

# 121 MINING INVESTMENT AMERICAS ONLINE

27-29 APRIL 2021

PENINSULA ENERGY ASX:PEN; OTCQB:PENMF  
INVESTOR PRESENTATION



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Please note that Production Targets within this presentation are based on a proportion of inferred resources. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resource or that the production target itself will be realised.

## *Competent Person Statement*

The information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves at 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’. Mr. Schiffer consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

This presentation was approved by the Managing Director/CEO

# Cautionary & Inferred Resources Notice

The Feasibility Study completed for the Lance Projects includes measured and indicated resources and an assumed resource conversion of 60% (inferred to indicated or greater). The purpose of the Feasibility Study is to demonstrate the Lance Projects economic viability and the robustness of the planned low pH operations over an extended mine life beyond the existing Ross production area.

The Feasibility Study itself is based on various assumptions, including homogeneity of the delineated ore body contained within the Lance Projects. This is considered reasonable by the Company's technical consultants, competent persons and independent external consultants. The Company believes that it has a reasonable basis upon which to prepare and release these Feasibility Study results, particularly given that the Lance Projects have been in operation since December 2015. Whilst the Company considers that all the material assumptions underpinning the Feasibility Study are based on reasonable grounds, there is no certainty that they will prove to be correct or that the outcomes indicated by the Feasibility Study will be achieved.

The Company believes it has a reasonable basis for providing the forward-looking statements and production targets included in this announcement. The material assumptions are included in Appendix 1 of this announcement and in the JORC table disclosures appended. The detailed assumptions regarding the resources are outlined in the ASX announcement released on 14 November 2018.

Investors should also note that there is no certainty that the Company will be able to raise the amount of funding for the Lance Projects when it is required or on terms that are not overly dilutive or that are favourable to the value of the Company's existing shares.

This presentation has been prepared in accordance with the JORC Code (2012) and the ASX Listing Rules. 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. Financial information contained in this announcement is preliminary in nature and is in-part based on low-level technical and economic assessments and is insufficient to support the estimation of reserves or to provide assurance of economic development.

Under the Feasibility Study mine plan, the first 5 years production can be sourced almost entirely from Measured and Indicated Resources. If the Inferred Resources are excluded from the Feasibility Study, the economic analysis still forecasts a positive financial performance. Therefore, the Company is satisfied that the use of Inferred Resources is not a determining factor in overall Project viability and that it is reasonable to include Inferred Resources in the Feasibility Study, particularly given that the Lance Projects were recently operating and produced uranium for over three years.

In accordance with the relevant regulations governing the disclosure of mineral projects, readers are cautioned that mineable resources based on inferred resource material are considered too speculative geologically to enable them to be classified as reserves.



## A Fast Path to Uranium Production

- Led by a highly experienced and technically sound Board and Management Team
- Flagship Lance Project is located in Wyoming USA , with US producer-specific opportunities
- Low pH field demonstration underway at Lance to confirm optimal operating conditions
- Only US-based uranium project authorised to use the industry leading, low-cost, low pH ISR process
- Extremely low capital requirement for restart of Lance
- A six month pathway to production following a Final Investment Decision
- Significant cashflows derived from long-term uranium sales contract book

# Corporate Overview

**893.4m**

Shares on issue

**A\$0.125**

Share Price  
(23 APR 21)

**A\$112m**

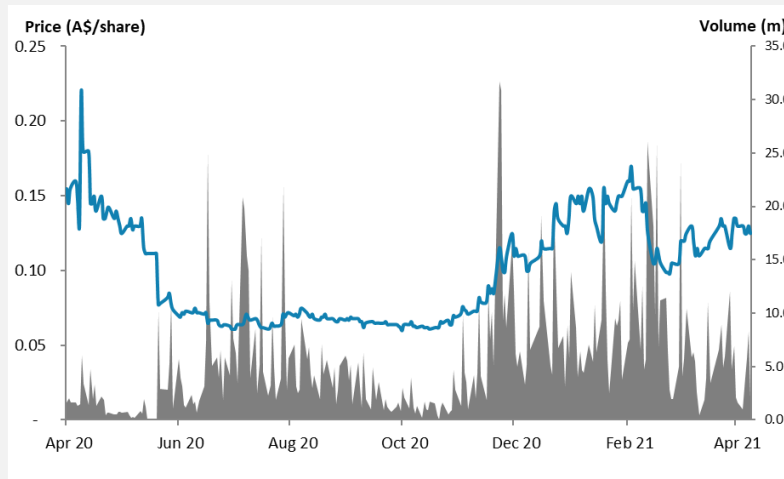
Market  
Capitalisation

**Nil**

Term Debt

**US\$6.8m**

Cash  
(as of 31 Mar 2021)



