PENINSULA ENERGY LIMITED

Annual Report 2021

Peninsula looks forward to furthering the advancement of the Lance Project, with the objective of creating a significant US uranium producer. The timing could not be better.

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Highlights

Flagship Lance Project one of the largest US-based uranium projects

- Advancing transition to low pH ISR process through MU1A Field Demonstration
- Low pH MU1A Field Demonstration has been operating successfully for over 12 months:
  - Delivering meaningful and valuable results
  - Key learnings include well pattern configuration criteria
  - Uranium grades indicate that Lance is better suited to the planned low pH ISR process than the previous alkaline based operations
- A well-defined pathway to restart commercial operations

Corporate

- Uranium spot price up to US$44.10/lb on 28 September 2021
- FY2021 uranium sales of 275,000 pounds
- Strong balance sheet at 30 June 2021 with both cash and uranium inventory holdings
- Term debt free saving US$4.2 million in finance costs compared to 2020
- Self funded through to completion of Low pH MU1A Field Demonstration

Chairman's Report

Dear Shareholder,

2021 has yielded some solid results for your Company.

The focus of this year has been the low pH MU1A field demonstration at our flagship Lance Project. The field demonstration is allowing us to gather the information required to make a formal decision on re-starting uranium production.

We have the opportunity through this demonstration process to trial, test and modify our approach to ensure we can get the very best performance out of the Project. The current status of this process confirms that Lance is better suited to the planned low pH solutions than the previous alkaline-based solution and indicates a pathway to rapidly restart commercial operations, following a Final Investment Decision.

The Company remains well funded to pursue its goals. Our transformational equity financing in June 2020, which enabled us to repay all corporate debt, has shown its benefit in this financial year with the removal of the US$4.2 million prior year financing cost. We used a recent A$13.4 million share placement to invest in buying 300,000 pounds of uranium at a price of US$31.35 per pound. In addition, sales of uranium from our contract book continue to generate net cash margins, which when combined with our cash holdings, are sufficient to fund our current activities over the next few years, although a restart of commercial operations may require some additional funding.

Operating the field demonstration consistently throughout the year, despite the ongoing challenges of COVID-19, has been no easy feat. Therefore, I would like to thank our entire workforce for their hard work and dedication during this difficult time. Without them our FY2022 outlook would not be as strong.

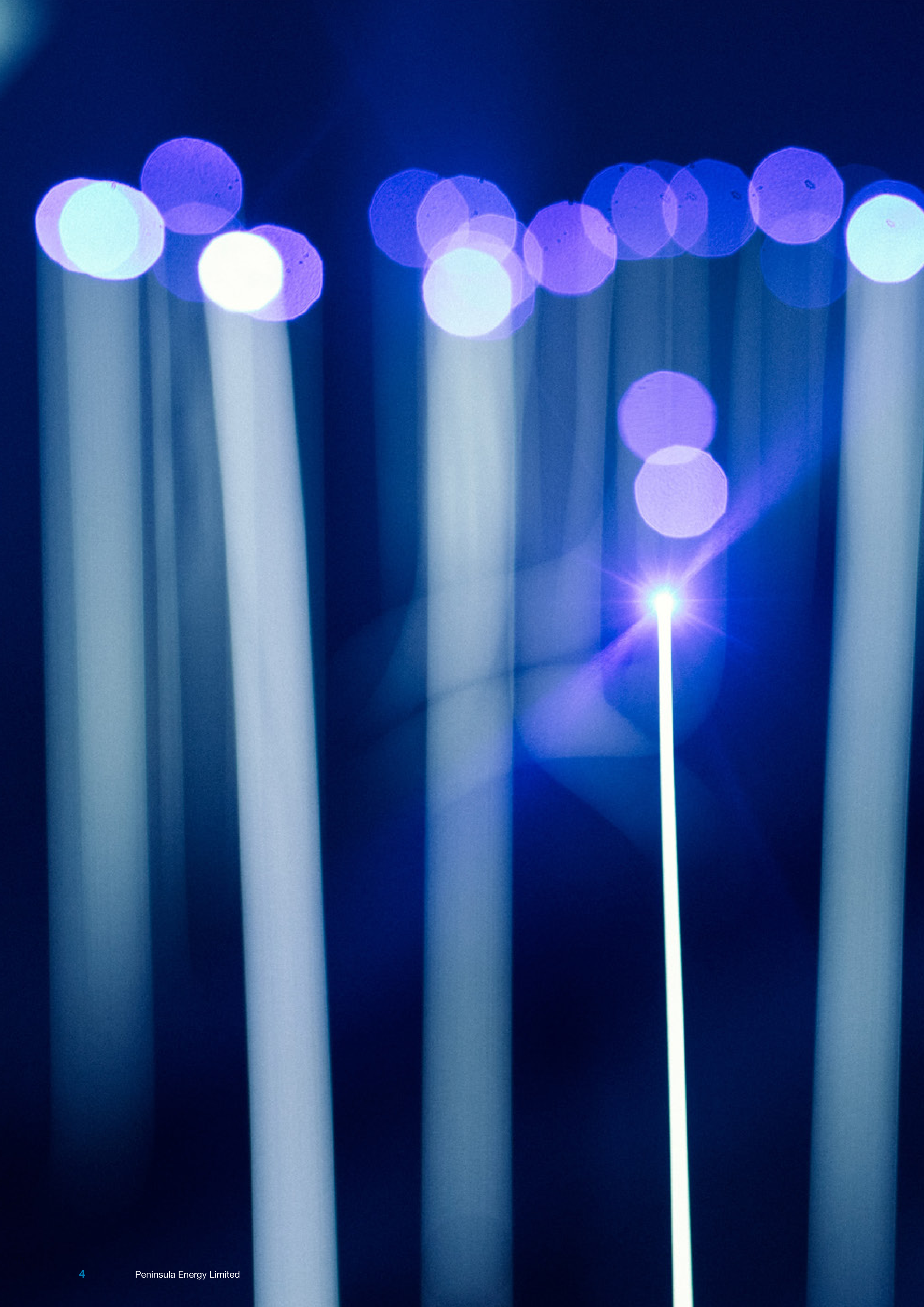
The US Department of Energy is making moves to continue the progression of a Uranium Reserve to revive and strengthen the US nuclear fuel supply chain capabilities. Peninsula continues to be an active participant within this process and looks forward to the potential opportunities presented by the US government.

Influences such as Bill Gates' TerraPower and the creation of its innovative Natrium Advanced Reactor make the nuclear sector look highly prospective. The progression of such technologies and innovations, combined with the topic of 'net zero' at the forefront of conversation globally, means that the benefits of nuclear energy are becoming more prominent, and Peninsula looks forward to furthering the advancement of the Lance Project, with the objective of creating a significant US uranium producer. The timing could not be better.

At the time of writing, the Spot Price of Uranium has shown a significant rise since June 2021 and should that increase be maintained and translate to an increase in long-term offtake contracting prices, it will surely assist in our Final Investment Decision at Lance.

On a final note, I would like to thank our valued shareholders for their ongoing support. The Company will continue to strive to create long lasting value for all our stakeholders and we look forward to the Company's next chapter.

John Harrison
Non-Executive Chairman
30 September 2021



Corporate Governance Statement

The Board acknowledges and emphasises the importance of all Directors and employees maintaining the highest standards of corporate governance practice and ethical conduct.

The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

Corporate Governance Statement

Unless disclosed below, all the best practice recommendations of the 4th edition of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2021.

Board Composition

The skills, experience, and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the Directors' Report.

The names of the Directors of the Company, or who have served as a Director during the year, are:

- John Harrison — Non-Executive Chairman (Independent)
- Wayne Heili — Managing Director / Chief Executive Officer
- Harrison Barker — Non-Executive Director (Independent)
- Mark Wheatley — Non-Executive Director (Independent)
- David Coyne — Non-Executive Director (resigned as Chief Financial Officer and Joint Company Secretary effective 17 July 2020 but continues to serve on the Board)

When determining whether a Non-Executive Director is independent, the Director must not fail any of the following materiality thresholds:

- Less than 10% of Company shares are held by the Director and any entity or individual directly or indirectly associated with the Director;
- No sales are made to or purchases made from any entity directly or indirectly associated with the Director; and
- None of the Directors' income or the income of an individual or entity directly or indirectly associated with the Director is derived from a contract with any member of the economic entity other than income derived as a Director of the entity.

Non-Executive Directors have the right to seek independent professional advice in the furtherance of their duties as Directors at the Company's expense. Written approval must be obtained from the Chairman prior to incurring any expense on behalf of the Company.

The Board has formally adopted a Nomination Committee Charter but given the present size of the Company, has not formed a separate Committee. Instead the function will be undertaken by the full Board in accordance with the policies and procedures outlined in the Nomination Committee Charter. When the Company is of sufficient size, a separate Nomination Committee will be formed. The Company regularly assesses the skills and competencies required on the Board.

Ethical Standards

The Board acknowledges and emphasises the importance of all Directors and employees maintaining the highest standards of corporate governance practice and ethical conduct.

A code of conduct has been established requiring Directors and employees to:

- Act honestly and in good faith;
- Exercise due care and diligence in fulfilling the functions of office;
- Avoid conflicts and make full disclosure of any possible conflict of interest;
- Comply with the law; and
- Encourage the reporting and investigating of unlawful and unethical behaviour.

Directors are obliged to be independent in judgement and ensure all reasonable steps are taken to ensure due care is taken by the Board in making sound decisions.

Lance Projects, Wyoming USA

Diversity

The Board has adopted a Diversity Policy as per the recommendations. The Diversity Policy addresses equal opportunities in the hiring, training, and career advancement of directors, officers, and employees. The Diversity Policy outlines the processes by which the Board will set measurable objectives to achieve the aims of its Diversity Policy, with focus on gender diversity within the Company.

The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

The Board is responsible for monitoring Company performance in meeting the Diversity Policy requirements, including the achievement of diversity objectives if and when such objectives are set. The Company is focused on providing a range of business and employment opportunities for all members of the communities in which it operates in.

Gender Diversity

The Board is committed to workplace diversity and supports representation of women at the senior level of the Company and on the Board. Given the relatively small size of the Company at this point in time, the Board has not determined measurable objectives for increasing gender diversity. All personnel are employed and/or promoted on their merits. The Company considers the current Board to be effective and possessing a wide range of complementary skills. Going forward however, the Board will conduct all Board appointment processes in a manner that promotes gender diversity, including establishing a structured approach for identifying a pool of candidates, using external experts where necessary.

Women Employees, Executives and Board Members

The Company and its consolidated entities have three female employees:

- an accounts payable officer;
- a land administrator; and
- a cleaner;

whom represent approximately 10% of the total employees, executives and/or board members of the Company and its consolidated entities. There are currently no female members on the Board of the Company.

Trading Policy

The Board has formally adopted a Share Trading Policy in line with Corporate Governance guidelines which restricts Directors and employees/consultants from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices.

The Company is focused on providing a range of business and employment opportunities for all members of the communities in which it operates in.

Whistleblower and Anti-Bribery and Corruption Policy

The Board formally adopted Whistleblower and Anti-Bribery and Corruption Policies on 9 September 2021, in line with recommendations of the 4th edition of the ASX Corporate Governance Council.

Audit and Risk Management Committee

The Audit and Risk Management Committee consisted of two Non-Executive Directors during the year and has an independent Chairman. On 4 September 2020, David Coyne also joined the Audit Committee after his transition from Finance Director to Non-Executive Director. The number of directors on the Committee during the year is now consistent with the ASX Corporate Governance Council recommendations and is appropriate for the size of the Company. The Chief Financial Officer and Company Secretary are also present at all Audit and Risk Management Committee meetings. The Audit and Risk Management Committee operates under a formal charter.

The names and qualifications of those appointed to the Audit and Risk Management Committee and their attendance at meetings of the Committee are included in the Directors' Report.

Shareholder Rights

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of Directors, changes to the constitution and receipt of annual and interim financial statements. Shareholders are strongly encouraged to attend and participate in the Annual General Meetings of Peninsula Energy Limited, to lodge questions to be responded to by the Board and/or the CEO and can appoint proxies.

Risk Management

The Board considers identification and management of key risks associated with the business as vital to maximise shareholder wealth. The Chief Financial Officer has been delegated the task of implementing internal controls to identify and manage risks for which the Board provides oversight. The effectiveness of these controls is monitored and reviewed as required. The volatile economic environment has emphasised the importance of managing and reassessing the Company's key business, social and environmental risks.

Remuneration Policies

The Remuneration Committee is responsible for determining and reviewing the appropriate compensation arrangements and policies for the Key Management Personnel, in accordance with the policies and procedures outlined in the Remuneration Committee Charter. The Remuneration Committee reviews executive packages annually by reference to Company performance, executive performance, comparable information from industry sectors and other listed companies.

The Company's Remuneration Policy is to ensure remuneration packages properly reflect each person's duties and responsibilities and support the Company's business objectives. The Policy is designed to attract the highest calibre directors, executives, and senior staff, and reward them for performance which results in long-term growth in shareholder value.

Executives and selected senior staff are also entitled to participate in the employee share, restricted share unit and option arrangements.

The amount of remuneration for all Key Management Personnel of the consolidated group, including all monetary and non-monetary components, is detailed in the Remuneration Report within the Directors' Report. Shares given to Key Management Personnel are valued at the market price of those shares. Options are valued independently using a Black-Scholes model.

The Board believes that the remuneration structure adopted results in the Company being able to attract and retain the best directors, executives, and senior staff to run the consolidated group. It will also provide executives with the necessary incentives to work and grow long-term shareholder value.

The payment of cash bonuses, share awards and other incentive payments are reviewed by the Remuneration Committee annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All cash bonuses, share awards and other incentives must be linked to predetermined performance criteria. The Board can exercise its discretion in relation to approving incentives, cash bonuses and share awards and can recommend changes to the Remuneration Committee's recommendations. Any changes must be justified by reference to measurable performance criteria or other relevant circumstances applicable to the Company.

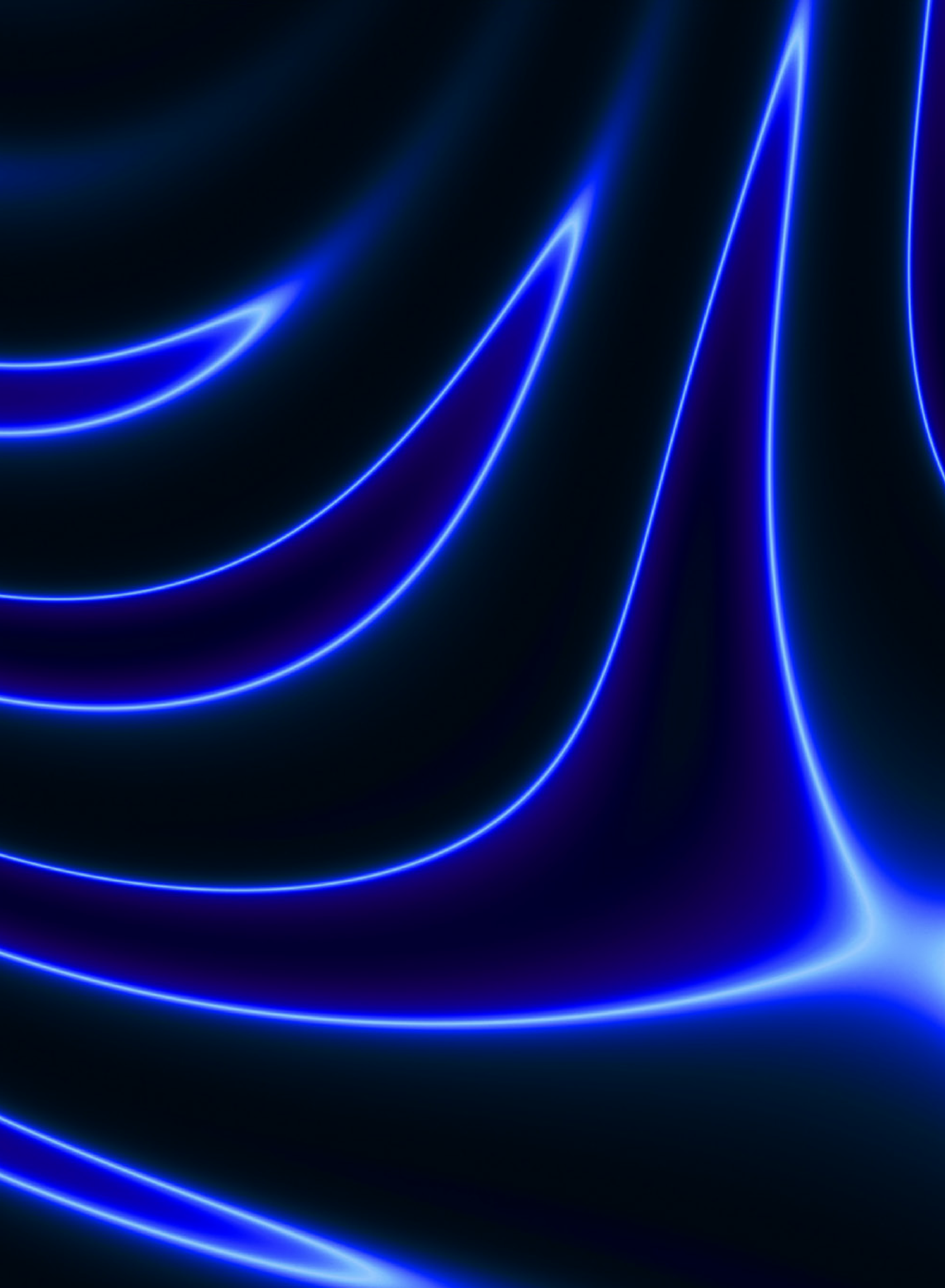
Remuneration Committee

The Remuneration Committee consists of three Non-Executive Directors and has an independent Chairman, consistent with the ASX Corporate Governance Council recommendations.

The names of the members of the Remuneration Committee and their attendance at meetings of the committee are detailed in the Directors' Report.

Other Information

Further information relating to the Company's corporate governance practices and policies has been made available publicly on the Company's website at www.pel.net.au.



Directors' Report

The Board of Peninsula looks forward to continuing to advance and develop Lance to become a critical US uranium project.

Directors' Report

Your Directors present their report, together with the financial statements of the consolidated group (or Peninsula), being the Company and its controlled entities, for the financial year ended 30 June 2021.

