New York, are an institutional investor) or (ii) you are not in the United States and not a custodian or nominee acting for the account or benefit of a person in the United States;
- represent and warrant that, if you are in Brazil, you are a “professional investor” or “qualified investor”, as defined in the rules of the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários);
- agree that you will not transfer Entitlements to any person outside Australia and New Zealand; and
- in the case of an Eligible Shareholder, represent and warrant that you are an Eligible Shareholder and have read and understood this Prospectus and the Application Form and that you acknowledge the matters, and make the warranties and representations and agreements, contained in this Prospectus and the Application Form.

7. Rights of the New Shares

The following is a summary of the more significant rights attaching to the New Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered address.

7.1 Voting rights

Subject to the Constitution and to any rights or restrictions attached to any class or classes of shares, at a general meeting:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every Shareholder present has one vote; and
- (c) on a poll, every Shareholder present has one vote for each share held by the Shareholder entitling the Shareholder to vote, except for partly paid shares, each of which confers on a poll only the fraction of one vote which the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited) on the share. An amount paid in advance of a call is disregarded for this purpose.

7.2 General meetings

Shareholders are entitled to receive written notice of and attend and vote at general meetings of the Company.

7.3 Dividend rights

The Directors may pay any interim and final dividends that, in their judgment, the financial position of the Company justifies. The Directors may pay any dividend required to be paid under the terms of issue of a share.

Subject to any rights or restrictions attached to any shares or class of shares:

- (a) all dividends are to be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid;
- (b) all dividends are to be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid;
- (c) an amount paid or credited as paid on a share in advance of a call is not to be taken as paid or credited as paid on the share for the purposes of (a) and (b) above; and
- (d) interest is not payable by the Company on any dividend.

7.4 **Winding-up**

Subject to any rights or restrictions attached to a class of Shares, on a winding up of the Company, any surplus assets of the Company remaining after the payment of its debts must be divided among the Shareholders in the proportions which the amount paid (including amounts credited) on the Shares of a Shareholder is of the total issue price of the Shares of all Shareholders.

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders the whole or any part of the property of the Company and may, for that purpose, determine how the division is to be carried out between the Shareholders.

7.5 **Transfer of Shares**

Generally, all shares are freely transferable subject to the procedural requirements of the Constitution and to the provisions of the Corporations Act, ASX Listing Rules and ASX Settlement and Transfer Corporation Pty Limited (**ASTC**) Settlement Rules. If the Company refuses to register a transfer it must give notice of the refusal as required by the Corporations Act and the ASX Listing Rules.

7.6 **Variation of rights**

The rights attached to any class of shares may, unless their terms of issue state otherwise, be varied with the written consent of the holders of 75% of the shares of the class or by a special resolution passed at a separate meeting of the holders of shares of the class.

8. Additional information

8.1 Underwriting

Peninsula and the Underwriter has entered into an Underwriting Agreement under which it has been agreed that the Underwriter will fully underwrite the Entitlement Offer. The Underwriter will receive an underwriting fee equal to 5.0% of the gross dollar amount raised under the Entitlement Offer.

The obligation of the Underwriter to underwrite the Entitlement Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement (without cost or liability to it) if:

- (a) **(indices fall)** either of the All Ordinaries Index or the S&P/ASX Small Ordinaries Index as published by ASX is at any time after the date of the Underwriting Agreement, at a level that is 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
- (b) **(uranium price)** the Spot U308 Price published by UxC, LLC is at any time after the date of the Underwriting Agreement, at a level that is 20% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
- (c) **(no Official Quotation)** Official Quotation has not been applied for in respect of all the New Shares within 2 Business Days after the Closing Date (or such other date as agreed by the Underwriter and the Company), or, having been applied for, is subsequently withdrawn, withheld or qualified;
- (d) **(supplementary prospectus)**
 - (1) the Underwriter forms the view on reasonable grounds that a supplementary or replacement Prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary or replacement Prospectus in such form and content and within such time as the Underwriter may reasonably require; or
 - (2) the Company lodges a supplementary or replacement Prospectus without the prior written agreement of the Underwriter;
- (e) **(non-compliance with disclosure requirements)** it transpires that the Prospectus does not contain all the information required by section 713 (or sections 710, 711 and 716) of the Corporations Act;
- (f) **(misleading Prospectus)** it transpires that there is a statement in the Prospectus that is misleading or deceptive in a material respect or likely to mislead or deceive to a material respect, or that there is an omission from the Prospectus (having regard to the provisions of section 713 (or sections 710, 711 and 716) of a material respect that make it misleading or deceptive or if any statement in the Prospectus becomes misleading or deceptive in a material respect or likely to mislead or deceive in a material respect or if the issue of the Prospectus is or becomes misleading or deceptive in a material respect or likely to mislead or deceive in a material respect;
- (g) **(restriction on allotment)** the Company is prevented from allotting the New Shares within the time required by the Underwriting Agreement, the Corporations Act, the ASX Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