## Board of Directors

Mr John Harrison	Non-Executive Chairman
Mr Wayne Heili	Managing Director Chief Executive Officer
Mr Harrison Barker	Non-Executive Director
Mr Mark Wheatley	Non-Executive Director
Mr David Coyne	Non-Executive Director

## Management Team

*Combined 150-plus years of uranium mining experience*

- Wayne Heili
- Ron Chamberlain
- Ralph Knode
- Mike Griffin
- Mike Brost
- Jay Douthit
- David Hofeling

# LANCE URANIUM IN-SITU RECOVERY (ISR) PROJECT

*WYOMING, USA*

# A Modern, Large Scale and Long-Life Asset

- **Lance is one of the largest US uranium projects in size and scale**
  - 53.6M lbs U<sub>3</sub>O<sub>8</sub> JORC (2012) compliant resource base<sup>1</sup>
  - Current market capitalisation undervalues the resource base when compared to peer group
- **Lance is licensed to produce up to 3M lbs U<sub>3</sub>O<sub>8</sub> per annum**
  - Current (Stage-1) plant capacity of 1.15M lbs U<sub>3</sub>O<sub>8</sub> per annum
- **Modern processing and wellfield production facilities constructed in 2015 or later**
  - Lance production is currently paused - awaiting Project transition to low pH ISR
- **Estimated 6-month lead time to return to production (post re-start decision)**
  - Re-start decision depends on sustained improvement in market conditions and a satisfactory progression of current optimisation activities

<sup>1</sup>) See Appendix 1



# Applying Industry-Leading Low pH ISR Process

## Low pH ISR is the leading method of uranium production globally

- 57% of global uranium produced in 2019 was via low pH ISR
  - All of the lowest quartile cash cost uranium mines
- Lance is the only US-based uranium project authorised to use the industry leading low pH ISR method

## The 2018 Lance Low pH ISR Feasibility Study<sup>1</sup>

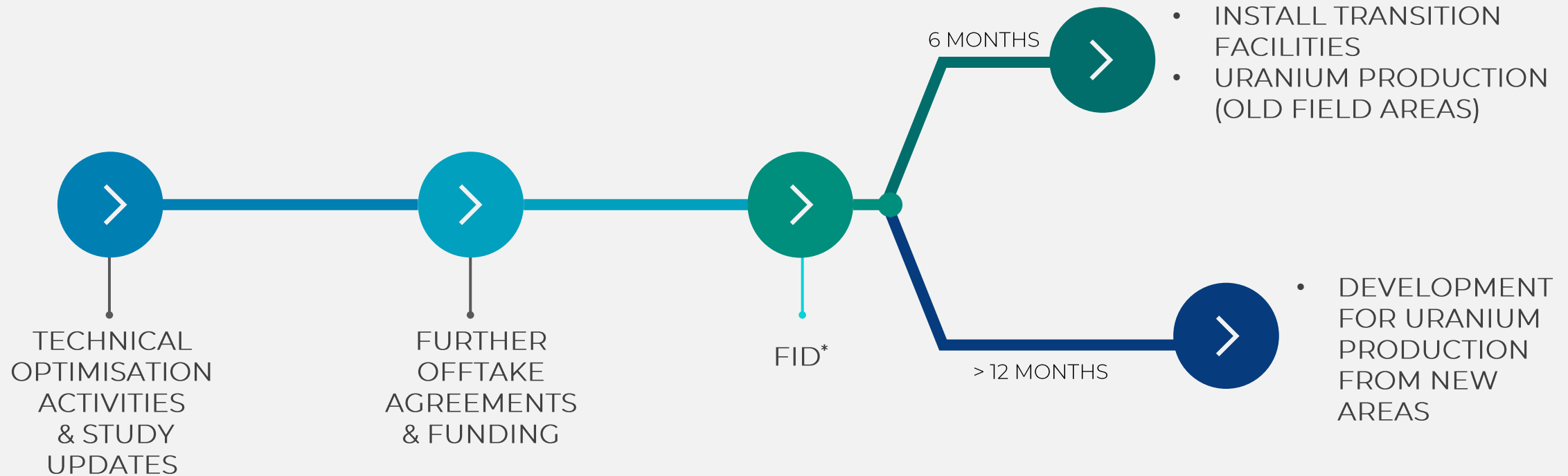
- **Low pH field demonstration underway to confirm optimal operating conditions**

- Low pH ISR transition and re-start
  - CAPEX US\$6 million
- Stage 1 ramp up to capacity of 1.15 million lbs p.a.
  - AISC of \$41/lb
  - Working capital ~US\$15 million (includes mine unit 3)
- Stage 2 expansion to capacity of 2.3 million lbs p.a.
  - AISC of \$31/lb
  - CAPEX US\$43 million

1) 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.