Directors

The names of Directors in office at any time during or since the end of the year are:

- John Harrison
- Wayne Heili
- Harrison Barker
- Mark Wheatley
- David Coyne (resigned as Chief Financial Officer and Joint Company Secretary effective 17 July 2020 but continues to serve on the Board)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the consolidated group during the financial year consisted of uranium exploration, development, and mining. There were no other significant changes in the nature of the consolidated group's principal activities during the financial year.

Operating Results and Review of Operations for the Year

Peninsula Energy Limited (PEN) is an ASX listed uranium mining company with 100% ownership of the Lance Project in Wyoming with commercial operations idled in July 2019 in order to enable transition from an alkaline to a low pH in-situ recovery (ISR) operation. A field demonstration of the low pH ISR process commenced in August 2020 which is expected to run for 18-24 months from that date to confirm the optimal operating conditions for resumption of production activities.

The consolidated group's cash position, excluding security deposits and performance bonds, at 30 June 2021 was US$6.7 million and a total of 309,507 pounds of uranium concentrate inventory was held in group converter accounts at a year end book value of US$9.7 million based on an average uranium price of US$31.37 per pound. Peninsula is term debt free at 30 June 2021 with total borrowings amounting to only US$0.6 million, saving US$4.2 million in financing costs when compared to 2020.

The fund raising activities completed during the year consisted of a A$13.4 million placement at 15 cents to purchase 300,000 pounds of uranium at a price of US$31.35 per pound, and a A$2 million Share Purchase Plan at the same share price. At 30 June 2021 the Company had 996,018,185 shares on issue and 27,425,000 unlisted options, at various exercise prices ranging from A$0.4572 to A$0.5072.

Peninsula sold 275,000 pounds of uranium during the 2021 financial year under its portfolio of uranium concentrate sale and purchase agreements fulfilled by uranium purchased in the market. Cash receipts from customers during the year amounted to US$3.4 million with a further June 2021 sale resulting in a trade receivables current asset of US$9.9 million at 30 June 2021, with cash subsequently received in July 2021.

Of the US$13.3 million cash proceeds relating to sale of the 275,000 pounds of uranium, only US$9.8 million was recognised as revenue for the 2021 financial year within the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The remainder of US$3.5 million was allocated to derivative fair value movement to recognise the partial unwinding of the financial derivative asset relating to the portfolio of uranium sale and purchase agreements in accordance with International Accounting Standards.

An increase in pounds sold in 2021 and a higher recognised revenue per pound in the current year has resulted in an improvement in gross profit in 2021 to US$1.3 million (US$0.1 million in 2020) .

Outside of cost of sales, the major expenses in 2021 were the US$7.1 million incurred to maintain the Lance Projects in standby mode and progress the transition to low pH operations (US$6.6 million in 2020 as only 11 months of activity after commercial operations were idled) and US$2.0 million in corporate and administration expenses (significantly reduced from US$2.7 million in 2020 following downsizing of the corporate office in Perth, Western Australia).

A derivative fair value gain of US$6.9 million has been recorded in 2021 due to the movements during the year and the valuation of derivative financial assets at year end relating to the open source origin components from the portfolio of uranium concentrate sale and purchase agreements (US$7.4 million in 2020). In accordance with International Accounting Standards the Company is required to recognise a derivative financial asset on all open source origin components from this portfolio.

The derivative financial asset fair value for open source origin sale delivery commitments at year end is based on the present value of the difference between the revenue under the sale agreement and revenue that a similar agreement would generate if entered into at 30 June 2021, and will differ from the actual cash received in the future. Similarly, the derivative financial asset fair value for open source origin purchase commitments at year end is based on the same methodology, and will differ from the actual cash payable in the future.

The loss before interest and tax from continuing operations is lower in 2021 at US$0.9 million (US$1.9 million in 2020) as a result of both the improved gross margin and the significant reduction in corporate and administration expenses in 2021.

Finance expenses are minimal in 2021 after the full repayment of the corporate term debt in 2020 (US$4.2 million in finance costs in 2020). Both the lower loss before interest and tax from continuing operations and elimination of the corporate term debt in 2020 have resulted in a small loss before tax of US$0.9 million in 2021 for the continuing operations (loss of US$6.2 million in 2020).

Peninsula has recorded a consolidated group loss for the year ended 30 June 2021 of US$1.4 million after recognition of an income tax expense of US$0.5 million (loss of US$7.6 million in 2020 after income tax expense of US$1.5 million). Income tax expense in 2021 is lower as it relates to the reduced current financial year derivative fair value gain and tax refunds received in 2021.

An increase in pounds sold in 2021 and a higher recognised revenue per pound in the current year has resulted in an improvement in gross profit in 2021 to US$1.3 million.

An overview of operations during the year follows:

Lance Uranium Project

(Peninsula Energy 100%)

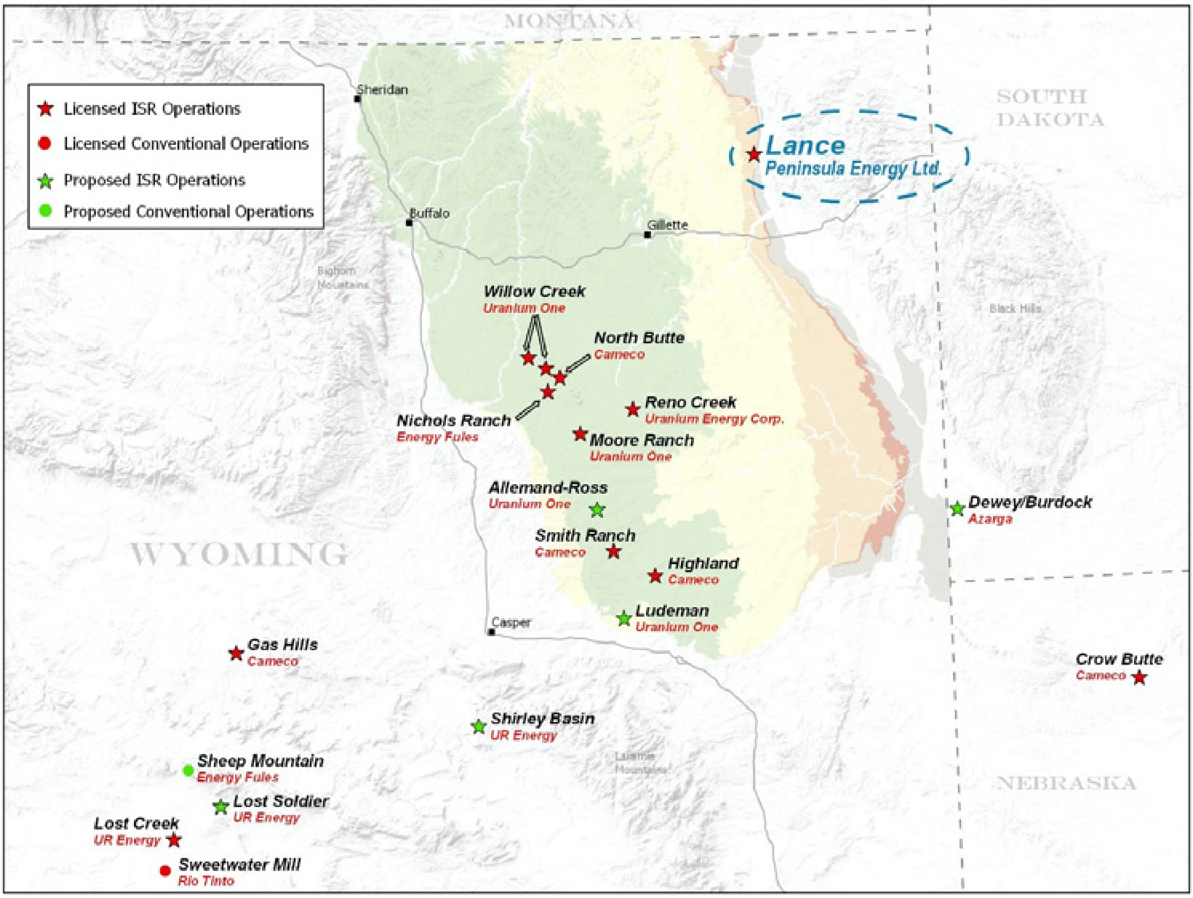


Figure 1: Lance Project Location, Wyoming, USA

The Lance Project is located in Wyoming, USA.

Lance is one of the largest US-based uranium projects, with a 53.6M lbs U_3O_8 JORC (2012) compliant resource base. The Project was licensed and constructed by Peninsula's wholly owned US subsidiary Strata Energy Inc (Strata) and commenced commercial operations in 2015.

Commercial operations were suspended in 2019 to allow the on-site team to focus on preparing for a transformation of the process chemistry applications to low pH in-situ recovery (ISR). In 2019 and 2020 the Strata team successfully obtained all the necessary amendments to its regulatory authorisations to allow Lance to operate using a low pH ISR process in addition to the originally authorised alkaline ISR process. Lance is the only US uranium project authorised to use the industry leading, low-cost, low pH ISR process.

Over 50% of uranium produced globally is extracted via the low pH ISR process and companies which utilise this process populate the lowest quartile of cash costs for global uranium producers.

Lance is the only US uranium project authorised to use the industry leading, low-cost, low pH ISR process.

Low PH MU1A Field Demonstration

Since early 2017, Peninsula has undertaken a systematic and progressive research programme designed to develop, test and validate the potential of low pH ISR applications for the Lance Project.

A feasibility study was completed in 2018 (the 2018 FS), which indicated that a low pH process would significantly benefit the Lance resource recovery rates, while also potentially improving the overall project cost profile.

The transition to low pH ISR was further validated in CY2019 by the positive results of a field leach trial (2019 FLT) conducted in a partially mined area of Lance based on the alkaline ISR process. The 2019 FLT focused on the impact of the acidification and neutralisation stages on mining and aquifer restoration, rather than technical optimisation.

Following the completion of the 2019 FLT the Company determined that additional laboratory testing could provide valuable insight into potential process optimisation concepts. Additional column leach studies were completed in 2020 and indicated that oxidant addition in fresh (unmined) areas enhances uranium recovery rates and also confirmed that low pH solutions with oxidant can extract uranium from unmined areas at rates consistent with the 2018 FS assumptions.

The Company commenced a low pH field demonstration in August 2020 in an unmined area of Mine Unit 1 (MU1A) to confirm the optimal operating conditions as indicated by the 2020 laboratory studies and the 2019 FLT.

The field demonstration has utilised three new full-scale ISR patterns located in MU1A containing an estimated resource of 44,000 pounds U_3O_8 included within the Mineral Resource Statement.

The field scale demonstration was designed to provide key data on low pH ISR applications at Lance in advance of a potential production restart decision for the Project. The primary objectives of the field demonstration are to confirm optimal operating conditions by:

- Demonstrating the effectiveness of oxidant addition with the low pH lixiviant
- Demonstrating the use of existing ponds as the preferred, lowest cost option of managing solids typically encountered during the acidification process
- Demonstrating the use of the preferred ion exchange resin under low pH operating conditions using uranium rich solutions sourced from field scale operations
- Continue evaluating other value accretive optimisation concepts for future low pH commercial operations, including activities aimed at increasing the uranium concentration level supplied to ion exchange columns and the recovery of sulphuric acid to reduce overall acid consumption and costs

Importantly, the field demonstration operations have performed consistently for more than a year despite the ongoing challenges from the COVID-19 pandemic. Completion of the field demonstration is expected in CY 2022. To date, significant results and learnings have been obtained across all key focus areas.

Figure 2: Lance Project, Wyoming, USA

Key Focus Areas

The MU1A field demonstration has delivered results and learnings in the following areas.

Operational pH

Achieving and maintaining the correct operational pH in the process solutions is paramount to successful low pH uranium in-situ recovery operations.

During the early stages of the field demonstration, the demonstration patterns were noted to be slow in reaching the target pH of approximately 2.0 standard units (S.U.). The pattern configuration was adjusted by installing and activating two new injection wells between each pair of recovery wells, and the test patterns responded favourably, yielding a composite recovery stream pH below 2.3 S.U. The rate of pH response in the test patterns appears to have been a function of the selected pattern dimensions and design.

Additionally, in the early stages of the field demonstration a trend was recognised within which more acid was being consumed than had been modelled and subsequently projected in the 2018 FS. The level of acid consumed is an important operational indicator with Peninsula targeting a level of 60 pounds of acid per pound of recovered uranium for the field demonstration. The higher level of acid consumption was not a function of higher concentrations of acid consuming mineral content, which had been assessed prior to the start of the field demonstration. The primary cause of the overconsumption of acid was determined to be a function of the selected pattern dimensions and screening design, which cannot be properly simulated in laboratory testing. Acid consumption expectations will be revised as part of completing the field demonstration and updated studies.

Figure 3: MU1A Field Demonstration Area

Oxidation/Reduction Potential

Achieving and maintaining the correct operational Oxidation Reduction Potential (ORP) in the process solutions is critical to successful low pH uranium in-situ recovery operations and requires the presence of an oxidant, as demonstrated by the laboratory programmes.

Gaseous oxygen was selected as the initial oxidant to adjust ORP levels as an operational oxygen addition system was already in place at Lance for the alkaline ISR process. However, this method of introducing oxidant did not prove capable of bringing the system ORP to the required range of greater than 400 millivolts (mv) concurrent with the achievement of the pH target.

In February 2021, an addition system for an alternative oxidant, hydrogen peroxide, as used in our laboratory studies, was commissioned. This methodology has proven effective. The recovery stream ORP responded favourably, increasing from around 200 mv to approximately 400 mv.

The June quarter saw the attainment of the target values of pH, free acid concentration and ORP in the recovery composite stream. This result was the technical basis for beginning to realise higher uranium production grades. The recovery stream uranium grade was approximately 40 mg/L at the end of the fiscal year, which is in line with expectations relative to the dimensions of the patterns and the number of pore volumes processed since commencing acidification.

Since 30 June 2021, the pH and ORP levels have been maintained. The ongoing operational activities discussed below have resulted in the uranium composite grade increasing to over 50 ppm, with one production well consistently yielding solution grades of 80 to 100 ppm.

Approximately 5 pore volumes of solution have been displaced within the MU1A area. The uranium grade trend has mirrored the 2018 Feasibility Study model to date, see Figure 4. The observable dip in the grade that occurred after approximately 4 pore volumes was the temporary result of pattern changes implemented by the project team (see below).

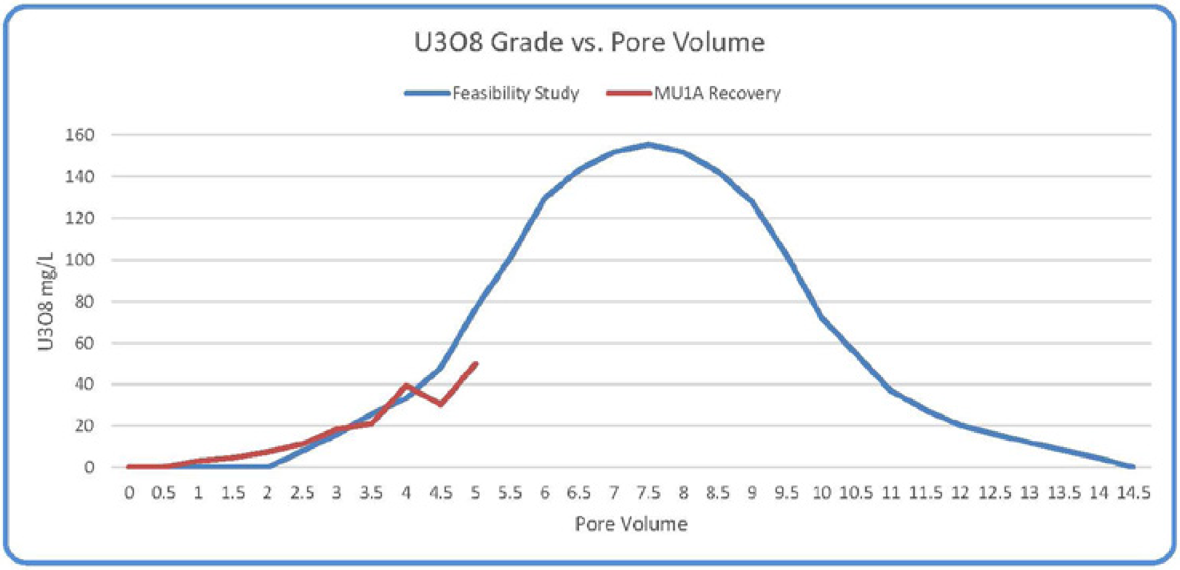


Figure 4: Field Demonstration Uranium Grade comparison to 2018 FS model

Optimal Pattern Configurations

Three new full-scale ISR patterns were prepared for MU1A as represented in Figure 5a below. A typical ISR pattern consists of several injection wells (blue triangles) and one production well (red squares).

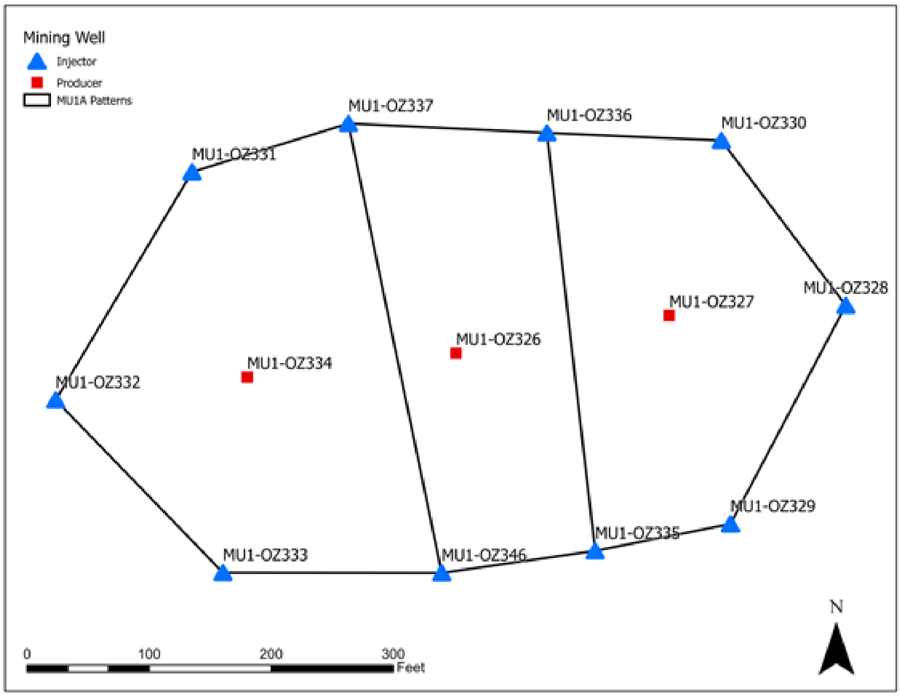


Figure-5a: Original test pattern configuration

The well spacing for the field demonstration patterns was approximately 125 feet, which is 67% larger than the well spacing of historical alkaline ISR patterns at Lance (including the 2019 FLT patterns).