- (h) **(withdrawal of consent to Prospectus)** any person (other than the Underwriter) who has previously consented to the inclusion of his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (i) **(ASIC application)** an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus and the application has not been dismissed or withdrawn within 2 Business Days after the Closing Date (or such other date as agreed by the Underwriter and the Company);
- (j) **(Takeovers Panel)** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- (k) **(hostilities)** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Japan, Russia, the United Kingdom, the United States of America, France, North Korea, the People's Republic of China, or any member of the European Union;
- (l) **(authorisation)** any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter (acting reasonably); or
- (m) **(termination events)** any of the following events occurs (subject to such events causing a material adverse effect):
 - (1) **(default)** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking which is not remedied by the Company within 5 Business Days of notification by the Underwriter;
 - (2) **(incorrect or untrue representation)** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect in a material respect;
 - (3) **(contravention)** a material contravention by the Company of any provision of its constitution, the Corporations Act, the ASX Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (4) **(adverse change)** an event occurs which gives rise to a material adverse effect after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
 - (5) **(error in due diligence results)** it transpires that any of the results of the due diligence investigations into the Company for the purposes of this Entitlement Offer or any part of the materials used to verify the Prospectus was false, misleading or deceptive in a material respect or that there was a material omission from them that made them false, misleading or deceptive;
 - (6) **(significant change)** a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
 - (7) **(public statements)** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Entitlement Offer, the

issue of New Shares or the Prospectus except where such statement is required by law or the ASX Listing Rules;

- (8) **(misleading information)** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Entitlement Offer or the issue of New Shares or the affairs of the Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (9) **(Official Quotation qualified)** the Official Quotation is qualified or conditional other than being conditional on allotment;
- (10) **(change in law or policy)** there is introduced or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any statute or law or prospective statute or law or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (11) **(prescribed occurrence)** a prescribed occurrence (as specified in the Underwriting Agreement) relating to the issued capital or business or property of the Company becoming subject of an insolvency event;
- (12) **(suspension of debt payments)** the Company suspends payment of its debts generally;
- (13) **(event of insolvency)** an event of insolvency occurs in respect of the Company;
- (14) **(judgment against the Company)** a judgment in an amount exceeding \$250,000 is obtained against the Company and is not set aside or satisfied within 7 days;
- (15) **(litigation)** material litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against the Company, other than any claims disclosed to the Underwriter in writing prior to the date of the Underwriting Agreement or foreshadowed in the Prospectus;
- (16) **(Board and senior management composition)** there is a change in the composition of the Board or a change in the senior management of the Company before the date on which the last of the New Shares the subject of the Entitlement Offer are allotted in accordance with the Prospectus without the prior written consent of the Underwriter (acting reasonably);
- (17) **(change in shareholdings)** a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company;
- (18) **(timetable)** there is a delay in any specified date in the agreed timetable under the Underwriting Agreement which is greater than 3 Business Days, without the written consent of the Underwriter (such consent not to be unreasonably withheld or delayed);
- (19) **(force majeure):** a force majeure event (as specified under the Underwriting Agreement) affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;

- (20) **(certain resolutions passed)** the Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (21) **(capital structure)** the Company alters its capital structure in any manner not contemplated by the Prospectus except in respect of the exercise of options on issue at the date of the Underwriting Agreement;
- (22) **(investigation)** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company; or
- (23) **(market conditions)** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or material disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America.