# A Well-Defined Pathway to Production



\* Final Investment Decision for Low pH implementation could be made concurrent to optimisation activities

- FID based on uranium market conditions
- FID also based on progression of optimisation activities and study updates

# Current Activities: Low pH Field Demonstration



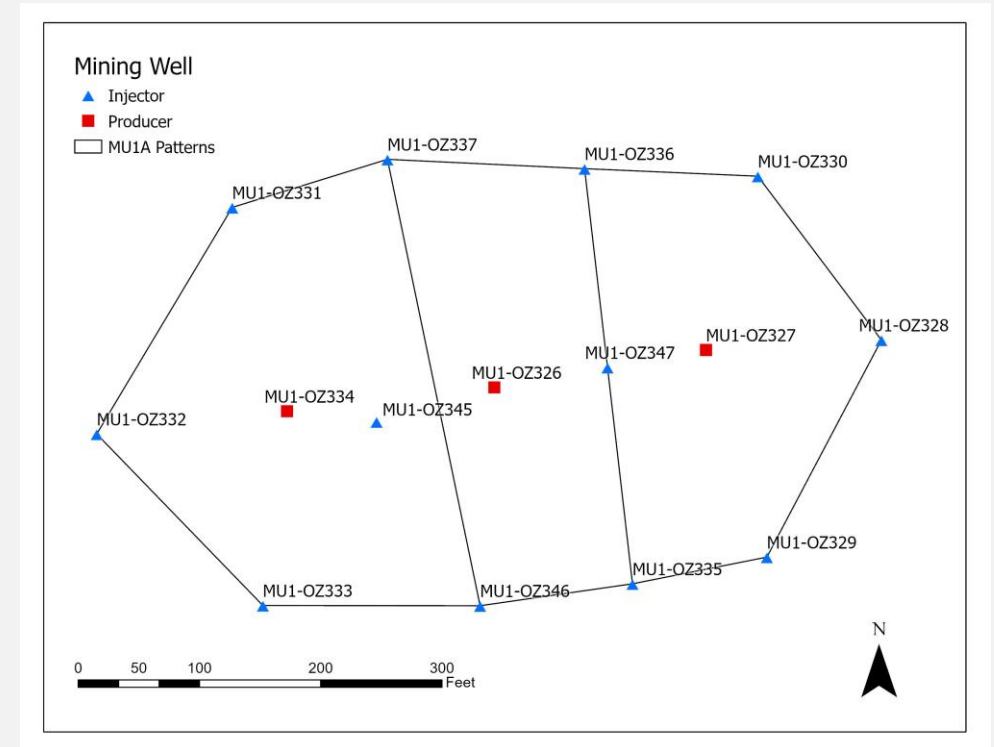
The low-pH field demonstration commenced in August 2020 with three newly developed large scale production patterns



Providing valuable data and insight on the low pH process and selected pattern designs



Projected to run through 1H 2022



Low pH Field Demonstration ISR Patterns

## Key Take-Aways: Low-pH Field Demonstration

- Two internal injection wells were added to the patterns since February
- The recovery stream pH is approaching the target
- Change of oxidant generated strong positive response
- Higher acid consumption driven by pattern dimensions and well screening design rather than mineralogy
- Uranium production grade is now rising and the pilot ion exchange uranium recovery circuit has been activated



# URANIUM SALES AND MARKETING

# Uranium Sales Contract Book

## "A Key Differentiator"



The only junior uranium producer with long-term sales contracts extending to 2030



Current contracts in place for up to 5.5M lbs at US\$51-\$53 / lb U<sub>3</sub>O<sub>8</sub>, with major utilities in both the US and Europe