Each pattern was designed for a flow rate of 25 gallons per minute (GPM), or 75 GPM in total for the demonstration operations. The combined flow rate of the field demonstration production wells has been maintained with the flow rate ranging from 75 GPM to 80 GPM.

During the financial year the Company commissioned the preparation of a hydrogeologic model to simulate the solution flow paths and the extent that the injected solution has been sweeping across the full orebody. The modelling exercise revealed the possibility that under the initial pattern design concept, injected solution was not sweeping the full pattern area and therefore mineralised portions of the orebody were potentially not being addressed with lixiviant. This inefficiency is now regarded as a significant contributing factor in a variability in the individual production well results that has been realised.

As a corrective measure, the Company installed two additional wells located within potentially unaddressed zones of the pattern area. Figure 5b illustrates the modified pattern configuration with the addition of wells MU1-OZ345 and MU1-OZ347. Located in-between the recovery wells, the two new wells were placed into service as injection wells that had a much shorter direct flow path to the recovery wells. The effect of the two wells was to drive the composite recovery grade higher soon after activation.

The availability of the two new interior wells presented the opportunity to evaluate additional pattern configurations with shorter expected overall response times. In July 2021, the Company discontinued regular injection into the Northernmost and Southernmost wells (8 wells in total) and started operating MU1A in a line drive configuration with four injection wells and three production wells (from West to East including the wells crossing from MU1-OZ332 to MU1-OZ328).

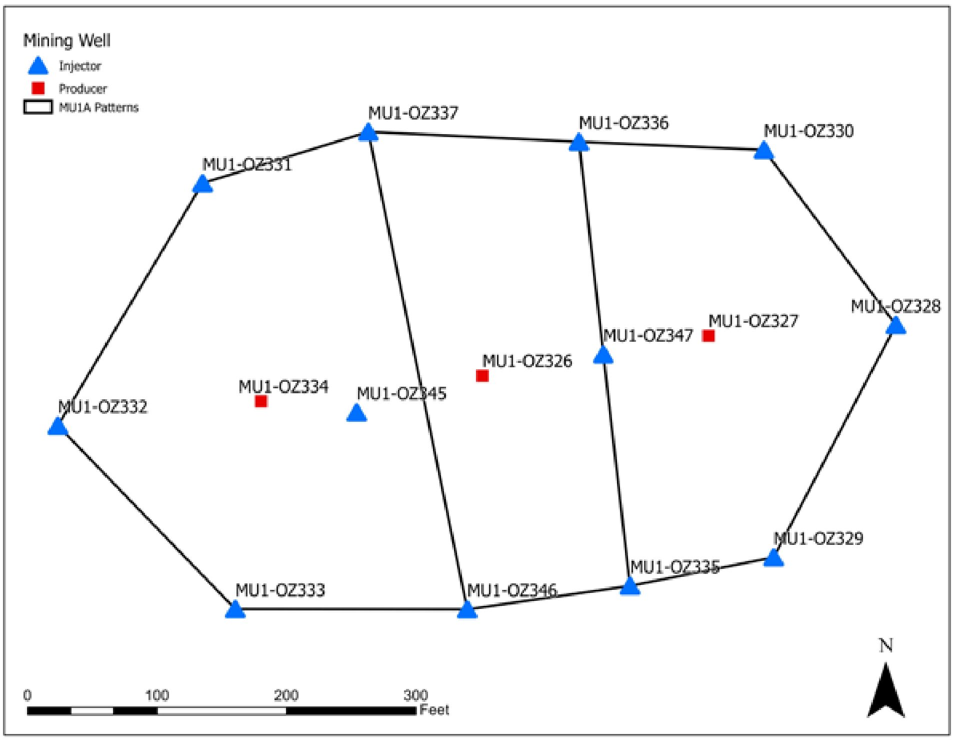


Figure 5b: Test patterns with additional wells

The strong increase across all key performance metrics during the first half of CY2021 gave Peninsula the confidence to activate the pilot ion exchange uranium recovery circuit in March 2021.

Figure 5c illustrates the pattern configuration with the line drive. Flow model simulations indicated that the flow paths within the line drive would be focused in a discrete area and would cross significant ore. The line drive configuration also allows for simple pattern reversals where the function of the wells is switched between injection and recovery. Following the change to a line drive configuration, the production composite grade has increased to 50 ppm U_3O_8, with one production well consistently yielding 80 to 100 ppm solution grades.

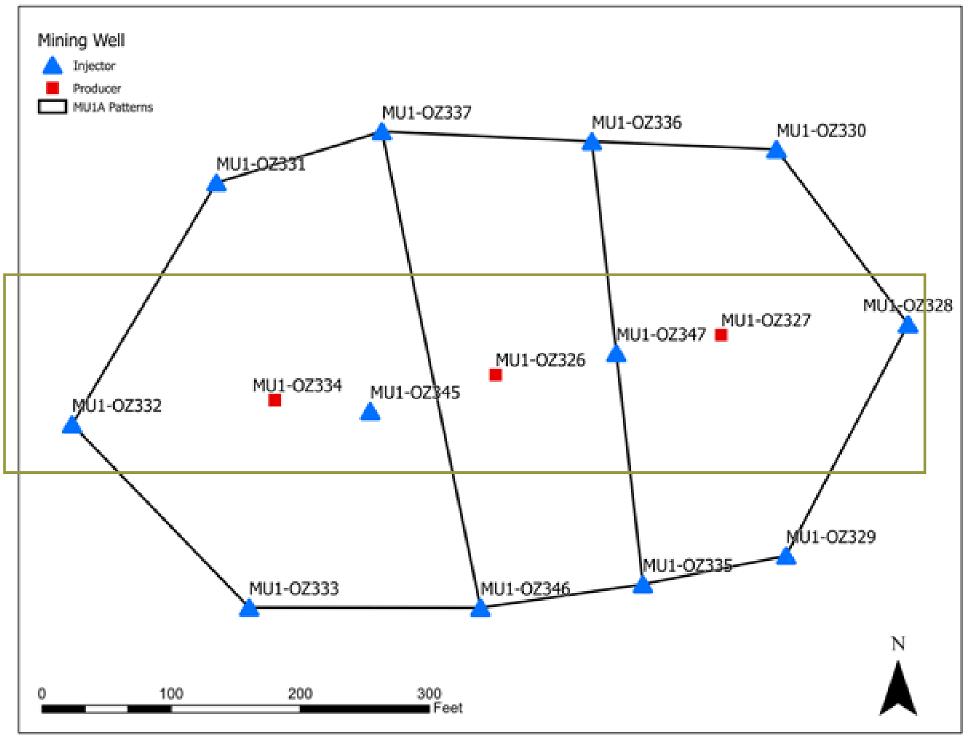


Figure 5c: Pattern configuration with green box to indicate the line drive operation

In August 2021, the Company commenced installation of additional wells based on learnings from the field demonstration thus far. The new wells will provide further valuable operational information on the performance of well patterns tightly placed on a delineated uranium resource. This will inform the parameters to be used in an updated feasibility study and future commercial operations. Three new wells have been installed in the eastern portion of the field demonstration and commissioned in September 2021, with close spacing to facilitate rapid response times. As the additional well spacing is scaled down for relatively prompt response times, there is no anticipated change to the remaining duration of the field demonstration.

Optimised Uranium Recovery/Ion Exchange Process

The strong increase across all key performance metrics during the first half of CY2021 gave Peninsula the confidence to activate the pilot ion exchange uranium recovery circuit in March 2021. As anticipated, the loading and capture efficiency of the IX resins improved with the upward trending uranium concentration.

The field demonstration is utilising a three-column ion exchange recovery circuit as compared to the 2018 FS which was based on two-column ion exchange recovery circuit. The final circuit design will be revised as part of completing the field demonstration and updated studies.

In July 2021 fresh ion exchange resins had been loaded to capacity and were shipped off site for elution and yellowcake production. While not a commercial scale operation, the field demonstration will result in the Company reporting a small quantity of produced uranium after year end, the first time since the operations were idled in 2019. The loaded resins have been demonstrated to contain uranium in quantities consistent with industry standards for low pH ISR operations.

Figure 6: Constructed Ion Exchange Test Columns for MU1A Field Demonstration

Ion exchange (IX) uranium recovery processes have widely recognised limitations in low pH applications. The success of IX processes is concentration driven and the system technical performance is known to improve with increasing uranium grades.

In conjunction with the availability of field generated production solutions from MU1A, Peninsula is evaluating several alternative uranium capture/recovery process options which may enhance and or improve upon standard ion exchange resin performance.

Evaluations of two proprietary innovative concepts have been advanced with desktop evaluations completed. A laboratory benchtop test of one technology was completed in July 2021, with the other technology planned to be tested later in the year.

If successful, the testing may be advanced to pilot scale demonstrations that could run in conjunction with the field demonstration. These advanced technologies have the potential to significantly enhance downstream processing performance while reducing operating costs.

Regulatory

The Lance Project is authorised to use the industry leading low pH in-situ recovery method.

The Company continues to progress permitting enhancements and modifications to incorporate operating improvements derived from the field demonstration in advance of the restart of operations.

A permit/license amendment was submitted during the year to the regulatory authorities in Wyoming requesting approval for the use of a suite of oxidants in conjunction with the low pH injection stream. This regulatory action is expected to be completed by the end of CY 2021, before the field demonstration activities are scheduled to be completed.

A second amendment is planned to be sought from the regulatory authorities in Wyoming in CY2021 relating to the use of ponds to manage solids produced in the low pH in-situ recovery process. This has been successfully trialled in the MU1A field demonstration and the Company is presently completing the ground water studies and associated information required for this this submission. This regulatory action is expected to be completed in CY2022.

Current licences and permits for the Lance Project allow use of oxidants and the ponds during the limited scale field testing without amendments.

The Company can commence low pH operations without these process enhancements, which were not described in the original low pH amendment approvals. Starting in previously mined areas where oxidant is not necessary, would allow time for the completion of the desired licence amendments prior to commencing production activities in new mining units.

United States Government Support

In April 2020, the US Secretary of Energy released recommendations from the US Nuclear Fuel Working Group (NFWG). The NFWG report stated that the US government will take bold action to revive and strengthen the domestic uranium mining industry.

Amongst the key recommendations was the extension of the Russian Suspension Agreement (RSA) beyond the end of CY2020. The US Department of Commerce announced the completion and signing of an agreement extending and amending the terms of the RSA on 5 October 2020. In December 2020, the US Congress passed an Omnibus Appropriations Bill codifying the amended RSA. The amended agreement limits the level of Russian participation in the US nuclear fuel markets through to the year 2040 and is a welcome accomplishment for the US uranium production industry as a whole.

A second significant recommendation of the NFWG was the establishment of a US Uranium Reserve for the direct purchase of uranium and nuclear fuel services to expand the American Assured Fuel Supply strategic inventory stockpile. In December 2020 as a part of the passage of the Fiscal Year 2021 Budget the US Department of Energy (DOE) was directed to allocate US$75 million toward the establishment of a uranium reserve.

Slow progress has been made on the US Uranium Reserve because of the leadership change to the Biden Administration in 2021. However, in August 2021 the DOE launched a request for information into the establishment of the uranium reserve and Peninsula will submit a response before the deadline in October 2021. The Company expects the DOE to announce further details of its plan for the US Uranium Reserve by the end of CY2021.

Ultimately the Uranium Reserve is expected to be implemented through the DOE issuing requests for proposals which will provide US uranium production projects, including the Lance Project, with the opportunity to bid for new uranium sales contracts.

The Lance Project provides the Company with US producer-specific opportunities, which is an important and critical advantage, as the US Government continues to focus on driving support to revitalise the domestic nuclear energy industry.

Natrium Advanced Reactor Demonstration Program Plant

In June 2021 TerraPower announced plans to locate its Natrium Advanced Reactor Demonstration Program Plant at a retiring PacifiCorp coal fired power plant site in Wyoming, the home State of the Lance Project. Bill Gates co-founded TerraPower in 2008 to promote the realisation of the benefits of advanced nuclear energy. The DOE is sharing the costs to support the licensing, construction, and demonstration of this first-of-a-kind nuclear reactor by 2028.

Natrium means “sodium” in Latin, and molten sodium replaces water as the primary heat exchange media in the nuclear reactor vessel, with steam used to turn the turbine to generate electricity.

TerraPower are planning a 345 MWe small modular reactor which they advertised as cost-competitive, flexible technology that supports load following, energy storage and industrial process heat applications. The planned innovative combination of an advanced sodium fast reactor with energy storage allows the reactor to operate at a high capacity-factor while simultaneously capturing more daily electricity revenue and supporting the increased use of renewables.

Peninsula welcomes these innovative and forward-thinking decisions and looks forward to continuing to advance and develop Lance to become a critical US uranium project.

Sodium-cooled liquid-metal reactor

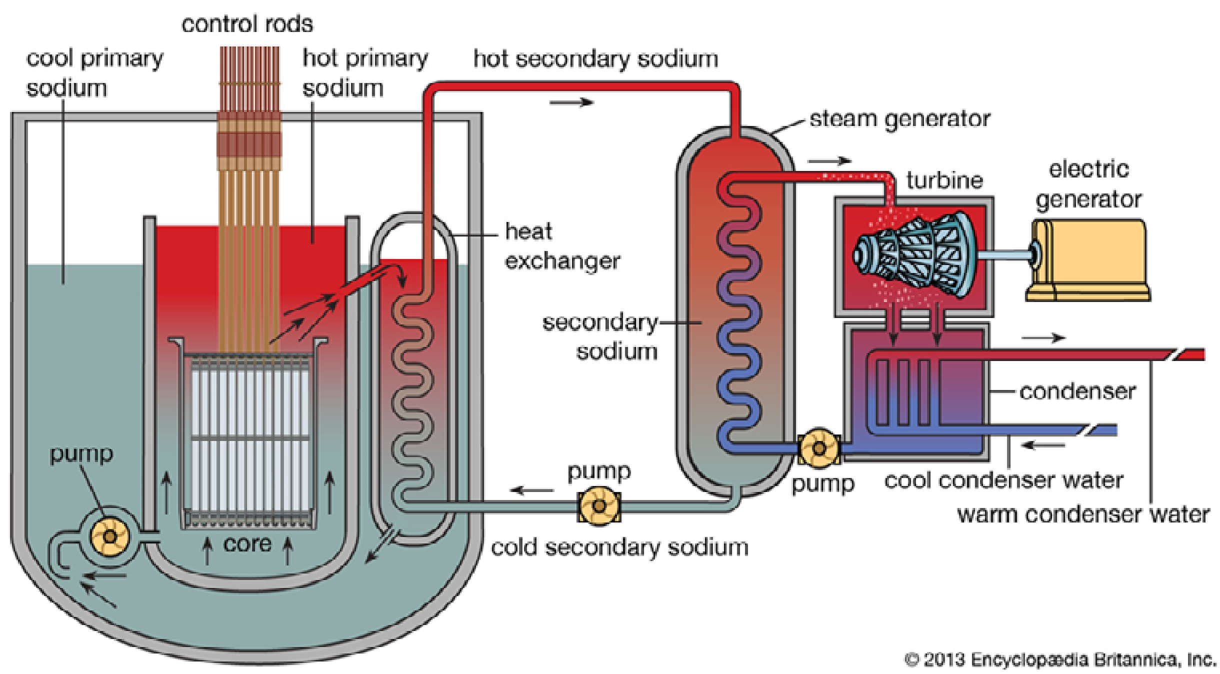


Figure 7: Sodium Cooled Liquid Metal Reactor

Looking Ahead

Peninsula has a well-defined pathway to restarting production at the Lance Project.

A Final Investment Decision (FID) to restart commercial operations is dependent upon the following:

- Outcomes from the technical optimisation activities presently underway which are scheduled to be completed in CY2022
- An updated feasibility study planned for publication in CY2022
- Further offtake agreements to supplement the existing portfolio of uranium concentrate sales and purchase agreements
- Securing restart funding which could be part funded from sale of strategic uranium inventories

Because of the existing operation field areas that were in production from 2015 to 2019, Peninsula can rapidly restart commercial operations within 6 months, with development of new areas scheduled to take over 12 months.

Uranium Sales and Marketing

Peninsula sold 275,000 pounds of U_3O_8 pursuant to long-term contracts during the 2021 financial year.

75,000 pounds of U_3O_8 sales were completed by the Group in October 2020 at an average realised cash price of US$45.06 per pound U_3O_8, and 200,000 pounds of U_3O_8 sales were completed in June 2021 at an average realised cash price of US$49.57 per pound U_3O_8.

These uranium delivery commitments were met with uranium concentrate purchased on-market as the Lance Project commercial operations were idled in July 2019.

Sales proceeds from these two deliveries were US$13.3 million, resulting in an average realised cash price of US$48.34 per pound U_3O_8, which was significantly higher than the average spot price for the financial year. Revenue from the sale of uranium recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income was only US$9.8 million. The difference of US$3.5 million between the cash proceeds amount and the recognised accounting revenue has been allocated to derivative fair value movement to recognise the partial unwinding of derivative financial assets recognised in accordance with International Accounting Standards.

The portfolio of uranium concentrate sale and purchase agreements held by the Company contains a combination of committed sales and optional sales. Optional sales are offered at the election of the respective customer. The portfolio of uranium concentrate sale and purchase agreements held by the Company at 30 June 2021 is up to 5.25 million pounds U_3O_8 (3.9 million pounds U_3O_8 committed; and up to 1.35 million pounds U_3O_8 optional). Delivery obligations under the contracts continue through to 2030. The Company's weighted average future sales price sits at the upper end of the guided US$51-$53 per pound range.

30 June 2021 - Summary of Sale Agreements Over the Next Five Years[(1)]:

Financial Year	Pounds U_3O_8
2022	450,000
2023	575,000
2024	750,000
2025	850,000
2026	725,000

Notes:

(1) This disclosure includes both pounds of U_3O_8 committed under sale agreements and optional sales at the election of customers.