The Underwriting Agreement contains indemnities, representations and warranties and undertakings by the Company to Canaccord and other terms and conditions considered standard for an agreement of this nature.

8.2 **Sub-underwriting commitments**

The Underwriter has entered into sub-underwriting arrangements with various investors for the underwritten amount.

8.3 **Lead Manager Mandate**

Peninsula and the Lead Manager have entered into a Lead Manager Mandate under which it has been agreed that the Lead Manager will act as lead manager in relation to the Entitlement Offer. Customary with these types of arrangements:

- (a) Peninsula has provided various representations and warranties;
- (b) Peninsula has agreed to indemnify the Lead Manager and each of its directors, officers, employees and advisors against losses in connection with the Entitlement Offer; and
- (c) the Lead Manager will receive a management fee of 1.0% of the gross dollar amount raised under the Entitlement Offer.

8.4 **Co-Manager Mandate**

Peninsula and the Co-Manager have entered into a Co-Manager Mandate under which it has been agreed that the Co-Manager will act as co-manager in relation to the Entitlement Offer. Customary with these types of arrangements:

- (a) Peninsula has provided various representations and warranties;
- (b) Peninsula has agreed to indemnify the Co-Manager and each of its directors, officers, employees and advisors against losses in connection with the Entitlement Offer; and
- (c) the Co-Manager will receive a management fee of 5.0% of the amounts allocated to Introduced Investors and Additional Investors (as defined in the Co-Manager Mandate).

8.5 Loan Note Facility and Repayment

The Company has existing loan note debt facilities (**Facilities**) with Resource Capital Funds VI L.P. (**RCF VI**), Pala Investments Limited (**Pala**) and Piperoglou Family Interests (**Piperoglou Family**) (together, **Lenders**). The aggregate principal face value amount owing under the Facilities is US\$16.821 million (**Debt**).

Key terms of the Facilities are:

- (a) aggregate principal outstanding as at the date of this Prospectus of US\$16.821 million;
- (b) Facilities are secured through the senior ranking security over the assets of the Company in Australia, UK and USA;
- (c) the Company is required to use reasonable endeavours to achieve completion of the Monetisation by 30 June 2020, (however, the Monetisation is not proceeding);
- (d) if the Monetisation is not completed before 30 June 2020, the maturity date of the Debt shall be 31 October 2020;
- (e) quarterly coupon of 10% per annum, paid in arrears in cash; and
- (f) financial undertaking for the Company to ensure that the Group has a minimum cash balance of A\$1m.

8.6 Management Change

As outlined in the Company's ASX announcement on 4 June 2020, Peninsula's Finance Director, Chief Financial Officer and Joint Company Secretary, Mr David Coyne, has advised the Company that he intends to resign his full-time role with Peninsula to take up an opportunity with another company. His full-time role is expected to end in mid-July 2020 following completion of the Entitlement Offer. He will continue to assist the Company for a period under a consultancy arrangement and will remain on the Board as a Non-Executive Director.

8.7 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the securities in the Company.

This Prospectus is a "transaction specific prospectus". In general terms, a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (1) the annual financial report most recently lodged by the Company with ASIC;
 - (2) the half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in (1) and before the lodgement of this Prospectus with ASIC; and
 - (3) any continuous disclosure documents given by the Company to ASX in accordance with ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (1) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with ASIC are set out in the table below:

Date	Description of announcement
04/06/2020	Transformational Equity Raise
29/04/2020	Trading Halt Request
29/04/2020	Quarterly Activities Report
29/04/2020	Quarterly Cashflow Report
28/04/2020	Contract Monetisation Date Extended with Lenders
24/04/2020	Peninsula Welcomes US Uranium Recommendations
17/04/2020	Key Approval Paves the way for New Low pH Mining
16/04/2020	Change of Registered Office
06/04/2020	Operations Update