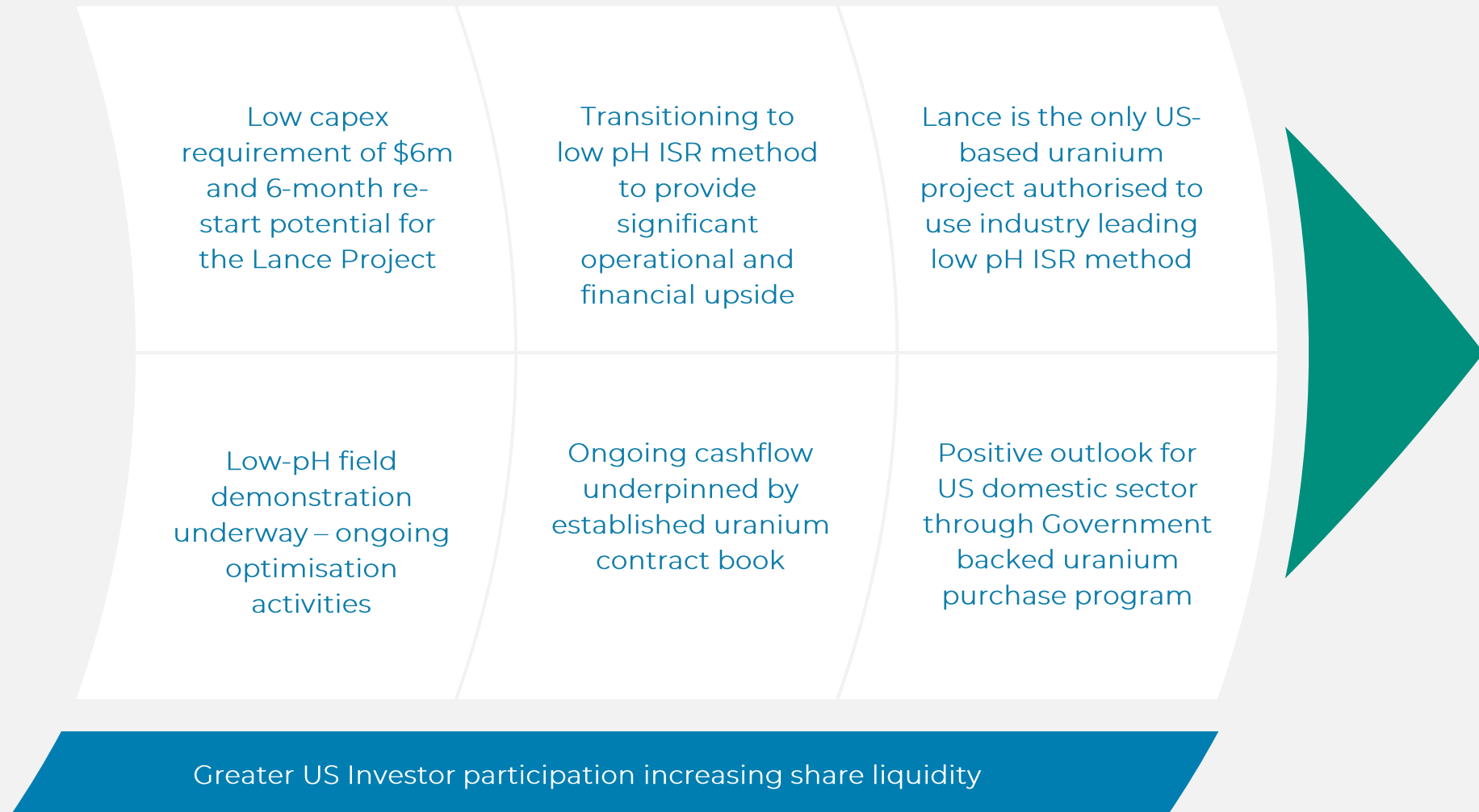
- 4.1 M lbs firmly committed sales
- 1.35 M lbs optional at the customers election



Uranium sales **Net Cash Margins** secured

- Matching binding contract sales with fixed price market purchase agreements
- 75,000 lbs U<sub>3</sub>O<sub>8</sub> of deliveries in Q4 2020 generated a net cash margin of \$US 1.4 million
- CY2021 sales of 450,000 lbs to generate a net cash margin of \$US 7.0 to 8.0 million
- CY2022 sales of 450,000 lbs to generate a net cash margin of \$US 8.0 to 9.0 million

# A Compelling Proposition



# Contact Details

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## FURTHER INFORMATION

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# Appendix 1 – Resources

## Lance Projects Resource Estimate as at 31 December 2019<sup>1</sup>

Classification	Tonnes (million)	U3O8 (kg)	Grade (ppm U3O8)	U3O8 (lbs)
Measured	3.4	1.7	489	3.7
Indicated	11.1	5.5	496	12.1
Inferred	36.2	17.2	474	37.8
<b>Total</b>	<b>50.7</b>	<b>24.4</b>	<b>480</b>	<b>53.6</b>

<sup>1</sup>) JORC Table 1 included in an announcement to the 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.