During the year Peninsula strengthened its portfolio of agreements by entering into multiple binding purchase agreements to procure uranium concentrate sufficient to meet the entirety of its calendar year 2021 and 2022 committed sales.

Of the committed U_3O_8 sales at 30 June 2021 a total of 0.9 million pounds can be satisfied with market sourced material ("open origin") in the next three years, with the balance to be supplied from Lance Project origin uranium.

During the year Peninsula strengthened its portfolio of agreements by entering into multiple binding purchase agreements to procure uranium concentrate sufficient to meet the entirety of its calendar year 2021 and 2022 committed sales.

At 30 June 2021 the Company has a portfolio of U_3O_8 uranium concentrate purchase commitments totalling 0.7 million-pounds. As a consequence, only 0.2 million of the committed open origin U_3O_8 sales at 30 June 2021 remains unhedged at year end.

Purchased uranium will be delivered in allotments during the year and aligns closely with the timing of deliveries to customers. The agreed purchase pricing is fixed and payment for the purchased uranium is also aligned closely with the receipt of proceeds from the sales.

30 June 2021 - Summary of Purchase Agreements:

Financial Year	Pounds U_3O_8
2022	450,000
2023	250,000

The portfolio of uranium concentrate sale and purchase agreements have secured a forecast net cash margin of US$7 million to US$8 million on uranium sales in CY2021 (all in the second half and including the US$3.5 million already received in early July) and US$8 million to US$9 million on uranium sales in CY2022. The forecast net cash margin is based on the difference between the fixed purchase price and the likely sales price based on the individual customer agreements.

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 the planned transition to low pH ISR operations at the Lance Project.

South Africa - Karoo Uranium Exploration Projects

(Peninsula Energy 74%, BEE Group 26%)

Withdrawal from Karoo Projects

Peninsula has withdrawn fully from any further development activities for the Karoo Projects. The Company is working together with its joint venture partners and the South African regulators to ensure an orderly exit from the project, including completion of remaining restoration and rehabilitation activities. Past efforts by the Company to sell the Karoo Projects were unsuccessful and the carrying value of the project was impaired down to the estimated recoverable value of freehold farmland in 2019.

In June 2021 rehabilitation activities at the Riet Kuil trial mining site commenced after the Department of Water and Sanitation issued the required Water Use License for the planned remedial activities. The rehabilitation plan at Riet Kuil involves back filling of the historical trial mining area and had already been approved by the South African National Nuclear Regulator. The work is scheduled to be completed in the coming months.

After year end in August 2021, the Company received the Water Use License from the Department of Water and Sanitation for the planned remedial activities at Ryst Kuil. The South African National Nuclear Regulator had also already approved this rehabilitation plan and the Company expects to commence these rehabilitation activities once the work at Riet Kuil is completed.

Peninsula continues to progress the sale of the remaining freehold farmland held in the Karoo Basin, with proceeds expected to be sufficient to cover remaining rehabilitation costs. Progress on sales has been slow during the financial year because of the COVID-19 pandemic and at the end of the financial year, three farms remain to be sold.

Because of the decisions to withdraw from development activities and sell the freehold farmland, the Karoo Projects have been separately disclosed in the Consolidated Statement of Financial Position as assets held for sale and associated liabilities. Any expenses and profit or loss on sale of the freehold farmland have been recognised as a profit or loss from discontinuing operations in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Fiji – RakiRaki Joint Venture

All licences associated with the RakiRaki Joint Venture in Fiji were relinquished during the year and therefore the Group no longer holds an interest in this project.

Mineral Resource Governance

Peninsula Energy Limited ensures that the Mineral Resource estimates for its Lance Projects are subject to appropriate levels of governance and internal controls. The Mineral Resource estimation procedures are well established and are subject to annual review internally and externally, undertaken by suitably competent and qualified professionals. This review process has not identified any material issues or risks associated with the existing Mineral Resource estimates. The Company periodically reviews the governance framework in line with the development of the business.

Peninsula reports its Mineral Resources in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) 2012 edition'.

Competent Persons named by the Company are Members or Fellows of the Australian Institute of Mining and Metallurgy and/or Members of Recognised Overseas Professional Organisations included in the list promulgated by ASX and qualify as Competent Persons as defined in the JORC Code.

The Company has updated its Mineral Resources as at 31 December 2020, with the JORC compliant resource unchanged from 31 December 2019 as the alkaline based commercial in-situ recovery operations were suspended in July 2019.

The tables below set out the Company's Mineral Resources as at 31 December 2020 and 31 December 2019.

Mineral Resource Statement

Resource Classification	Tonnes Ore (M)	U_3O_8 kg (M)	U_3O_8 lbs (M)	Grade (ppm U_3O_8)	Location
Measured	3.4	1.7	3.7	489	Wyoming, USA
Indicated	11.1	5.5	12.1	496	Wyoming, USA
Inferred	36.2	17.2	37.8	474	Wyoming, USA
Total	50.7	24.4	53.6	480	

Table 1: Lance Projects Classified Resource Summary (U_3O_8) as at 31 December 2020

Resource Classification	Tonnes Ore (M)	U_3O_8 kg (M)	U_3O_8 lbs (M)	Grade (ppm U_3O_8)	Location
Measured	3.4	1.7	3.7	489	Wyoming, USA
Indicated	11.1	5.5	12.1	496	Wyoming, USA
Inferred	36.2	17.2	37.8	474	Wyoming, USA
Total	50.7	24.4	53.6	480	

Table 2: Lance Projects Classified Resource Summary (U_3O_8) as at 31 December 2019

Totals may not add due to rounding.

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'.

Corporate

A$13.4 million Equity Raise for Uranium Purchase

In June 2021, the Company successfully completed an A$13.4 million Placement at 15 cents (US$10.3 million), which was well-supported by new and existing international and domestic institutions. The funds raised from the Placement were used to purchase 300,000 pounds of uranium concentrate at a price of US$31.35 per pound. Settlement was completed in June 2021 and the uranium has been stored at the Cameco Facility located in Ontario, Canada.

The Board of Peninsula believes the acquisition of physical uranium is strategically aligned with the planned preparations for the transition of the Lance Project to low pH ISR operations. The acquired uranium inventory may ultimately provide a source of funding for the restart of operations at Lance following a final investment decision. Working inventory of uranium also creates flexibility in securing the supplementary offtake arrangements required for a restart decision and efficiencies in managing the Company's current long-term sales contract book.

The Board also believes that holding physical uranium during a period when there is a continued drive by the United States Government to support and revitalise the domestic nuclear industry, is a low-risk strategy that has the potential to deliver upside value for shareholders.

A$2.0 million Share Purchase Plan Completed

In June 2021, the Company also completed an A$2.0 million (US$1.5 million) Share Purchase Plan (SPP) to eligible shareholders with the proceeds to be used for corporate purposes and working capital. The SPP was announced following the Placement and was offered at the same price of 15 cents per share. The SPP closed with 600 applications received for a total of over A$7.6 million in SPP Shares. The strong demand for the SPP necessitated a scale-back of valid applications from eligible shareholders to the SPP maximum of A$2.0 million (US$1.5 million) on a pro-rata basis.

Uranium Inventory

At 30 June 2021 Peninsula has 309,507 pounds of uranium held in converter accounts after completing the purchase of 300,000 pounds of uranium concentrate at a price of US$31.35 per pound during the quarter. The total book value of uranium concentrate held at 30 June 2021 is US$9.7 million.

Inclusion in Global X Uranium ETF

In April 2021 the Company was included in the index composition for the Solactive Global Uranium & Nuclear Components Total Return Index following a rebalancing of their ordinary index. This has resulted in the acquisition of Peninsula shares by Global X Uranium ETF (NYSE:URA) which tracks the Solactive ordinary index.

US Paycheck Protection Program Loan

In FY2020 the Company's wholly owned US subsidiary Strata Energy Inc (Strata) received US$0.516 million under the first round of the US COVID-19 Paycheck Protection Program. This is a US government sponsored program and consists of a forgivable loan to Strata specifically designed to help businesses keep their workers on the payroll during the COVID-19 pandemic.

In December 2020 Strata applied for and received approval for this loan and accrued interest to be 100% forgiven resulting in the Company having no outstanding loan under the first round of the US Paycheck Protection Program.

In March 2021 Strata received US$0.56 million under the second round of the US COVID-19 Paycheck Protection Program.

After 30 June 2021 Strata applied for 100% forgiveness of this loan and accrued interest and this was approved in August 2021 resulting in the Company having no outstanding loan under the second round of the US Paycheck Protection Program.

Trading on the OTCQB Venture Market

In February 2021 Peninsula was upgraded to the OTCQB Venture Market and commenced trading under the ticker "PENMF". The Company sought the upgrade to the OTCQB Market in response to strong trading volumes following the initiation of trading on the OTC Pink Market in January 2021.

The OTCQB Venture Market is a more transparent trading platform that offers a cost-effective method for North American investors to access Peninsula's securities. Investors can find real-time quotes (denominated in US dollars) and market information for Peninsula shares along with current company news at the following link: www.otcmarkets.com/stock/PENMF/quote. Peninsula's securities will continue to be listed and traded on the ASX.

Admission to the OTCQB Venture Market was non-dilutive, as no additional capital was required to be raised and no new shares were issued in conjunction with inclusion on the OTCQB Market.

In June 2021, the Company successfully completed an A$13.4 million Placement at 15 cents.

Financial Position

The consolidated group's cash position, excluding security deposits and performance bonds, as at 30 June 2021 was US$6.7 million and a total of 309,507 pounds of uranium concentrate inventory was held in group converter accounts at 30 June 2021 valued at US$9.7 million based on an average uranium price of US$31.37 per pound.

The net assets of the consolidated group have increased by US$10.8 million from 30 June 2020 to US$77.7 million at 30 June 2021. This was largely due to the A$13.4 million placement completed in June 2021, primarily to acquire 300,000 pounds of uranium concentrate, as ongoing corporate and project expenditure is mostly funded by the net cash margin realised from the portfolio of uranium concentrate sale and purchase agreements held by the group.

The Company had 996,018,185 shares on issue as at 30 June 2021 and 27,425,000 unlisted options, at various exercise prices ranging from A$0.4572 to A$0.5072.

Significant Changes in State of Affairs

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

- In July 2020, the Company entered into a binding purchase agreement to procure 400,000 pounds of uranium concentrate in CY2021 to satisfy delivery commitments to a customer.
- In August 2020, the MU1A field demonstration commenced at the Lance Project which is expected to run for 18-24 months to confirm the optimal conditions for the transition to low pH in-situ recovery operations.
- In February 2021, the Company commenced trading on the OTCQB Venture Market under the ticker symbol "PENMF".
- In April 2021, the Company entered into binding purchase agreements to procure 450,000 pounds of uranium concentrate in CY2022 to satisfy delivery commitments to customers.
- In June 2021, the Company completed a A$13.4 million placement at 15 cents, which was well supported by new and existing international and domestic institutions. The funds raised from the placement were used to purchase 300,000 pounds of uranium concentrate at a price of US$31.35 per pound.
- In June 2021, the Company also completed a A$2.0 million Share Purchase Plan at 15 cents with funds to be used for corporate purposes and working capital.

Dividends Paid or Recommended

The Directors of the parent entity do not recommend the payment of a dividend in respect of the current financial year ended 30 June 2021.

Events Since the End of the Financial Year

On 1 July 2021 and 7 September 2021, the Company announced progress updates on the Lance Project low pH field demonstration which has yielded significantly additional results since the previous updates.

On 23 August 2021 Strata received confirmation that its application for 100% forgiveness of the US$0.56 million loan and accrued interest under the second round of the US COVID-19 Paycheck Protection Program had been approved, resulting in the Company having no outstanding loan under this program.

The uranium spot price has increased to US$44.10 per pound U_3O_8 on 28 September 2021 as reported by industry observers.

The group continues to progress and execute its planned activities wherever possible subject to governmental, legal, health, safety and other necessary or imposed restrictions and concerns related to COVID-19 pandemic. COVID-19 has not materially impacted the transition to low pH operations at the Lance Projects, but it does remain an uncertainty moving forward. COVID-19 uncertainty may inhibit the divestment of the Karoo Projects in South Africa.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

Likely Developments and Expected Results of Operations

Likely future developments in the operations of the consolidated group are referred to in the Annual Report. Other than as referred to in this report, further information as to likely developments in the operations of the consolidated group and expected results of those operations, to the date of this report, are considered insufficiently developed or so variable in nature as to quantification they remain unable to be accurately reported.

Environmental Regulations

The consolidated group's operations are subject to significant environmental regulation and penalties under relevant jurisdictions in relation to its conduct of exploration, development, and mining of uranium deposits. The Directors are of the opinion that sufficient procedures and reporting processes have been established to enable the consolidated group to meet its responsibilities and that the consolidated group's other business segment operations are not subject to any significant environmental regulations under Australian Law and International Legislation where applicable.

Information on Directors

The names and details of the Directors of Peninsula in office as at the date of this report are:

Mr John Harrison

Non-Executive Chairman (Appointed 1 September 2014)

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 Harrison has the following interest in shares and options in the Company as at the date of this report – 58,800 ordinary shares and 240,000 unlisted options exercisable at A$0.4572 on or before 30 November 2022.

Mr Wayne Heili

Managing Director / Chief Executive Officer (Appointed 3 April 2017)

Mr Heili has spent the bulk of his 30-year professional career in the uranium mining industry. Prior to joining Peninsula, 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/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 Heili has the following interest in shares and options in the Company as at the date of this report – 5,030,602 ordinary shares, 2,347,595 Restricted Share Units and 900,000 unlisted options exercisable at A$0.4572 on or before 30 November 2022.

Mr Harrison Barker

Non-Executive Director (Appointed 3 August 2015)

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 U_3O_8 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. Mr Barker has the following interest in shares and options in the Company as at the date of this report – nil interest in shares, 180,000 unlisted options exercisable at A$0.4572 on or before 30 November 2022.

Mr Mark Wheatley

Non-Executive Director (Appointed 26 April 2016)

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 and Non-Executive Chairman of Prospect Resources 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 Wheatley has the following interest in shares and options in the Company as at the date of this report – 391,860 ordinary shares and 180,000 unlisted options exercisable at A$0.4572 on or before 30 November 2022.

Mr David Coyne

Non-Executive Director (resigned as Chief Financial Officer and Joint Company Secretary effective 17 July 2020 but continues to serve as a Non-Executive Director)

Mr Coyne has over 25 years' experience in the mining, engineering and construction industries, both within Australia and internationally. Mr Coyne is currently the Chief Financial Officer and Company Secretary of ASX Listed gold mining and exploration company Gascoyne Resources Ltd and prior to 17 July 2020 served as Peninsula's Finance Director/Chief Financial Officer for seven years. He has held senior executive positions with ASX listed companies Macmahon Holdings Limited and VDM Group Limited, and with unlisted global manganese miner Consolidated Minerals. Mr Coyne has been directly involved in a number of equity and debt raising transactions and has been the project director on a company-wide systems implementation project. He 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. Mr Coyne has the following interest in shares and options in the Company as at the date of this report – 1,426,305 ordinary shares, 188,607 Restricted Share Units and 450,000 unlisted options exercisable at A$0.4572 on or before 30 November 2022.

Joint Company Secretaries

The following persons held the position of Joint Company Secretary at the end of the financial year:

Mr Jonathan Whyte

(Appointed 12 April 2006)

Mr Whyte is a Chartered Accountant and has extensive corporate, company secretarial, and financial accounting experience across a number of listed and unlisted resource sector companies. Mr Whyte is currently Company Secretary of ASX listed Charger Metals NL, Ironbark Zinc Limited and Infinity Lithium Corporation Limited and is Company Secretary of AIM listed Empyrean Energy Plc. Mr Whyte previously worked in the investment banking sector in London over a period of 6 years for Credit Suisse and Barclays Capital Plc. Mr Whyte has the following interest in shares and options in the Company as at the date of this report – 400,104 ordinary shares and 250,000 unlisted options exercisable at A$0.5072 on or before 30 November 2022.

Mr Ron Chamberlain

(Appointed as Chief Financial Officer and Joint Company Secretary on 13 July 2020)

Mr Chamberlain is a finance professional with more than 30 years' experience in resources, and in particular more than 10 years specialising in the uranium sector. He has previously held the roles of CFO for Paladin Energy, acting CFO and Non-Executive Director of Extract Resources and more recently CFO at Vimy Resources. He also has significant experience in the US, where he lived and worked in his role as Vice President US Operations with Iluka Resources, overseeing treasury, risk, and finance. Mr Chamberlain holds a Bachelor of Commerce degree from the University of Western Australia and is a Fellow of the Institute of Chartered Accountants Australia and New Zealand.

Meetings of Directors

During the financial year thirteen meetings of Directors were held. Attendances by each Director who held office during the financial year were as follows:

	Directors Meetings		Committee Meetings: Audit and Risk Management Committee		Committee Meetings: Remuneration Committee	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
John Harrison	13	13	-	-	1	1
Wayne Heili	13	13	-	-	-	-
Harrison Barker	13	13	2	2	1	1
Mark Wheatley	13	12	2	2	1	1
David Coyne	13	12	2	2	-	-

Options

At the date of this report, the unissued ordinary shares of Peninsula under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number Under Option
Various	30/11/2022	A$0.4572	1,950,000
19/12/2017	30/11/2022	A$0.5072	2,975,000
04/10/2018	22/04/2022	A$0.4572	22,500,000

Option-holders do not have any rights to participate in any issue of shares or other interests in the Company or any other entity.

There have been no unissued shares or interests under option of any controlled entity within the consolidated group during or since reporting date.

For details of options issued to Directors and Executives as remuneration, refer to the Remuneration Report.

No amounts are unpaid on any of the shares. No person entitled to exercise the options had or has any rights by virtue of the option to participate in any share issue of any other body corporate.

Indemnifying Directors and Officers

During or since the end of the financial year the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The Company has paid premiums to insure each Director and Officer against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director or Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium was US$59,661 to insure the Directors and Officers of the Company.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Non-Audit Services

The Board of Directors, in accordance with advice from the Audit and Risk Management Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved by the Audit and Risk Management Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees for non-audit services were paid to the current external auditors:

Service	2021 US$000s	2020 US$000s
Taxation Services	39	63
Total	39	63

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 39 of the Annual Report.

ASIC Legislative Instrument 2018/191: Rounding of Amounts

The Company is an entity to which ASIC Legislative Instrument 2018/191 applies and, accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Remuneration Report - Audited

This report outlines the remuneration structure which is in place for Executive Directors, Non-Executive Directors and other Key Management Personnel.