01/04/2020	Appointment of Joint Company Secretary
19/03/2020	Notice under section 708A
19/03/2020	Appendix 2A
18/03/2020	Proposed issue of Securities – PEN
18/03/2020	Peninsula Debt Reduction
10/03/2020	Company Update
27/02/2020	Half Year Accounts
20/02/2020	Appendix 2A
17/02/2020	Proposed issue of Securities – PEN
17/02/2020	Placement of Shortfall and Completion of Entitlement Offer
11/02/2020	US President Requests US\$150 million for Uranium Purchases
10/02/2020	Quarterly Results Webcast Presentation
04/02/2020	Appendix 2A
03/02/2020	Changes to Managing Director/CEO Remuneration
31/01/2020	Quarterly Activities Report
31/01/2020	Quarterly Cashflow Report
28/01/2020	Change of Director's Interest Notice
28/01/2020	Change of Director's Interest Notice
28/01/2020	Change of Director's Interest Notice
28/01/2020	Change of Director's Interest Notice
23/01/2020	Appendix 2A
21/01/2020	Entitlement Offer Results and Shortfall Notification
31/12/2019	Interim Restoration Report filed with WDEQ
30/12/2019	Entitlement Offer – Extension of Closing Date
10/12/2019	Company Presentation
10/12/2019	Entitlement Offer – Dispatch of Prospectus
09/12/2019	Notice under Section 708A(5)(E)
09/12/2019	Appendix 2A
03/12/2019	Letter to Ineligible Shareholders
03/12/2019	Letter to Eligible Shareholders

02/12/2019	Letter to Optionholders
02/12/2019	Proposed issue of Securities – PEN
02/12/2019	Prospectus
29/11/2019	Peninsula secures equity funding
27/11/2019	Results of Meeting
27/11/2019	Trading Halt
25/11/2019	Binding debt restructure agreements executed
20/11/2019	Change of Director's Interest Notice - David Coyne
20/11/2019	Change of Director's Interest Notice - Wayne Heili
20/11/2019	Appendix 3B
12/11/2019	Quarterly Results Webcast Presentation
06/11/2019	Shareholder Information Sessions
05/11/2019	Company Presentation
05/11/2019	Successful debt restructure negotiated
04/11/2019	Interim Operations Report approved by WDEQ
01/11/2019	Trading Halt
30/10/2019	Quarterly Activities Report
30/10/2019	Quarterly Cashflow Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website (www.pel.net.au).

8.8 Section 708A(11) Corporations Act

The Company has issued the following Shares (without a disclosure document) in the 12 months prior to the date of this Prospectus under section 708A of the Corporations Act:

Date of issue	Number of Shares
20/11/2019	3,404,864 Shares

If Shares are issued to an investor without a disclosure document then the on-sale of those Shares is generally restricted pursuant to the Corporations Act, unless an exemption applies (such as those under section 708A of the Corporations Act).

These on-sale provisions are an anti-avoidance mechanism that is designed to minimise the opportunity for an issuer of Shares to avoid giving disclosure to retail investors by first issuing the securities to an investor for whom disclosure is not required and then having that investor on sell the securities to a retail investor.

The on-sale provisions seek to ensure that regardless of whether the securities are issued directly or indirectly to retail clients, the retail clients received adequate disclosure for what is indirectly an issue of securities and the issuer remain liable to retail clients for the efficacy of that disclosure.

Section 708A operates as an exemption from the on-sale provisions. If the Company does not fall within one of these exemptions, any securities issued to an exempt investor (pursuant to section 708 of the Corporations Act) may be restricted from on-sale for the first twelve (12) months from the date of issue unless the investor (to whom the securities may be on-sold) also falls within one of the exemptions.

However, section 708A(11) provides that a sale offer of securities would not need disclosure (and therefore would be exempt from the on-sale provisions) if the securities are in a class of securities that are quoted securities and a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made, or the Shares are issued after the lodgement of a Prospectus at a time when offers under the Prospectus are still open for acceptance.

As noted in section 1.7, the Oversubscription Offer and Shortfall are separate offers made pursuant to this Prospectus. The Shortfall will remain open for up to three (3) months following the Closing Date. The purpose of offering the Oversubscription Shares and Shortfall Shares pursuant to this Prospectus is to comply with section 708A(11) of the Corporations Act so that investors issued with Oversubscription Shares or Shortfall Shares pursuant to the Oversubscription Offer or Shortfall (as relevant) can sell their Oversubscription Shares or Shortfall Shares within the next twelve (12) months without the issue of a prospectus.

