

15 June 2020

Dear Shareholder,

**PARTICIPATION IN RENOUNCEABLE ENTITLEMENT OFFER**

On 4 June 2020, Peninsula Energy Limited (**Peninsula**) announced that it will be offering eligible shareholders the opportunity to acquire fully paid ordinary shares in the capital of Peninsula (**New Shares**) via a pro rata renounceable entitlement offer on the basis of 9 New Shares for every 5 shares held by shareholders registered at 7.00 pm (AEST) on 10 June 2020 (**Record Date**) at an issue price of A\$0.071 per New Share (**Entitlement Offer**).

The maximum number of New Shares which will be issued under the Entitlement Offer is 567,082,271 New Shares to raise approximately A\$40.3 million.

The New Shares to be issued under the Entitlement Offer will rank equally with existing shares. The Company has applied to ASX for the New Shares to be listed. Fractional entitlements will be rounded up to the nearest whole number.

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. Canaccord (as underwriter) has entered into sub-underwriting arrangements with a number of persons to sub-underwrite the majority of the underwritten amount.

**Use of funds**

The funds raised under the Entitlement Offer, net of expenses, together with existing cash reserves and proceeds from the sale of uranium and existing cash reserves 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;
- 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; and
- early preparation activities for the planned transition to low pH operations, including deep disposal well modifications, process plant modifications and wellfield conversion.

**Eligible Shareholders**

Eligible Shareholders to the Entitlement Offer are those persons who:

1. are registered as a holder of fully paid ordinary shares in Peninsula as at the Record Date;
2. have a registered address on Peninsula's share register in Australia, New Zealand, Hong Kong, Singapore, Switzerland, Brazil, France, the United Kingdom or the United States (**Eligible Jurisdictions**); and
3. are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Shareholders who are not Eligible Shareholders are ineligible shareholders (**Ineligible Shareholders**).

Peninsula is of the view, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules, that it is unreasonable to extend the Entitlement 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.

As Peninsula has determined that you do not satisfy the eligibility criteria, in compliance with ASX Listing Rule 7.7.7(b) Peninsula wishes to inform you that it is unfortunately unable to extend to you the opportunity to subscribe for New Shares in the Entitlement Offer.

Peninsula has appointed an ASIC-approved nominee (**Nominee**) to arrange for 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 Peninsula 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 Peninsula'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 Peninsula 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 Peninsula.

In limited circumstances, and in Peninsula's absolute discretion, Peninsula 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 the Eligible Jurisdictions.

### **Shortfall**

Any shares in the Entitlement Offer not taken up by Eligible Shareholders will be shortfall shares and will be placed under a shortfall facility. Subject to the ASX Listing Rules and the Corporations Act, the directors reserve the right to issue (or to not issue) the shortfall shares at their absolute discretion. Any shortfall shares will be issued within three (3) months of the Closing Date. Full details of the shortfall facility are set out in the Prospectus.

### **Further details**

For further information on the Entitlement Offer you should contact Peninsula's share registry by telephone on 1300 222 378 (within Australia) or +61 1300 222 378 (outside Australia) or consult your professional adviser.

Yours sincerely



**Jonathan Whyte**  
**Joint Company Secretary**