Key Management Personnel include:

Non-Executive Directors

- John Harrison — Non-Executive Chairman
- Harrison Barker — Non-Executive Director
- Mark Wheatley — Non-Executive Director
- David Coyne — Non-Executive Director (resigned on 17 July 2020 as Chief Financial Officer and Joint Company Secretary but continues to serve on the Board)

Executive Director

- Wayne Heili — Managing Director / Chief Executive Officer

Other Key Management Personnel

- Ralph Knode — Chief Executive Officer, Strata Energy, Inc.
- Ron Chamberlain — Chief Financial Officer/Joint Company Secretary from 13 July 2020

This Remuneration Report, which has been audited, outlines the Key Management Personnel remuneration arrangements for the consolidated group, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

The principles adopted have been approved by the current Board of the Company and have been set out in the remuneration summary.

The structure is intended to align executive reward with the achievement of strategic objectives and the creation of value for shareholders.

Principles Used to Determine the Nature and Amount of Remuneration

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework which has been set out in detail under the remuneration structure below aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- aligns shareholders and executive interests;
- performance based and aligned to strategic and business objectives; and
- transparency.

Key Management Personnel

Fees and payments to Key Management Personnel reflect the demands which are made on, and the responsibilities of, the Key Management Personnel. Fees and payments are reviewed annually by the Remuneration Committee. The Remuneration Committee also ensures that Key Management Personnel fees and payments are appropriate and in line with the market. There are no retirement allowances or other benefits paid to Key Management Personnel other than superannuation guarantee amounts (or overseas equivalent retirement benefit plans) as described in this remuneration report.

The executive remuneration and reward framework has three components:

- base pay and short-term incentives;
- share-based payments; and
- other remuneration such as superannuation / retirement benefits and long service leave.

The combination of these comprises the Key Management Personnel total remuneration. Fixed remuneration, consisting of base salary and superannuation / retirement benefits are reviewed annually by the Remuneration Committee, based on individual and area of responsibility performance, the overall performance of the Company and comparable market remuneration structures / amounts.

Non-Executive Directors

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Non-Executive Directors. Non-Executive Directors' fees and payments are reviewed annually by the Remuneration Committee. For the period from 1 August 2020, exclusive of the superannuation guarantee the annual remuneration for Non-Executive Board Members was as follows:

- Non-Executive Chairman - A$100,000 per annum; and
- Non-Executive Director - A$65,000 per annum.

From 1 March 2020, the Company removed the additional A$10,000 per annum fee that was historically paid to Non-Executive Directors who served as Chair of a Board Committee in recognition of the additional demand on time required by the Non-Executive Director.

From 1 April 2020, the Company reduced the fees payable to Non-Executive Directors noted above by 20% in light of the COVID-19 pandemic and the financial climate at the time. The temporary 20% reduction in fees ceased on 31 July 2020 and normal fees were reinstated from 1 August 2020.

From 1 July 2021, the Company changed all Non-Executive Director fees to be inclusive of superannuation and reinstated the additional A$10,000 per annum fee paid to Non-Executive Directors who serve as Chair of a Board Committee in recognition of the additional demand on time required by the Non-Executive Director.

There are no retirement allowances or other benefits paid to Non-Executive Directors other than superannuation guarantee amounts as required. Only Australian resident Non-Executive Directors are eligible for superannuation guarantee amounts.

Assessing Performance

The Remuneration Committee is responsible for assessing performance against targets and determining the amount of short-term and long-term incentives to be paid. To assist in this assessment, the committee receives detailed reports on performance from management. While annual gateways are established, and individual targets set for management, award and payment of short- and long-term incentives remain subject to the discretion of the Remuneration Committee and the Board of the Company.

In assessing performance, the Remuneration Committee considers not only the achievement against targets that have been set, but also the overall financial and market valuation (share price) performance of the Company. Recent and historical financial and market valuation performance are taken into consideration, however due to the planned transition to low pH operations at the Lance Projects, the Remuneration Committee believes that setting and achieving targets predominantly aligned to transitioning to low pH operations are the most appropriate form of incentivisation for the Company at this point in time.

Summary of Approach to Remuneration

The key parts of the Company's executive reward structure are:

- an overarching remuneration framework to formalise reward structures and to establish a framework to guide remuneration practices going forward;
- benchmarking Executive Director, Executive Officer and Non-Executive Director remuneration and consideration of typical market practice of global uranium peer companies to determine the competitiveness of then current remuneration arrangements and to identify areas for change;
- a short-term incentive (STI) plan to drive the collective efforts of the workforce in realising the short-term business strategy; and
- an equity-based long-term incentive (LTI) plan for executives to encourage long-term sustainable performance.

The objective of the Company's executive reward structure is to ensure reward for performance is competitive and appropriate for the results delivered. The structure is intended to align executive reward with the achievement of strategic objectives and the creation of value for shareholders and reflects current market practice for delivery of reward. The Board aims to ensure that executive reward practices are aligned with good reward governance practices to ensure that executive remuneration is:

- competitive and reasonable, enabling the Company to attract and retain key talent;
- aligned to the consolidated group's strategic and business objectives, and the creation of shareholder value;
- transparent; and
- aligns shareholder and executive interests.

This structure remained in place for the 2021 financial year and continues to remain in place for the 2022 financial year.

There were no remuneration consultants used during the year.

Fixed Remuneration
(Base salary inclusive of statutory superannuation)

An annual review of the fixed remuneration for each employee across the Company is undertaken by the Remuneration Committee. The annual review during the 2021 financial year resulted in a cost of living salary increase of 2% from 1 January 2021 for only Strata Energy Inc employees of the Group.

Short-Term Incentives

Purpose

To align with market practices of peer uranium companies and to provide a competitive total remuneration package, the Board uses a comprehensive Short Term Incentive (**STI**) Plan to motivate and reward executives for the achievement of key strategic goals. The quantum offered under the STI Plan is expressed as a target percentage of base salary, with executives' performance assessed against metrics contained within a weighted scorecard over a 12-month period.

	Managing Director / CEO	Other Key Management Personnel[1]
STI Target as a % of base salary [1]	50%	20%-40%
KPI alignment	75% aligned to corporate goals 25% aligned to personal performance	75%-80% aligned to corporate goals 20%-25% aligned to personal performance

Notes:

(1) STI percentage for other Key Management Personnel range from 20% to 40%, depending on an individual's role and level of seniority in the Company.

Annual Corporate Goals

The STI Plan provides rewards where significant meritorious performance is achieved with any payouts earned being made in cash and capped to avoid excessive risk-taking behaviour. The majority of these metrics are specific, measurable and applicable to the key business outcomes required per the annual business plan of the Company. The payments are made at a time chosen by the Board following the completion of each financial year after the Board has had an opportunity to assess the outcomes of performance against objectives, assessed the operational and financial performance of the Company during the financial year and also considered the outlook for the uranium mining industry.

Corporate Gateway

A primary corporate gateway is also applied so that the STI can be reduced to nil if the corporate gateway is not achieved. Once the corporate gateway is achieved, the STI is measured based on a mix of corporate and personal goals for each executive.

The STI corporate gateway for the 2021 financial year was defined as follows:

"To have advanced satisfactorily, in relation to Board expectations and within the Annual Budget, the MU1A Field Demonstration and associated regulatory requirements, with preliminary outputs that compare well with the September 2018 low pH Feasibility Study."

In addition to this Gateway definition the Board has set the requirement for zero fatalities within the boundaries of the Company's mine/exploration sites and maintaining sufficient cash on hand to meet the Company's financial requirements at the date of payment.

When the Remuneration Committee considered achievement of the Corporate Gateway applying to the STI for the 2021 financial year, it was determined that as at 30 June 2021, the MU1A Field Demonstration was not yet capable of assessment in relation to the September 2018 low pH Feasibility Study and that the Gateway had not yet been met. However, in considering the Company's achievements during the year and the changes made to the operation of the STI Plan for the current financial year (see description below under the heading Performance Measurement Approach) the Board decided to exercise the discretion available to it and award short term incentives for 2021 financial year based on the quantitative assessment of each executive's performance measurement.

Corporate Goals

Metrics within the weighted scorecard are cascaded from the organisational strategy and fall within the following key strategic imperatives for the 2021 financial year.

Strategic Goals	Performance Measure	Weighting (varies for each Executive)
Corporate responsibility goals which incorporate achieving metrics under people, health, safety, environment and corporate responsibility	Leading and lagging measures for safety, environmental performance, inspections and human resources	7.5-15%
Lance Project low pH transition work programs	Field demonstration, permitting, certification and updated design and study parameters	22.5-35%
Financial management	Cost management, adequate funding to achieve objectives and restart funding planning	20-30%
Clients and markets	Reputation with customers, contract maintenance and targets for signing new uranium concentrate sale and purchase agreements	0-10%
Investor relations	Design and execution of engagement plan	0-15%

Personal Goals

Personal goals are measured by individual performance against a balanced scorecard applicable to the executive's business unit or area of responsibility. The balanced scorecard for each individual is intended to be agreed with their immediate supervisor at the commencement of the financial year. Performance against the goals will be assessed at the completion of the financial year.

In addition, individuals are assessed for their impact on team achievement through their contribution to achieving Company objectives and the overall financial wellbeing of the Company.

Performance Measurement Approach

From 1 July 2020 the Company has adopted a more defined quantitative definition of performance measurement using the following benchmarks:

- Below threshold – defined as not achieving a minimum level of performance – 0% award;
- Threshold – defined as the lowest achievement level – 33% award;
- Target – defined as the expected performance level – 67% award; and
- Stretch – defined as outstanding performance with objectives being exceeded – 100% award.

These benchmarks are defined for each performance measurement to clearly quantify performance and objectives. The maximum cash award remains 100% of the quantum offered under the STI Plan.

Final performance ratings for all Key Management Personnel are presented to and reviewed by the Remuneration Committee prior to the finalisation of the STI payment for any financial year. The Board retains discretion to modify the final STI payment for any individual, including the discretion to decrease the STI payment to an amount lower than that determined by assessment of final performance ratings.

Election to Receive Shares

From 1 July 2020 the Company has added a new feature to the STI Plan which provides the individual with the opportunity to elect to receive a share-based award in lieu of their Board approved STI cash award.

Provided the individual makes an election to receive 50% or more of the cash award in Peninsula Energy Limited shares, the Company will gross up the share-based award by a factor of 50%. This feature has been added to the STI Plan as it provides an incentive for employees to receive shares in the Company providing alignment with the interests of shareholders. For the 2021 financial year no employee elected to receive a share-based award in lieu of their cash award.

Long-Term Incentives

LTI grants may be made to senior and executive employees (Eligible Participants) annually with vesting conditions to apply which will align executives' interests with those of shareholders and the generation of long-term sustainable value. The value of grants made under the plan are made with reference to a set percentage of base salary, with the ability to earn an LTI grant assessed against a pre-determined Company performance gateway for that year. Once an LTI grant has been made to an Eligible Recipient, the grant shall vest in equal tranches over the next three financial years following the date of grant. The Eligible Recipient must still be employed by the Company on a vesting date to be entitled to receive the vested LTI.

Through the requirement for the Eligible Participant to remain employed with the Company as a condition of annual vesting of previously earned LTI amounts, the Board views this mechanism as an attractive means of incentivising long-term retention of key personnel and aligning long term executive performance with shareholder interests.

The Company primarily uses Restricted Share Units (RSU) as the form of LTI and has established a LTI plan (Plan) for this purpose. A RSU is a right to acquire one fully paid ordinary share in the Company, which will initially be held by the trustee of the Plan. The Eligible Participant will be entitled to receive one share for each RSU that has vested and has not lapsed or expired. Until the Eligible Participants RSUs have vested and they have acquired Shares, a RSU will not give the Eligible Participant a legal interest in any shares, though the Eligible Participant will be able to participate in dividends and can direct the trustee to vote the underlying shares in certain circumstances.

For the financial year ended 30 June 2021 no RSUs have yet been awarded to Key Management Personnel.

Key terms of the 2021 financial year LTI structure were:

	Managing Director / CEO	Other Key Management Personnel[1]
LTI Target as a % of base salary[1]	50%	30%-40%
Gateway Performance Hurdle financial year 2021	To have advanced satisfactorily, in relation to Board expectations and within the Annual Budget, the MU1A Field Demonstration and associated regulatory requirements, with preliminary outputs that compare well with the September 2018 low pH Feasibility Study	
Vesting period	Equal tranches over the three years following the date of award of each RSU series	

Notes:

(1) LTI percentage for other Key Management Personnel range from 30% to 40%, depending on an individual's role and level of seniority in the Company.

When the Remuneration Committee considered achievement of the LTI Gateway applying to the 2021 financial year, it was determined that as at 30 June 2021, the MU1A Field Demonstration was not yet capable of assessment in relation to the September 2018 low pH Feasibility Study and that the Gateway had not yet been met. Therefore, no RSU's have been awarded, however the Remuneration Committee has decided to allow additional time for the LTI gateway to be met. This decision has been made because of the Company's achievements during the year but has been limited to a maximum time extension of up to 4 months.

On the basis that an Eligible Participant remains employed by Peninsula as at the relevant dates below, a RSU Amount will be earned at the end of each year with a third vested over each of the following three years. A Participant will become entitled to be issued with or transferred the corresponding RSUs as they are earned as shown in the following tabular example (which presumes that the relevant performance hurdle for the award of RSUs is achieved each year):

1 July 2021	1 July 2022	1 July 2023	1 July 2024	1 July 2025
Vest 1/3 of RSU Award 1	Vest 1/3 of RSU Award 1	Vest 1/3 of RSU Award 1	-	-
Grant RSU Award 2	Vest 1/3 of RSU Award 2	Vest 1/3 of RSU Award 2	Vest 1/3 of RSU Award 2	-
Performance hurdle set for FY2022 Award 3	Grant RSU Award 3	Vest 1/3 of RSU Award 3	Vest 1/3 of RSU Award 3	Vest 1/3 of RSU Award 3

Note that in the above illustrative example, the grant of any RSU is subject, amongst other things, to meeting performance hurdle gateways each financial year. If the gateway performance hurdle is not met and/or other factors do not justify the grant of RSUs in any period, no grant is made and subsequent vesting for that financial year does not occur.

The number of annual RSUs to be awarded to an Eligible Participant will be calculated by dividing the Eligible Participant's RSU Amount by the volume weighted average price of ordinary shares of Peninsula over the period 30 business days prior to the end of the respective financial year ending 30 June, as follows:

$$\frac{\text{Base salary x LTI percentage (applicable to role)}}{\text{30-day VWAP as at 30 June}}$$

Employment Details of Directors and Members of Key Management Personnel

The following table provides employment details of persons who were, during the financial year, directors and members of Key Management Personnel of the consolidated group. The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of share options, shares or restricted share units for the year ended 30 June 2021.

		Remuneration Related to Performance		Remuneration Not Related to Performance		
Key Management Personnel	Position Held at 30 June 2021	Non-Salary Cash Based Incentives %	Non-Salary Equity Based Incentives %	Fixed Salary/ Fees – Equity Based %	Fixed Salary/ Fees – Cash Based %	Total %
John Harrison	Non-Executive Chairman	-	-	-	100	100
Wayne Heili	Managing Director / Chief Executive Officer	21	(14)	-	93	100
Harrison Barker	Non-Executive Director	-	-	-	100	100
Mark Wheatley	Non-Executive Director	-	-	-	100	100
David Coyne	Non-Executive Director	-	(48)	-	148	100
Ralph Knode	Chief Executive Officer (Strata Energy Inc.)	17	(3)	-	86	100
Ron Chamberlain	Chief Financial Officer and Joint Company Secretary	18	-	-	82	100

Notes:

(1) Amounts are negative as a consequence of 2020 financial year share based payment accrual adjustments that have been recognised in the 2021 financial year.

Service Contracts

The employment terms and conditions of Key Management Personnel are formalised in contracts of employment. Terms of employment require that the relevant group entity provide an executive contracted person with a minimum one-month notice prior to termination of contract. A contracted person deemed employed on a permanent basis may terminate their employment by providing at least one month's notice. Termination payments are not payable on resignation or under circumstances of unsatisfactory performance. On termination notice by the Company, any rights that have vested, or that will vest during the notice period, will be released. Rights that have not yet vested will be forfeited. Unless otherwise stated, the commencement date of the employment agreement is the appointment date to the role.

Mr John Harrison
Non-Executive Chairman

- Terms of agreement – no fixed term;
- Base Chairman fees of A$100,000, exclusive of superannuation (reduced by 20% from 1 April 2020 to 31 July 2020);
- Remuneration Committee Chairman fee of A$10,000 (removed from 1 March 2020);
- No termination benefit is specified in the agreement; and
- From 1 July 2021 the fees were changed to be inclusive of superannuation, and the Remuneration Committee Chairman fee was reinstated.

Mr Wayne Heili
Managing Director / Chief Executive Officer

- Executive service employment agreement – no fixed term;
- Base salary of US$332,928 per annum, exclusive of retirement benefits and Company provided medical insurance coverage (reduced by 20% from 1 April 2020 to 31 July 2020);
- Notice period – 6 months;
- 6-month termination payment under certain circumstances; and
- From 1 July 2021 the base salary was increased to US$375,000, exclusive of retirement benefits, after completion of the annual review process which included benchmarking of remuneration against global uranium peer companies.

Mr Harrison Barker
Non-Executive Director

- Terms of agreement – no fixed term;
- Base director fees of A$65,000, exclusive of superannuation (reduced by 20% from 1 April 2020 to 31 July 2020);
- No termination benefit is specified in the agreement; and
- From 1 July 2021 the fees were changed to be inclusive of superannuation.

Mr Mark Wheatley
Non-Executive Director

- Terms of agreement – no fixed term;
- Base director fees of A$65,000, exclusive of superannuation (reduced by 20% from 1 April 2020 to 31 July 2020);
- Audit and Risk Management Committee Chairman fee of A$10,000 (removed from 1 March 2020);
- No termination benefit is specified in the agreement; and
- From 1 July 2021 the fees were changed to be inclusive of superannuation, and the Audit and Risk Management Committee Chairman fee was reinstated.

Mr David Coyne
Non-Executive Director (resigned as Chief Financial Officer and Joint Company Secretary effective 17 July 2020 but continues to serve on the Board)

- Terms of agreement – no fixed term;
- Base director fees of A$65,000, exclusive of superannuation (reduced by 20% to 31 July 2020);
- No termination benefit is specified in the agreement; and
- From 1 July 2021 the fees were changed to be inclusive of superannuation.