The Company notes that none of the above listed Shares have been on-sold and as such, the holders of the Shares referred to in the table above may wish to rely on this Prospectus and section 708A(11) of the Corporations Act if they wish to on-sell their Shares.

8.9 Corporate governance

The Board is responsible for the corporate governance of the Company and to ensure that the Peninsula Group is properly managed and controlled. In this regard, the Board is committed to maintaining and promoting the principles of good corporate governance.

The Directors are of the view that Peninsula Group has complied in all substantial respects with corporate governance best practice in Australia, including with the ASX Corporate Governance Council Corporate Governance Principles and Recommendations. The Directors believe that any departure from the ASX Corporate Governance Council Corporate Governance Principles and Recommendations is in the best interests of Shareholders, having regard to the size and the pre-production stage of the Company.

8.10 Related Party disclosure

From time to time the Company may be party to transactions with Related Parties including:

- (a) employment and service arrangements;
- (b) issue of securities to Directors or entities associated with Directors; and
- (c) payment of Directors' fees.

The Company believes that it has made appropriate disclosure of past Related Party transactions and other than any further disclosure made in this Prospectus does not intend to make any further disclosure of such transactions, which will have either proceeded on an "arm's length" basis, reasonable remuneration basis or been approved by Shareholders in general meeting.

8.11 Substantial Shareholders

The following are details of those Shareholders who have a relevant interest in more than 5% of the Shares prior to the date of this Prospectus:

Shareholder	# of Shares	%
RCF VI	30,512,937	9.69%
Paradice	29,230,303	9.28%

Please refer to section 1.16 earlier in this Prospectus for an analysis of the possible effects on control in relation to the Offer.

8.12 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Entitlement Offer; or
- (c) the Entitlement Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Entitlement Offer pursuant to this Prospectus.

Hogan Lovells are acting as solicitors to the Entitlement Offer and have performed work in relation to this Prospectus. In doing so, Hogan Lovells have placed reasonable reliance upon information provided to them by the Company. Hogan Lovells does not make any statement in this Prospectus. In respect of this work, the Company estimates that it will pay approximately A\$110,000 (excluding disbursements and GST) to Hogan Lovells. Further amounts may be paid to Hogan Lovells in accordance with its normal time based charges.

The Underwriter is acting as underwriter to the Entitlement Offer. The Underwriter has placed reasonable reliance upon information provided to them by the Company. The Underwriter does not make any statement in this Prospectus. In respect of this work, the Company estimates that it will pay approximately A\$1,763,142 (excluding disbursements and GST) to the Underwriter. Further details of the underwriting arrangements are set out in section 8.1.

The Lead Manager is acting as lead manager to the Entitlement Offer. The Lead Manager has placed reasonable reliance upon information provided to them by the Company. The Lead Manager does not make any statement in this Prospectus. In respect of this work, the Company estimates that it will pay approximately A\$402,628.41 (excluding disbursements and GST) to the Lead Manager. Further details of the lead managing arrangements are set out in section 8.3.

The Co-Manager is acting as co-manager to the Entitlement Offer. The Co-Manager has placed reasonable reliance upon information provided to them by the Company. The Co-Manager does not make any statement in this Prospectus. In respect of this work, the Company estimates that it will pay approximately A\$250,000 (excluding disbursements and GST) to the Co-Manager. Further details of the co-management arrangements are set out in section 8.4.

8.13 **Consents**

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Link Market Services Limited has given and has not withdrawn its consent to be named in this Prospectus as the Share Registry for the Company in the form and context in which it is named. It takes no responsibility for any part of this Prospectus other than references to its name.

Hogan Lovells has given and has not withdrawn its consent to be named in this Prospectus as solicitors to the Entitlement Offer in the form and context in which it is named. It takes no responsibility for any part of this Prospectus other than references to its name.

The Underwriter has given and has not withdrawn its consent to be named in this Prospectus as an underwriter to the Entitlement Offer in the form and context in which it is named. It takes no responsibility for any part of this Prospectus other than references to its name.