Mr Ralph Knode
Chief Executive Officer - Strata Energy Inc.

- Terms of agreement – expires 28 February 2022;
- Full time equivalent base salary of US$327,925 (increased on 1 January 2021 from US$321,500), exclusive of retirement benefits and Company provided medical insurance coverage;
- Presently working a full time equivalent of 0.67;
- Notice period – none specified; and
- From 1 July 2021 the full time equivalent base salary was increased to US$340,298, exclusive of retirement benefits, and he continues to work a full time equivalent of 0.67.

Mr Ron Chamberlain
Chief Financial Officer / Joint Company Secretary from 13 July 2020

- Executive service employment agreement – no fixed term;
- Base salary of A$350,000 inclusive of superannuation;
- Notice period – 3 months;
- 6-month termination payment under certain circumstances; and
- From 1 July 2021 the base salary was increased to A$364,000 inclusive of superannuation.

Table of Benefits and Payments for the Year Ended 30 June 2021

			Incentives					
Key Management Personnel	Year	Salary & Fees US$	Cash based[1] US$	Shares[1] US$	Options[6] US$	Super-annuation US$	Other Benefits[7] US$	Total US$
Directors								
John Harrison	2021	73,483	-	-	-	-	-	73,483
	2020	68,198	-	-	-	-	-	68,198
Wayne Heili[2]	2021	338,534	90,099	(59,667)	-	15,531	34,871	419,368
	2020	323,618	140,685	319,464	7,974	12,883	10,284	814,908
Harrison Barker[4]	2021	56,686	-	-	-	-	-	56,686
	2020	51,457	-	-	-	-	-	51,457
Mark Wheatley	2021	47,764	-	-	-	4,614	-	52,378
	2020	45,894	-	-	-	4,567	-	50,461
David Coyne[2,3]	2021	54,568	-	(19,289)	-	5,309	-	40,588
	2020	248,431	165,029	40,248	4,026	17,794	31,110	506,638
Other Executives								
Ralph Knode	2021	226,324	53,565	(9,080)	-	11,292	26,356	308,457
	2020	315,135	170,095	135,881	-	13,224	19,004	653,339
Ron Chamberlain	2021	225,565	51,804	-	-	17,351	-	294,720
	2020	-	-	-	-	-	-	-
Jonathan Whyte[5]	2021	-	-	-	-	-	-	-
	2020	175,731	52,816	-	-	-	80,153	308,700
Total	2021	1,022,924	195,468	(88,036)	-	54,097	61,227	1,245,680
	2020	1,228,464	528,625	495,593	12,000	48,468	140,551	2,453,701

Notes:

(1) Amounts include cash and shares for STI and RSUs for LTI awards and Retention Scheme arrangements.
Amounts for STI and LTI for the relevant financial year if applicable have been accrued at year end but have been paid subsequent to year end. No LTI accrual has been made in the 2021 financial year as the LTI Gateway has not yet been met. A decision has been made to allow additional time for the LTI Gateway to be met based on the achievements during the year, but this has been limited to a maximum time extension of up to 4 months.
Valuation adjustments in the current year for accrued 2020 financial year share based payments have been included in the 2021 financial year disclosure. This has resulted in current year negative amounts for Mr Heili (US$59,667), Mr Coyne (US$19,289) and Mr Knode (US$9,080).
In late 2017 the Company established a Retention Scheme designed to reward staff of Peninsula and its wholly owned subsidiary, Strata, for their continued service as the Company commenced the process to transition to low pH operations at the Lance Projects. Payments under the Retention Scheme become payable in cash on the condition that the recipient remains employed until the date that is six months after the Wyoming Department of Environmental Quality (WDEQ) approved the amendments to the Permit to Mine and Source Materials License (the "Amendments") to allow low pH mining in the Ross Permit Area of the Lance Projects. The WDEQ transmitted its approval of the second of the Amendments on 1st August 2019 and Retention Scheme payments to eligible participants became payable on 1st February 2020.

(2) On 3 February 2020, the Company announced that Mr Heili elected to take the full amount (US$153,000) of his Retention Scheme award as shares in lieu of cash at a price of A$0.169 per share. These shares were accrued at 30 June 2020 and subsequently issued on 1 December 2020 after shareholder approval was obtained at the 2020 Annual General Meeting.
In the 2020 financial year Mr Coyne elected to take part of his Retention Scheme award (US$40,248) as shares in lieu of cash at a price of A$0.169 per share. These shares were accrued at 30 June 2020 and subsequently issued on 1 December 2020 after shareholder approval was obtained at the 2020 Annual General Meeting.

(3) Mr Coyne resigned as Chief Financial Officer and Joint Company Secretary effective 17 July 2021 and as a consequence US$11,151 has been included in his remuneration relating to these 17 days.

(4) Mr Barker's remuneration includes US$8,922 (2020: US$10,035) for additional time spent representing the Company at various nuclear conferences, customer meetings and other industry events during the year.

(5) On 17 April 2020, the terms of Mr Whyte's service contract were materially changed because of the Company reducing the days per month that Mr Whyte would provide services to the Company. Contractual termination provisions were paid to Keyport Investments Pty Ltd, through which Mr Whyte is engaged, and Mr Whyte is no longer eligible to participate in the Company incentive schemes. From 17 April 2020 Mr Whyte has continued to provide company secretarial services to the Company on a reduced basis but is no longer a Key Management Personnel.

(6) On 19 December 2017, unlisted options with an original exercise price of A$0.50 (exercise price reduced to A$0.4572 effective 9 July 2020) were issued to Executive Directors as approved by shareholders at the Annual General Meeting held on 28 November 2017. The options were valued independently using the Black Scholes option model and are being expensed over the vesting period of the options, refer to the Notice of Annual General Meeting released on 27 October 2017 for detailed valuation assumptions. The director incentive options will be held on trust for directors and will vest in equal proportions over a three-year period with the first vesting date being 1 July 2018.

(7) Other Benefits in the above table include medical benefits for Mr Heili and Mr Knode, accrual for long service leave for Mr Coyne, and termination benefits for Mr Whyte following a material change to his service agreement.

Table of Restricted Share Units for the Year Ended 30 June 2021

	Grant Details			For the Financial Year Ended 30 June 2021			Overall		
Executives	Date	Number	Value US$	Vested No.	Unvested No.	Years Remain	Fair Value Brought to Account %	Fair Value Not Yet Brought to Account %	Lapse %
Restricted Share Units - Shares									
Directors									
Wayne Heili [1]	30/8/2018	797,374	153,000	531,583	265,791	1	100%	-	-
Wayne Heili [2]	20/11/2019	828,006	163,200	276,002	552,004	2	100%	-	-
Wayne Heili [3]	2/10/2020	3,107,388	166,464	-	3,107,388	3	100%	-	-
David Coyne [1]	30/08/2018	581,481	111,575	387,654	193,827	1	100%	-	-
David Coyne [2]	20/11/2019	565,821	107,972	188,607	377,214	2	100%	-	-
Other Executives									
Ralph Knode [1]	30/08/2018	644,153	123,600	429,435	214,718	1	100%	-	-
Ralph Knode [2]	20/11/2019	660,673	126,072	220,224	440,449	2	100%	-	-
Ralph Knode [3]	2/10/2020	2,136,501	114,453	-	2,136,501	3	100%	-	-
Total		9,321,396	1,066,336	2,033,505	7,287,891	-	100%	-	-

Notes:

(1) LTI RSUs for 2018 were approved for issue by the Board subsequent to year end in recognition of milestones achieved during the financial year to 30 June 2018. RSUs are held in trust for the recipients to vest over a three-year period. The number of RSUs issued has been determined using a share price of A$0.26 per share.

(2) LTI RSUs for 2019 were approved for issue by the Board subsequent to year end in recognition of milestones achieved during the financial year to 30 June 2019. RSUs are held in trust for the recipients to vest over a three-year period. The number of RSUs issued has been determined using a share price of A$0.2721 per share.

(3) LTI RSUs for 2020 were approved for issue by the Board subsequent to year end in recognition of milestones achieved during the financial year to 30 June 2020. RSUs are held in trust for the recipients to vest over a three-year period. The number of RSUs issued has been determined using a share price of A$0.078 per share.

(4) LTI RSUs for 2021 have yet to be awarded by the Board.

Number of Shares Held by Key Management Personnel as at 30 June 2021

Key Management Personnel	Balance at 1 July 2020	On-Market Trades	Share Purchase Plan Take Up	Net Change Other[1]	Balance at 30 June 2021
Directors					
John Harrison	58,800	-	-	-	58,800
Wayne Heili	2,007,407	-	-	1,835,116	3,842,523
Harrison Barker	-	-	-	-	-
Mark Wheatley	361,326	-	30,534	-	391,860
David Coyne	786,151	(300,000)	-	737,464	1,223,615
Other Executives					
Ralph Knode	983,693	-	-	434,942	1,418,635
Ron Chamberlain	-	-	-	-	-
Total	4,197,377	(300,000)	30,534	3,007,522	6,935,433

* LTI RSUs have been excluded from the table above as they are held in trust for the recipients until respective vesting dates and conditions are met.

Notes:

(1) The movement in Net Change Other refers to both the transfer of RSUs that have vested to Mr Heili, Mr Coyne and Mr Knode plus the issue of 2017 Retention Scheme shares to Mr Heili and Mr Coyne as approved at the Annual General Meeting held on 30 November 2020.

Number of Options Held by Key Management Personnel as at 30 June 2021

Key Management Personnel	Balance at 1 July 2020	Options Expired	Options Exercised	Net Change Other[4]	Balance at 30 June 2021	Total Vested
Directors						
John Harrison[1]	240,000	-	-	-	240,000	240,000
Wayne Heili[2]	600,000	-	-	300,000	900,000	900,000
Harrison Barker[1]	180,000	-	-	-	180,000	180,000
Mark Wheatley[1]	180,000	-	-	-	180,000	180,000
David Coyne[2]	300,000	-	-	150,000	450,000	450,000
Other Executives						
Ralph Knode[3]	350,000	-	-	-	350,000	350,000
Ron Chamberlain	-	-	-	-	-	-
Total	1,850,000	-	-	450,000	2,300,000	2,300,000

* LTI RSUs have been excluded from the table above as they are held in trust for the recipients until respective vesting dates and conditions are met.

Notes:

(1) On 4 December 2018, the Company issued 600,000 unlisted options exercisable at A$0.50 (A$0.4572 from 30 June 2020) on or before 30 November 2022 to Mr Harrison, Mr Barker and Mr Wheatley as approved at the Annual General Meeting held on 29 November 2018. 50% of the unlisted options vest on 1 July 2019 and the remaining 50% vest on 1 July 2020.

(2) On 19 December 2017, unlisted options were issued to Executive Directors as approved by shareholders at the Annual General Meeting held on 28 November 2017. The options were valued independently using the Black Scholes option model and are being expensed over the vesting period of the options, refer to the Notice of Annual General Meeting released on 27 October 2017 for detailed valuation assumptions. The director incentive options will be held on trust for directors and will vest in equal proportions over a three-year period with the first vesting date being 1 July 2018.

(3) On 19 December 2017, unlisted options were issued to employees under existing contracts. The options were valued using the Black Scholes option model and were expensed over the vesting period of the options. The employee incentive options were held on trust for the various recipients until the future vesting date being 6 months after the relevant regulatory body approves the amendments to the permits and licenses to allow low pH mining in the Ross Permit area. The final amendment approval was received by the Company on 1 August 2019 and the options fully vested on 1 February 2020.

(4) The movement in Net Change Other refers to the transfer of unlisted options that have vested to Mr Heili, Mr Coyne and Mr Knode during the 2021 financial year.

Other Transactions with Key Management Personnel

There were no other transactions with key management personnel other than that disclosed above.

Additional Information

The earnings of the consolidated group for the five years to 30 June 2021 are summarised below:

$'000	2021	2020	2019	2018	2017
Sales revenue	9,775	6,078	6,592	13,162	18,267
EBITDA	(613)	(1,442)	(37,416)	3,915	(68,183)
EBIT	(940)	(1,855)	(39,428)	1,708	(71,432)
Loss after income tax	(1,440)	(7,600)	(43,007)	(1,167)	(75,147)

The factors that are considered to affect total shareholders return are summarised below:

Cents per share	2021	2020	2019	2018	2017
Share price at financial year end	17.0	7.2	30.8	23.4	33.3
Total dividends declared	0.0	0.0	0.0	0.0	0.0
Basic earnings per share	(0.16)	(2.68)	(17.58)	0.22	(37.93)

Voting at Last Annual General Meeting

At the last AGM, shareholders indicated their support of the Company's remuneration practices with 98% of the votes cast being in favour of the adoption of the Remuneration Report.

End of Audited Remuneration Report

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

John Harrison
(Non-Executive Chairman)

30 September 2021
Perth

Auditor's Independence Declaration

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DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF PENINSULA ENERGY LIMITED

As lead auditor of Peninsula Energy Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Peninsula Energy Limited and the entities it controlled during the period.

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 30 September 2021

Financial Report

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The Company will continue to strive to create long lasting value for all our stakeholders and we look forward to the Company's next chapter.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	Notes	2021 US$000s	2020 US$000s
Continuing Operations			
Revenue	2	9,775	6,078
Cost of sales	3(a)	(8,520)	(5,958)
Gross Profit		**1,255**	**120**
Other income	2	656	602
Standby mode and low pH transition costs	3(b)	(7,138)	(6,582)
Corporate and administration expenses	3(c)	(2,030)	(2,707)
Depreciation expense		-	(27)
Foreign exchange (loss)/gain		(650)	5
Derivative fair value movement		6,929	7,448
Other credits/(expenses)	3(d)	98	(808)
Loss before interest and tax from continuing operations		**(880)**	**(1,949)**
Finance costs		(35)	(4,218)
Net loss before income tax		**(915)**	**(6,167)**
Income tax expense	4a	(465)	(1,527)
Loss for the year from continuing operations		**(1,380)**	**(7,694)**
(Loss)/Gain for the year from discontinued operations		(60)	94
Loss for the year		**(1,440)**	**(7,600)**
Other comprehensive loss:			
Other comprehensive loss may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		1,011	529
Total comprehensive loss for the year		**(429)**	**(7,071)**
Loss for the year attributable to:			
Equity holders of the Parent		(1,432)	(7,639)
Non-controlling interests		(8)	39
Loss for the year		**(1,440)**	**(7,600)**
Total comprehensive loss for the year attributable to:			
Equity holders of the Parent		(217)	(7,369)
Non-controlling interests		(212)	298
Total comprehensive loss for the year		**(429)**	**(7,071)**
Loss per share attributable to the members of Peninsula Energy Limited:			
Basic and Diluted (cents per share)	23	(0.16)	(2.68)
Loss for the year from continuing operations			
Basic and Diluted (cents per share)	23	(0.15)	(2.70)

The above consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2021

	Notes	2021 US$000s	2020 US$000s
Current Assets			
Cash and cash equivalents	5	6,701	11,935
Trade and other receivables	6	10,772	553
Inventory	7	499	473
Held for sale assets		916	759
Other financial assets	9	6,566	2,578
Total Current Assets		**25,454**	**16,298**
Non-Current Assets			
Trade and other receivables	6	3,001	3,066
Inventory	7	9,419	-
Property, plant and equipment	11	18,718	18,816
Mineral development	12	38,633	37,356
Other financial assets	9	6,084	6,717
Total Non-Current Assets		**75,855**	**65,955**
Total Assets		**101,309**	**82,253**
Current Liabilities			
Trade and other payables	14	7,398	1,167
Borrowings	15	608	572
Provisions	16	145	200
Liabilities associated with held for sale assets		654	560
Total Current Liabilities		**8,805**	**2,499**
Non-Current Liabilities			
Borrowings	15	8	43
Provisions	16	12,638	11,325
Deferred tax liabilities	4c	2,206	1,527
Total Non-Current Liabilities		**14,852**	**12,895**
Total Liabilities		**23,657**	**15,394**
Net Assets		**77,652**	**66,859**
Equity			
Issued capital	17	252,502	240,598
Reserves	18	8,046	7,513
Accumulated losses		(181,704)	(180,272)
Equity attributable to equity holders of the Parent		78,844	67,839
Non-controlling interest		(1,192)	(980)
Total Equity		**77,652**	**66,859**

The above consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2021

	Notes	Issued Capital US$000s	Accumulated Losses US$000s	Share-Based Payments Reserve US$000s	Foreign Currency Translation Reserve US$000s	Total US$000s	Non-controlling interest US$000s	Total Equity US$000s
30 June 2019		**207,493**	**(172,633)**	**16,008**	**(8,905)**	**41,963**	**(1,278)**	**40,685**
Transactions with Owners								
Shares issued during the year	17(b)	34,108	-	(638)	-	33,470	-	33,470
Share-based payments	22	12	-	778	-	790	-	790
Issue of shares under debt facility agreement	17(b)	1,207	-	-	-	1,207	-	1,207
Share issue costs	17(b)	(2,222)	-	-	-	(2,222)	-	(2,222)
Total Transactions with Owners		**33,105**	**-**	**140**	**-**	**33,245**	**-**	**33,245**
Comprehensive Loss								
Foreign exchange translation reserve		-	-	-	529	529	-	529
Non-controlling interest		-	-	-	(259)	(259)	259	-
Loss for the year		-	(7,639)	-	-	(7,639)	39	(7,600)
Total Comprehensive Loss		**-**	**(7,639)**	**-**	**270**	**(7,369)**	**298**	**(7,071)**
30 June 2020		**240,598**	**(180,272)**	**16,148**	**(8,635)**	**67,839**	**(980)**	**66,859**
Transactions with Owners								
Shares issued during the year	17(b)	12,431	-	(572)	-	11,859	-	11,859
Share-based payments	22	-	-	(110)	-	(110)	-	(110)
Share issue costs	17(b)	(527)	-	-	-	(527)	-	(527)
Total Transactions with Owners		**11,904**	**-**	**(682)**	**-**	**11,222**	**-**	**11,222**
Comprehensive Loss								
Foreign exchange translation reserve		-	-	-	1,011	1,011	-	1,011
Non-controlling interest		-	-	-	204	204	(204)	-
Loss for the year		-	(1,432)	-	-	(1,432)	(8)	(1,440)
Total Comprehensive Loss		**-**	**(1,432)**	**-**	**1,215**	**(217)**	**(212)**	**(429)**
30 June 2021		**252,502**	**(181,704)**	**15,466**	**(7,420)**	**78,844**	**(1,192)**	**77,652**

The above consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2021

	Notes	2021 US$000s	2020 US$000s
Operating Activities			
Receipts from customers		3,380	7,480
Payments to suppliers and employees		(11,466)	(13,882)
Payments for strategic uranium inventory holding	7	(9,419)	-
Interest paid		(138)	(1,982)
Interest received		15	53
Income taxes (paid)/refunded		294	(206)
Insurance proceeds received		-	508
Other receipts		51	-
Net cash used in operating activities	31	**(17,283)**	**(8,029)**
Investing Activities			
Payments of property, plant and equipment		(171)	(107)
Payments for mineral development		(21)	(237)
Proceeds from sale of property, plant and equipment		10	236
Receipts from/(Payments to) mineral exploration performance bonds and rental bonds		(12)	53
Net cash used in investing activities		**(194)**	**(55)**
Financing Activities			
Proceeds from equity issues		11,835	33,499
Share issue costs		(468)	(2,222)
Proceeds from borrowing		560	516
Repayment of borrowings		(43)	(16,921)
Payments for borrowing costs		-	(127)
Net cash provided by financing activities		**11,884**	**14,745**
Net increase/(decrease) in cash held		(5,593)	6,661
Cash and cash equivalents at the beginning of financial year		11,935	5,269
Effects of exchange rate fluctuations on cash held		359	5
Cash and cash equivalents at the end of the financial year	5	**6,701**	**11,935**

The above consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Note 1: Statement of Significant Accounting Policies

This note provides a list of significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes below. These policies have been consistently applied to all years presented, unless otherwise stated. The financial statements are for Peninsula Energy Limited and controlled entities (consolidated group).

Basis of Preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Peninsula Energy Limited is a for-profit entity for the purpose of preparing the financial statements.

The consolidated financial statements of Peninsula Energy Limited group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared on an accruals basis and going concern basis, and is based on historical costs, modified, where applicable, by the measurement of fair value of selected non-current assets, financial assets, and financial liabilities. Based on available cash and cash equivalent assets and inventory holdings at 30 June 2021, and the inherent value of the existing portfolio of uranium concentrate sale and purchase agreements, Peninsula has sufficient funds to meet its obligations for both corporate and project activities, specifically the Lance Projects MU1A field demonstration, well beyond the period ending 12 months from the date of this report. There are no indicators suggesting going concern issues and, therefore, no significant doubt regarding the entity's ability to continue as a going concern.

The consolidated financial statements were approved for issue by the board of directors on 30 September 2021.

Adoption of New and Revised Accounting Standards

Peninsula Energy Limited has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current annual reporting period – year ended 30 June 2021.

New Accounting Standards and Interpretations Issued but not yet Effective

Australian Accounting Standards and Interpretations that have been issued or amended but are not yet mandatory, have not been early adopted by the consolidated group for the annual reporting period ended 30 June 2021. The consolidated group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated group, are set out below.

The following new or amended Accounting Standards and Interpretations are not expected to have a s significant impact on the consolidated group's financial statements:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current
- AASB 2020-3 Amendments to Australian Accounting Standards: Business Combinations
- AASB 2020-3 Amendments to Australian Accounting Standards: Financial Instruments
- AASB 2020-3 Amendments to Australian Accounting Standards: Property, Plant and Equipment
- AASB 2020-3 Amendments to Australian Accounting Standards: Provisions, Contingent Liabilities and Contingent Assets
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Peninsula Energy Limited at the end of the reporting year. A controlled entity is any entity over which Peninsula Energy Limited has the power to govern the financial and operating policies of, so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights is considered.

Where controlled entities have entered or left the consolidated group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 10 of the notes to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.
Business combinations by the group are accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Rounding of amounts

The consolidated group has applied the relief available to it under ASIC Legislative Instrument 2017/191. Accordingly, amounts in the Financial Report have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Value Added Taxes

Revenues, expenses and assets are recognised net of the amount of value added taxes, except where the amount of value added tax incurred is not recoverable from the relevant tax authority. In these circumstances the value added tax is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of value added tax. Cash flows are presented in the cash flow statement on a gross basis, except for the value added tax component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of value added tax recoverable from, or payable to, a taxation authority.

Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. When the consolidated group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in the financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Key Estimates, Judgements and Assumptions

The preparation of the consolidated group's financial statements requires management to make estimates, judgements and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. This uncertainty includes the COVID-19 pandemic which to date has not material impacted the activities of the group. The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are disclosed in the relevant notes.

Note 2: Revenue and Other Income

	2021 US$000s	2020 US$000s
Revenue from continuing operations		
Sale of uranium concentrate	9,775	6,078
Total revenue from continuing operations	**9,775**	**6,078**
Other income		
Loan forgiveness (Note 15)	516	-
Interest received	5	34
Insurance claim proceeds	-	508
Sundry income	135	60
Total other income	**656**	**602**

Accounting Policy

All revenue is stated net of the amount of value added tax (VAT), goods and services tax (GST) or other similar taxes.

Sales Revenue

Revenue from uranium concentrate sales is recognised when control of goods pass to the purchaser, including delivery of the product and transfer of legal title, the selling price is set or determinable, and collectability is reasonably assured.

The revenue recognised in the financial statements represents the delivery of uranium concentrate at a deemed 'fair value market' price. The difference between this deemed price and the contracted cash is recorded as part of the derivative asset. On deliveries to conversion facilities ("Converter"), the Converter credits the Company's account for the volume of accepted uranium. Based on delivery terms in a sales contract with its customer, the Company instructs the Converter to transfer title of a contractually specified quantity of uranium to the customer's account at the Converter. The Company recognises revenue at the point in time when the Converter has completed the transfer of title of the uranium to the customer.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets, is the rate inherent in the instrument.

Note 3: Material Profit or Loss Items

		2021 US$000s	2020 US$000s
a)	**Cost of sales**		
	Production costs before depreciation and amortisation	-	1,395
	Depreciation and amortisation	-	42
	Purchased uranium	8,524	3,678
	Inventory movement	-	843
	Inventory net realisable value write-down/(reversal)	(4)	-
	Total cost of sales	**8,520**	**5,958**
b)	**Standby mode and low pH transition costs**[1]	**7,138**	**6,582**
c)	**Corporate and administration expenses**		
	Selling and marketing expenses	125	128
	Corporate and other administration expenses	1,905	2,579
	Total corporate and administration expenses	**2,030**	**2,707**
d)	**Other expenses/(credits)**		
	Share-based payments expense (Note 22)	(110)	790
	Loss on sale of fixed assets	-	18
	Write off of exploration costs	12	-
	Total other expenses	**(98)**	**808**

Included within the above costs and expenses:

	2021 US$000s	2020 US$000s
Employee benefits expense	1,082	1,759

Notes:

(1) In July 2019 the Lance Projects ceased alkaline ISR operations and as a result the project standby mode and transition costs to the low pH ISR process have been separately disclosed, but any costs relating to the sale of uranium concentrate have been disclosed in cost of goods sold.

Key Estimates, Judgements and Assumptions

The Statement of Profit and Loss and Other Comprehensive Income in 2020 includes separate presentation of standby mode and low pH transition costs that are based on judgement that these expenses are not related to cost of sales.

Note 4: Income Tax

	2021 US$000s	2020 US$000s
(a) Income tax expense		
Current tax	(214)	-
Deferred tax	679	1,527
Total income tax expense	**465**	**1,527**
(b) Reconciliation of income tax to prima facie tax payable		
Accounting loss before tax	(975)	(6,073)
Income tax expense @ 26.0% (2020: 27.5%)	(254)	(1,670)
Add tax effect of:		
• Share-based payments	(29)	217
• Other items	(84)	835
• Deferred tax assets - tax losses not recognised	943	2,452
• Movement in unrecognised temporary differences	(2)	(78)
• Foreign tax rate differential	(109)	(229)
Total income tax expense	**465**	**1,527**
(c) Deferred tax liabilities		
Exploration and evaluation expenditure - Foreign	5,934	8,875
Temporary differences - Australia	40	-
Temporary differences - Foreign	2,324	1,527
	8,298	10,402
Offset of deferred tax assets	(6,092)	(8,875)
Net deferred tax liabilities recognised	**2,206**	**1,527**
(d) Unrecognised deferred tax assets arising on timing differences		
Tax losses - Australia	4,120	4,531
Tax losses - Foreign	21,467	19,335
Temporary differences - Australia	564	622
Temporary differences - Foreign	3,234	130
	29,385	24,618
Offset of deferred tax liabilities	(6,092)	(8,875)
Net deferred tax assets not brought to account	**23,293**	**15,743**

Accounting Policy

The income tax expense/(revenue) for the period comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the relevant taxation authorities.

Deferred income tax expense reflects movements in deferred tax assets and deferred tax liability balances during the period as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited directly to equity instead of the profit or loss when tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination where there is no effect on accounting or taxable profit or loss.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) legally enforceable right of set-off exists; and, (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Key Estimates, Judgements and Assumptions

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the way management expects to recover or settle the carrying amount of the related asset or liability.

Note 5: Cash and Cash Equivalents

	2021 US$000s	2020 US$000s
Cash at bank and in hand	6,701	11,935
Cash at bank per consolidated statement of cash flow	**6,701**	**11,935**

Refer to Note 25 for analysis of risk exposure for cash and cash equivalents.

Accounting Policy

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Note 6: Trade and Other Receivables

	2021 US$000s	2020 US$000s
Current		
Trade receivable[1]	9,913	-
Prepayments	394	209
GST and VAT receivable	123	82
Sundry receivables	107	24
Bonds and security deposits	235	198
AMT federal tax credit - current	-	40
Total current trade and other receivables	**10,772**	**553**
Non-Current		
Bonds and security deposits[2]	3,001	3,026
AMT federal tax credit – non-current	-	40
Total non-current trade and other receivables	**3,001**	**3,066**

Notes:

(1) Relates to the sale of 200,000 pounds of U_3O_8 in June 2021 at an average realised cash price of US$49.57 per pound U_3O_8. The trade receivable was collected by the Company within contractual terms in the month of July 2021.

(2) Consists of the cash on deposit as security for the Permit to Mine Bond and Environmental Performance Bonds for the construction and operating activities at the Lance Projects.

No receivables are past due or impaired. Refer to Note 25 for analysis of risk exposure for trade and other receivables.

Accounting Policy

Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Sundry receivables are recognised at amortised cost, less any provision for impairment. Bonds and security deposits include restricted cash amounts and amounts placed on deposit as security for restoration and rehabilitation obligations.

Note 7: Inventory

	2021 US$000s	2020 US$000s
Current		
Stores and consumables	22	-
Inventory – In-Process Uranium	774	734
Inventory – Drummed Uranium	734	682
Net Realisable Value write-down on year-end balance[1]	(1,031)	(943)
Total current inventory	**499**	**473**
Non-Current		
Inventory – Strategic Uranium Stockpile[2]	9,419	-
Total non-current inventory	**9,419**	**-**

Notes:

(1) The carrying value of inventory was reviewed at year end. A write down has been recorded in both years to value inventory at the lower of cost and net realisable value.

(2) In June 2021 the Company purchased 300,000 pounds of uranium concentrate at a price of US$31.35 per pound as a strategic inventory holding.

Accounting Policy

Because of the nature of in-situ operations, it is not economically feasible to accurately measure the amount of in-process inventory at any given time. We use a combination of calculating estimated uranium captured per sampling applied to total lixiviant flow rates to determine the estimated U_3O_8 pounds captured. In-process inventory represents uranium that has been extracted from the wellfield and captured in the ion exchange columns and the elution tanks in the processing plant and is currently being transformed into a saleable product. Plant inventory is U_3O_8 that is contained in yellowcake, which has been dried and packaged in drums, but not yet transported to the conversion facility. The amount of U_3O_8 in the plant inventory is determined by weighing and assaying the amount of U_3O_8 packaged into drums at the plant. Conversion facility inventory is U_3O_8 that has been transported to and received at the conversion facility. The amount of U_3O_8 in the conversion facility inventory includes the amount of U_3O_8 contained in drums shipped to the conversion facility plus or minus any final weighing and assay adjustments per the terms of the uranium supplier's agreement with the conversion facility.

The consolidated group's inventories are measured at the lower of cost or net realisable value and reflect the U_3O_8 content in various stages of the production and sales process including in-process inventory, plant inventory and conversion facility inventory. Operating supplies are expensed when purchased. Finished goods and work in progress inventory are valued at the lower of cost and net realisable value using the weighted average cost method.

When determining the weighted average cost of uranium inventory, finished goods are segregated between uranium produced by the consolidated group and uranium purchased by the consolidated group. Produced uranium and purchased uranium are then separately valued at the lower of weighted average cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Where it is probable that the inventory will be delivered into existing agreements with purchasers, the estimated selling price is the average price contained in the existing agreements, otherwise current market prices are used to determine the estimated selling price.

Production costs include the cost of raw materials, direct labour, mine-site related overhead expenses and depreciation of mineral interests, property, plant and equipment.

Note 8: Assets and Liabilities Classified as Held for Sale

On 27 April 2018, the Company announced its intention to divest or exit its 74% interest in the Karoo Projects in South Africa. After careful consideration of the available options, the Company decided to fully withdraw from any further development activities for the Karoo Projects in which it has an interest. Asset and liability balances and the operating results relating to the Karoo Projects are immaterial and therefore not disclosed.

Accounting Policy

Non-current assets held for sale and disposal groups

Non-current assets and disposal groups are classified as held for sale when:

- They are available for immediate sale;
- Management is committed to a plan to sell;
- It is unlikely that significant changes to the plan will be made or that the plan will be withdrawn;
- An active programme to locate a buyer has been initiated;
- The asset or disposal group is being marketed at a reasonable price in relation to its fair value; and
- A sale is expected to complete within 12 months from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of:

- Their carrying amount immediately prior to being classified as held for sale in accordance with the group's accounting policy; and
- Fair value less costs of disposal.

Following their classification as held for sale, non-current assets (including those in a disposal group) are not depreciated. The results of operations disposed during the year are included in the consolidated statement of comprehensive income up to the date of disposal.

A discontinued operation is a component of the group's business that represents a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale, that has been disposed of, has been abandoned or that meets the criteria to be classified as held for sale.

Discontinued operations are presented in the consolidated statement of comprehensive income as a single line which comprises the post-tax profit or loss of the discontinued operation along with the post-tax gain or loss recognised on the re-measurement to fair value less costs.

Note 9: Other Financial Assets

	2021 US$000s	2020 US$000s
Current		
Derivate financial asset[1]	6,566	2,578
Total current other financial assets	**6,566**	**2,578**
Non-Current		
Derivate financial asset[1]	6,081	6,714
Listed investment	3	3
Total non-current other financial assets	**6,084**	**6,717**

Notes:

(i) The group maintains a portfolio of uranium concentrate sale and purchase agreements and at 30 June 2021 it has up to 5.25 million pounds U_3O_8 of delivery commitments (3.9 million pounds U_3O_8 committed; up to 1.35 million pounds U_3O_8 optional). Delivery obligations under the contracts continue through to 2030. The Company's weighted average future sales price now sits at the upper end of the guided US$51-$53 per pound range.

The group enters into binding purchase agreements from time to time to procure pounds of U_3O_8 to satisfy the delivery obligations noted above. At 30 June 2021 the Company has 700,000 pounds U_3O_8 of purchase commitments. Purchased uranium will be delivered in allotments during each year to align closely with the timing of deliveries to customers and uranium inventory holdings may be used to manage timing differences. Payment for the purchased uranium is also aligned closely with the receipt of proceeds from the sales. The price to be paid under the purchase agreements is confidential but in line with market reported prices at the time they are entered into and is fixed and is not subject to any form of escalation or adjustment.

Judgement is required to determine whether the group's U_3O_8 delivery commitments satisfy the "own-use exemption" contained within IFRS 9. The standard applies to contracts to buy or sell a non-financial item that can be settled net in cash or in another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale, or usage requirements.

Management has assessed that all the committed offtake agreements no longer satisfy the "own-use" exemption under IFRS 9 *Financial Instruments* to not fair value the contractual rights and obligations of the arrangement. In 2018 the Company announced that it was seeking to transition the Lance Projects from an alkaline based mining method to a low pH mining method. The alkaline based operations at the Lance Projects were idled in July 2019. To assist with the transition period, the group agreed to vary certain uranium sale and purchase agreements and reduce the quantity of Lance origin uranium to be delivered under some of its offtake agreements. The group has also entered into purchase commitments in 2018 and subsequent years in order to procure pounds of U_3O_8 to satisfy the delivery obligations.

A Derivative Financial Asset has been recognised and accounted for as Financial Instruments at Fair Value through Profit or Loss. This asset only relates to the open source origin component of the committed offtake agreements (0.9 million pounds U_3O_8 at 30 June 2021) and all the purchase commitments. No asset value has been subscribed to the Lance Project origin component of the committed offtake agreements (3 million pounds U_3O_8).

The derivative financial asset fair value of the open source origin component of the committed offtake agreements is based on the present value of the difference between the revenue under the sales agreement and revenue that a similar agreement would generate if entered into at 30 June 2021, and will differ from the actual cash received in the future.

The net derivative gain recognised during the year ended 30 June 2021 is US$6.929 million (30 June 2020: net derivative gain of US$7.448 million). In 2021 the net gain is attributable to the movement in uranium prices and partial unwinding of the present value discount applied to the opening balance, after realisation of a US$3.574 million cost relating to completion of physical sales to customers and purchases of product during the year.

Accounting Policy

Financial assets are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the consolidated group commits itself to either the purchase or sale of the asset (i.e., trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Key Estimates, Judgements and Assumptions

Fair value for financial assets is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Fair value for derivative financial assets is determined by reference to comparable arm's length transactions or by reference to factors that would apply on an arm's length transaction. In determining fair value, the projected cash flow stream of the financial asset is escalated to a future date using the interest rate applicable to the financial asset instrument. Future cash flows are discounted back to present value using a discount rate that reflects the expected rate of return and level of risk inherent within each financial instrument.

Purchase contract derivative fair values are based on product value of the difference in purchase prices versus the forward curve of spot prices. Delivery contract derivative fair values are based on the present value of the difference between revenue under existing offtake contracts and revenue that a similar contract would generate if entered into at balance date. Judgement is applied in determining what similar contracts could be entered into.