The Lead Manager has given and has not withdrawn its consent to be named in this Prospectus as a lead manager to the Entitlement Offer in the form and context in which it is named. It takes no responsibility for any part of this Prospectus other than references to its name.

The Co-Manager has given and has not withdrawn its consent to be named in this Prospectus as a co-manager to the Entitlement Offer in the form and context in which it is named. It takes no responsibility for any part of this Prospectus other than references to its name.

Benjamin Schiffer has given and has not withdrawn his consent to be named in this Prospectus as a person qualified to provide the Competent Person Statement in section 2.3, in the context in which he has been named. He takes no responsibility for any part of this Prospectus other than references to his name.

8.14 **Market price of Shares**

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX since 4 June 2019 and up to the date immediately prior to the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

	A\$	Date
Highest	0.330	24 June 2019
Lowest	0.082	24 March 2020
Last	0.130	28 May 2020

8.15 Subsequent events

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company, to affect substantially:

- (a) the operations of the Company;
- (b) the results of those operations; or
- (c) the state of affairs of the Company.

8.16 Litigation

At the date of this Prospectus, the Company is not subject to any litigation which is likely, in the opinion of the Directors of the Company, to affect substantially:

- (a) the operations of the Company;
- (b) the results of those operations; or
- (c) the state of affairs of the Company.

8.17 Tax

You should be aware that there may be taxation implications associated with participating in the Entitlement Offer and receiving New Shares.

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under the Entitlement Offer, or the disposal of any New Shares allotted and issued. The Company does not accept any responsibility in this regard, and Shareholders should consult with their professional tax adviser.

8.18 Privacy

By submitting an Application Form for New Shares you are providing to the Company personal information about yourself. If you do not provide complete and accurate personal information, your application may not be able to be processed.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

The Company maintains the register of members of the Company through the Share Registry, an external service provider. The Company requires the Share Registry to comply with the National Privacy Principles in performing these services. The Company's Register is required under the Corporations Act to contain certain personal information about you such as your name and address and number of shares and options held. In addition the Company collects personal information from members such as, but not limited to, contact details, bank accounts and membership details and tax file numbers.

This information is used to carry out registry functions such as payment of dividends, sending annual and half yearly reports, notices of meetings, newsletters and notifications to the Australian Taxation Office. In addition, contact information will be used from time to time to inform members of new initiatives concerning the Company.

The Company understands how important it is to keep your personal information private. The Company will only disclose personal information we have about you:

- (a) when you agree to the disclosure;
- (b) when used for the purposes for which it was collected;
- (c) when disclosure is required or authorised by law;
- (d) to other members in the group of companies;
- (e) to your broker; and
- (f) to external service suppliers who supply services in connection with the administration of the Company's Register such as mailing houses and printers, Australia Post and financial institutions.

You have the right to access, update and correct your personal information held by the Company and the Share Registry, except in limited circumstances. If you wish to access, update or correct your personal information held by the Share Registry or by the Company please contact our respective offices.

If you have any questions concerning how the Company handles your personal information please contact the Company.

9. Directors' authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.

Dated 4 June 2020



John Harrison

**For and on behalf of
PENINSULA ENERGY LIMITED**

10. Glossary

\$ or A\$ means Australian dollars.

AEST means Australian Eastern Standard Time.

Applicant means a Shareholder who applies for New Shares pursuant to the Offer.

Application means an application to subscribe for New Shares under this Prospectus.

Application Form means the application form attached to this Prospectus.

Application Money means the aggregate amount of money payable for New Shares applied for in a duly completed Application Form.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or, as the context requires, the securities exchange operated by that entity.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

BPAY® means BPAY Pty Limited ABN 69 079 137 518.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Canaccord means Canaccord Genuity (Australia) Limited ABN 19 075 071 466.

CHESS means the ASX Clearing House Electronic Subregister System.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended or closed earlier).

Co-Manager means Euroz.

Co-Manager Mandate means the co-management agreement entered into between Peninsula and the Co-Manager on 29 May 2020.

Company or **Peninsula** means Peninsula Energy Limited ACN 062 409 303.

Competent Person has the meaning given to that term in the JORC Code.

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Debt has the meaning given to it in section 8.5.

Directors mean the directors of the Company at the date of this Prospectus.

Eligible Shareholder means a person who, as determined by the Company at its absolute discretion:

- is a Shareholder as at the Record Date;
- has a registered address on the Company's Register in Australia, New Zealand, Brazil, France, Hong Kong, Singapore, Switzerland, the United Kingdom or the United States; and
- is eligible under all applicable securities laws to receive an offer under the Entitlement Offer, and in particular:
 - if in Brazil, is a “professional investor” or “qualified investor”, as defined in the rules of the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários); and
 - if in the United States, is resident in the states of Colorado, Nebraska, Wyoming or New York (and, if resident in New York, is an institutional investor).

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement Offer means the offer under this Prospectus of New Shares to Eligible Shareholders under the Entitlement Offer, as described in section 1.1.

Euroz means Euroz Securities Limited ABN 23 089 314 983.

Facilities has the meaning given to it in section 8.5.

Ineligible Shareholder means a Shareholder on the Record Date who is not an Eligible Shareholder.

ISR means the in-situ recovery mining method.

JORC means the Australasian Joint Ore Reserves Committee.

JORC Code means the 2012 Edition of the Australasian Joint Ore Reserves Committee Code for Reporting or Exploration Results, Mineral Resources and Ore Reserves.

Karoo Projects means the uranium project in the vicinity of Beaufort West, Republic of South Africa that the Company is in the process of exiting.

Lance Projects means the uranium ISR project comprising approximately 120km² of mineral leases in Crook County, Wyoming, USA.

Lead Manager means Canaccord.

Lead Manager Mandate means the lead management agreement entered into between Peninsula and the Lead Manager on 21 May 2020.

Lenders means RCF VI, Pala and Piperoglou Family.

Monetisation means a proposed conversion to cash of part of the Peninsula Group's rights and obligations under an existing uranium concentrate sale and purchase agreement.

New Share means a new Share to be issued under the Offer.

Offer means the entitlement offer comprising the Entitlement Offer (or the Shortfall Offer).

Offer Period means the period from the date of this Prospectus until (and including) the Closing Date.

Offer Price means A\$0.071 per New Share.

Official Quotation means official quotation on ASX.

Opening Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended or opened earlier).

Option means an option to subscribe for a Share.

Optionholder means the holder of an Option.

Oversubscription Offer means the offer of Oversubscription Shares as described in section 1.7.

Oversubscription Shares means Entitlements offered under the Entitlement Offer that are not sold.

Pala means Pala Investments Limited.

Peninsula Group means the Company and its controlled entities.

Piperoglou Family means the interests of the Piperoglou family.

Prospectus means this prospectus.

RCF VI means Resource Capital Fund VI L.P.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Register means the share register of the Company kept pursuant to the Corporations Act.

Related Party has the meaning given to it in the ASX Listing Rules.

Renunciation and Transfer Form means the form that must be completed by an Eligible Shareholder who wishes to transfer all or part of their Entitlement otherwise than on ASX, as described in section 6.1(d).

Roll-Front means an arcuate shaped interface between oxidising and reducing environments in bedrock, often associated with uranium mineralisation.

Schedule means a schedule to this Prospectus.

Securities means a Share and/or an Option, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of Shares in the Company.

Share Registry means Link Market Services Limited ABN 54 083 214 537.

Shortfall means the offer of Shortfall Shares as described in section 1.7.

Shortfall Shares means New Shares not applied for by Eligible Shareholders under the Entitlement Offer or the Oversubscription Offer before the Closing Date.

Strata Energy means Strata Energy Inc.

Underwriter means Canaccord.

Underwriting Agreement means the underwriting agreement dated 3 June 2020 between the Company and the Underwriter under which the Underwriter has agreed to manage and underwrite the Entitlement Offer on the terms and conditions contained in that agreement.

Underwriting Fee has the meaning given to it in section 8.1.

Unquoted Option means an Option not quoted on ASX.

US\$ means United States dollars.

US Securities Act means the US Securities Act of 1933.

Application Form