Note 10: Controlled Entities

(a) Controlled entities consolidated

	Country of Incorporation	Percentage Ownership (%)	
		2021	2020
Parent Entity			
Peninsula Energy Limited	Australia		
Subsidiaries of Peninsula Energy Limited			
Peninsula Uranium Limited	UK	100%	100%
Strata Energy Inc.	USA	100%	100%
Peninsula USA Holdings Inc.	USA	100%	100%
Peninsula Energy LTIP Pty Ltd	Australia	100%	100%
PM Prospecting Pty Ltd	Australia	100%	100%
PM Energy Pty Ltd	Australia	100%	100%
Trove Resources Pty Ltd	Australia	100%	100%
Imperial Mining (Fiji) NL	Australia	100%	100%
Tasman Pacific Minerals Limited	Australia	100%	100%
Tasman RSA Holdings (Pty) Ltd	South Africa	100%	100%
Tasman Mmakau JV Company (Pty) Ltd	South Africa	74%	74%
Tasman Lukisa JV Company (Pty) Ltd	South Africa	74%	74%
Beaufort West Minerals (Pty) Ltd	South Africa	74%	74%

(b) Acquisition and disposal of controlled entities

There were no acquisitions or disposals of controlled entities during the year.

(c) Non-controlling interests (NCI)

No summarised financial information has been presented for the Lukisa Joint Venture as it is immaterial.

On 18 December 2013, the Company acquired a 74% interest in Lukisa JV Company (Pty) Ltd. Under the terms of the shareholders' agreement in place with the holder of the 26% minority interest, the Company has judged that the Company has sufficient capability under the shareholders' agreement to control the day to day activities and economic outcomes of Lukisa JV Company (Pty) Ltd. Future changes to the shareholders' agreement may impact on the ability of the Company to control Lukisa JV Company (Pty) Ltd. The Company may be liable in the future to make an additional payment of US$45.0 million to the vendor. Following the decision to exit the project, liquidate the assets and relinquish the mining rights, it is improbable that this additional payment is required, refer to Note 28 for further details.

Key Estimates, Judgements and Assumptions

In determining whether the consolidated group has control over subsidiaries that are not wholly owned, judgement is applied to assess the ability of the consolidated group to control the day to day activities of the partly owned subsidiary and its economic outcomes. In exercising this judgement, the commercial and legal relationships that the consolidated group has with other owners of partly owned subsidiaries are taken into consideration. Whilst the consolidated group is not able to control all activities of a partly owned subsidiary, the partly owned subsidiary is consolidated within the consolidated group where it is determined that the consolidated group controls the day to day activities and economic outcomes of a partly owned subsidiary. Changes in agreements with other owners of partly owned subsidiaries could result in a loss of control and subsequently de-consolidation.

Upon acquisition of partly owned subsidiaries by the consolidated group, judgement is exercised concerning the value of net assets acquired on the date of acquisition. Minority owner interest share of net assets acquired, and subsequent period movements in value thereof, are disclosed as outside equity interests.

Note 11: Property, Plant and Equipment

	2021 US$000s	2020 US$000s
Plant and Equipment		
At cost	18,548	18,402
Accumulated depreciation	(1,638)	(1,455)
Total Plant and Equipment	**16,910**	**16,947**
Land and Buildings		
At cost	2,186	2,186
Accumulated depreciation	(378)	(317)
Total Land and Buildings	**1,808**	**1,869**
Total Property, Plant and Equipment	**18,718**	**18,816**

30 June 2021

(a) Movement in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Plant and Equipment US$000s	Land and Buildings US$000s	Total US$000s
Balance at the beginning of the year	16,947	1,869	18,816
Additions	173	-	173
Disposals	(2)	-	(2)
Depreciation expense included in cost of sales, standby mode and low pH transition costs, and discontinued operations	(209)	(61)	(270)
Foreign exchange translation	1	-	1
Carrying amount at the end of the year	**16,910**	**1,808**	**18,718**

30 June 2020

(b) Movement in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Plant and Equipment US$000s	Land and Buildings US$000s	Total US$000s
Balance at the beginning of the year	16,753	2,134	18,887
Additions	260	109	369
Disposals	(19)	(85)	(104)
Transfer between asset categories	205	(205)	-
Depreciation expense	(3)	(24)	(27)
Depreciation expense included in cost of sales, standby mode and low pH transition costs, and discontinued operations	(246)	(61)	(307)
Foreign exchange translation	(3)	1	(2)
Carrying amount at the end of the year	**16,947**	**1,869**	**18,816**

Accounting Policy

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Land and Buildings

Freehold land and buildings are shown at their cost, less accumulated depreciation on buildings.

Plant and Equipment

Plant and equipment are measured on a cost basis.

The carrying amount of plant and equipment is reviewed to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Depreciation

The carrying amounts of mineral interests, property, plant and equipment are depreciated to their estimated residual value over the estimated economic life of the specific assets to which they relate, or using the straight-line method over their estimated useful lives indicated below.

Estimates of residual values and useful lives are reassessed annually and any change in estimate is taken into account in the determination of remaining depreciation charges. Depreciation commences on the date when the asset is available for use.

- Mine plant and equipment - based on recoverable resources or reserves on a unit of production basis;
- Assets under construction - not depreciated;
- Property, plant and equipment - 2 to 15 years straight-line or on a unit of production basis; and
- Buildings - 6 to 40 years straight-line or on a unit of production basis.

Note 12: Mineral Development

	2021 US$000s	2020 US$000s
Mineral Development		
Balance at the beginning of the year	37,356	36,427
Development costs	22	236
Increase in provision for rehabilitation	1,313	773
Amortisation of development costs	(58)	(80)
Carrying amount at the end of the year	**38,633**	**37,356**

Accounting Policy – Amortisation of Development Costs

Amortisation of development costs is charged on a units of production basis over the life of economically recoverable resources. Mineral development costs are amortised on the following basis for the Company's operating in-situ recovery project:

- Mine Units – Wellfield development costs (mine unit wellfield data package costs, mining wells, monitor wells and header houses) within a mine unit are amortised on a units of production basis over the expected uranium to be recovered from that mine unit;
- Permit Area – Capitalised exploration, trunkline installation, permitting costs and restoration and rehabilitation costs are amortised on a units of production basis over the expected uranium to be recovered from that permit area; and
- Life of Mine – Capitalised borrowing costs and capitalised pre-production costs are amortised on a units of production basis over the expected uranium to be recovered over the life of mine from all permit areas.

Amortisation of Ross Permit Area costs commenced on 1 May 2016 upon the election to commence commercial operations.

Accounting Policy – Rehabilitation

The consolidated group's operations are subject to significant environmental regulation under international legislation in relation to its conduct of development and operation of uranium projects. The Directors are of the opinion that sufficient procedures and reporting processes have been established to enable the consolidated group to meet its environmental responsibilities, including future restoration and rehabilitation obligations.

Accounting Policy – Impairment of Assets

Development activities commence after commercial viability and technical feasibility of the project is established. At the end of each reporting period, the consolidated group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal (FVLCD) and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income. The recoverable amount is calculated based on estimates, the most significant of which are mineral resources, sales price of uranium concentrate, operating and capital costs, discount rate and production start date.

Key Estimates, Judgements and Assumptions

Pre-production costs are deferred as development costs until such time as the asset is capable of being operated in a manner intended by management and depreciated on a units of production basis. Post-production costs are recognised as a cost of production.

Determining when a project has commenced commercial operations involves judgement. Management performs this assessment for each development project. Amongst the criteria that are evaluated for in-situ recovery and operations are: the level of wellfield flow rates relative to design capacity; the level of production relative to design capacity and the sustainability of this level; the period of time since the start of uranium production; and, an assessment of the sustainability of profitable operations. These factors can be subjective and no one factor by itself is necessarily indicative. Management exercises judgment in evaluating these factors based on its knowledge of the project's operations.

This assessment impacts the statement of financial position and statement of profit or loss and other comprehensive income, as upon commencement of commercial operations, development expenditures cease to be capitalised, revenue is recognised from any sales when the appropriate criteria have been met, and the assets included in assets under construction are reclassified to property, plant and equipment.

The Company made an election to commence expensing production costs on 1 May 2016 due to the commissioning of the CPP, deep disposal well and Stage 1 flow rate capacity reaching almost 50%. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable resources or reserves. For ISR operations where a reserve (by definition under the relevant JORC-Code), cannot be determined until a sufficient period of economic operations have occurred, the rate of depletion shall be based on economically recoverable resources. In determining economically recoverable resources, management makes certain estimates and assumptions as to future events, including the future price of uranium.

Note 13: Joint Arrangements

Interest in Joint Operations

The consolidated group's share of assets employed in joint operations that are included in the consolidated financial statements are as follows:

Geopacific (Fiji) Joint Venture

Peninsula Energy had a 50% interest in the Geopacific Resources NL Joint Venture, whose principal activity was gold exploration. All licences associated with this joint venture were relinquished during the 2021 financial year and therefore the Group no longer holds an interest in this joint operation.

All capitalised expenditure relating to the Geopacific Joint Venture was fully impaired at 30 June 2013.

Mmakau (RSA) Joint Venture

Peninsula Energy has a 74% interest in the Mmakau Joint Venture, whose principal activity was uranium exploration in the Karoo region of the Republic of South Africa. The 74% interest in this joint venture is proportionately consolidated. BEE partner Mmakau Mining (Pty) Ltd holds a 26% interest. The joint venture is dormant and all capitalised mineral exploration and evaluation expenditure relating to the Mmakau Joint Venture was fully impaired at 30 June 2018.

Accounting Policy

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required. Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The consolidated group's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the consolidated financial statements.

Note 14: Trade and Other Payables

	2021 US$000s	2020 US$000s
Current		
Trade and other payables[1]	7,398	1,167
Total trade and other payables	**7,398**	**1,167**

Notes:

(1) The large increase in trade and other payables at 30 June 2021 relates to the purchase of 200,000 pounds of U_3O_8 in June 2021 in order to meet a sales delivery commitment. This trade payable was settled by the Company within contractual terms in the month of July 2021.

Accounting Policy

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the consolidated group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

Note 15: Borrowings

	2021 US$000s	2020 US$000s
Current		
US Paycheck Protection Program[1]	560	515
Other borrowings[2]	48	57
Total current borrowings	**608**	**572**
Non-Current		
Other borrowings[2]	8	43
Total non-current borrowings	**8**	**43**

Notes:

(1) During the 2020 financial year the Company received US$0.515 million under the first round of a US COVID-19 Paycheck Protection Program which is a forgivable loan specifically designed to help businesses keep their workers on the payroll. In accordance with the terms and conditions of this loan the Company applied for and received approval for this loan and accrued interest to be 100% forgiven in December 2020. Therefore, the Company has recognised loan forgiveness during the year in other income as detailed in Note 2.

In March 2021 the Company received an additional US$0.56 million under the second round of the US COVID-19 Paycheck Protection Program. This second round loan is also forgivable, and the Company applied for 100% forgiveness after 30 June 2021 which was approved in August 2021, resulting in the Company having no outstanding loan under the second round of the US Paycheck Protection Program.

(2) Other borrowings consist of leases of motor vehicles, plant and equipment.

Other finance facilities:	2021 US$000s	2020 US$000s
Off-balance sheet arrangements		
Surety bonds[1]	11,058	11,290
Total off-balance sheet arrangements	**11,058**	**11,290**

Notes:

(1) In the normal course of business, the Company is a party to certain off-balance sheet arrangements. These arrangements include guarantees and financial instruments with off-balance sheet risk, such as letters of credit and surety bonds. No liabilities related to these arrangements are reflected in this consolidated Statement of Financial Position, other than the rehabilitation provision.

US federal and state laws require the Company to secure certain long-term obligations, such as asset retirement obligations. We have secured these obligations with surety bonds and we have supported our surety bonds with cash deposits of US$2.9 million in 2021 (US$2.9 million in 2020) that represent a percentage of the face value of the obligation. The surety bond provider has a first ranking charge over these cash deposit amounts. We believe these bonds will expire without any claims or payments thereon, and accordingly we do not expect any material adverse effect on our financial condition, results of operations or cash flows therefrom.

Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost or fair value. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use or sale. Borrowing costs cease to be capitalised upon the earlier of extinguishment of the liability or the commencement of commercial production from the qualifying asset.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Key Estimates, Judgements and Assumptions

Balances disclosed in the financial statements and notes related to financial liabilities are shown at their amortised cost or fair value. When measuring fair value of financial liabilities owed by the consolidated group to minority owners of partly owned subsidiaries within the consolidated group, judgement is made on the future maturity date of the financial instruments, likelihood of the obligation having to be settled and the discount rate applied to future cash flow streams to determine fair value at each reporting date. The discount rate takes into account a risk factor applicable to each such financial liability on each reporting date. At the time of completion of the acquisition of the 74% interest in the Lukisa JV Company (Pty) Ltd, the Company and the holder of the 26% minority interest each acquired from the vendor certain loans owing from the Lukisa JV Company (Pty) Ltd to the vendor. Due to the decision by the Company to withdraw from the Karoo Projects in South Africa and the subordinated position that the acquired loans hold compared to other shareholder loans and third-party liabilities, the Company has applied its judgement to value these loans at a fair value of nil.

The expected maturity date and discount factor applied at each reporting date may change as a result of changes in development, operations or future prospects of partly owned subsidiaries and uranium market conditions.

Note 16: Provisions

	2021 US$000s	2020 US$000s
Current		
Employee Entitlements – Annual Leave	145	168
Employee Entitlements – Long Service Leave	-	32
Total current provisions	**145**	**200**
Non-Current		
Rehabilitation Provision[1]	12,638	11,325
Total non-current provisions	**12,638**	**11,325**

Notes:

(1) A provision for rehabilitation is recognised in relation to the exploration, development and operating activities for costs associated with the restoration of various mine sites. Estimates of the restoration obligations are based on anticipated technology and legal requirements and future costs. In determining the restoration provision, the Company has assumed no significant changes will occur in the relevant Federal and State legislation in relation to restoration in the future.

Accounting Policy

Provisions

Provisions are recognised when the consolidated group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Employee Benefits

Provision is made for the consolidated group's liability for employee benefits arising from services rendered by employees to the reporting date. Employee benefits that are expected to be settled within 12 months have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than 12 months have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Defined Superannuation Schemes

Australian employees receive a superannuation guarantee contribution required by the government, which was 9.50% up to 30 June 2021, and do not receive any other retirement benefits. United States employees receive retirement contributions under a 401(k) plan established by Strata, which is currently 5.0% of ordinary earnings, and do not receive any other retirement benefits.

Key Estimates, Judgements and Assumptions

Decommissioning and restoration costs are a normal consequence of mining, and the majority of this expenditure is incurred at the end of the mine's life. In determining an appropriate level of provision, consideration is given to the expected future costs to be incurred, the timing of these expected future costs (largely dependent on the life of the mine), and the estimated future level of inflation.

The ultimate cost of decommissioning and restoration is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other mine sites. The expected timing of expenditure can also change, for example, in response to changes in resources or to production rates. In recognising the amount of decommissioning and restoration obligation at each reporting date, judgement is made on the extent of decommissioning and restoration that the consolidated group is responsible for at each reporting date. For ISR operations, this requires an assessment to be made on not only physical above ground disturbances but also on below ground disturbances in mining zone aquifers that have occurred through the use of the ISR mining method. Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

Note 17: Issued Capital

	2021 US$000s	2020 US$000s
A reconciliation of the movement in issued capital and reserves for the consolidated group can be found in the Statement of Changes in Equity.		
996,018,185 fully paid ordinary shares (2020: 882,129,638)	**252,502**	**240,598**

(a) Ordinary shares – Number of Shares	2021 No.	2020 No.
At the beginning of the reporting year	882,129,638	247,157,824
Shares issued during the year		
• Shares issued under an institutional placement	89,333,334	42,424,243
• Shares issued under a Share Purchase Plan	13,333,226	-
• Shares issued under employment agreements[3]	9,130,217	3,614,735
• Shares issued in lieu of cash 2017 retention scheme	1,648,353	-
• Shares issued in lieu of cash short-term incentives[4]	443,417	-
• Shares issued under a renounceable entitlement offer	-	567,083,932
• Shares issued under an entitlement offer	-	12,656,280
• Debt facility fees and interest[1]	-	2,508,132
• Debt facility repayment[2]	-	6,684,492
Total at the end of the reporting year	**996,018,185**	**882,129,638**

(b) Ordinary shares – Value of Shares	2021 US$000s	2020 US$000s
At the beginning of the reporting year	240,598	207,493
Shares issued during the year		
• Shares issued under an institutional placement	10,330	4,696
• Shares issued under a Share Purchase Plan	1,506	-
• Shares issued under employment agreements[3]	476	645
• Shares issued in lieu of cash 2017 retention scheme	96	-
• Shares issued in lieu of cash short-term incentives[4]	23	-
• Shares issued under a renounceable entitlement offer	-	27,378
• Shares issued under an entitlement offer	-	1,401
• Debt facility fees and interest[1]	-	467
• Debt facility repayment[2]	-	740
• Share issue costs	(527)	(2,222)
Total at the end of the reporting year	**252,502**	**240,598**

Notes:

(1) Shares issued to the holders of the Convertible Notes, in lieu of quarterly payments for interest and fees. The Convertible Notes were repaid in full on 30 June 2020 from the proceeds of the renounceable entitlement offer.

(2) In March 2020 shares were issued to Resource Capital Fund VI L.P. as a part repayment of the Convertible Note facility.

(3) In September 2020, the Board approved the payment of Long-Term Incentive Plan incentives for Key Management Personnel and senior staff in recognition of performance during the financial year to 30 June 2020. These amounts were accrued as at 30 June 2020 and subsequently issued on 2 October 2020. Restricted share units (RSUs) are held in trust for the recipients to vest over a three-year period. The number of RSUs issued has been determined using a share price of A$0.078 per share, being the 30-day volume weighted share price as at 30 June 2020. No RSU will vest for any participant before 1 July 2021.

In August 2019 the Board approved the payment of Long-Term Incentive Plan incentives for Key Management Personnel and senior staff in recognition of performance during the financial year to 30 June 2019. These amounts were accrued for at 30 June 2019 and subsequently issued on 20 November 2019. Restricted share units (RSUs) are held in trust for the recipients to vest over a three-year period. The number of RSUs issued was determined using a share price of A$0.2721 per share. No RSU will vest for any participant before 1 July 2020.

(4) In November 2020, Shareholders approved the issue of shares to key management personnel at their election in lieu of cash 2017 retention scheme awards. The number of shares issued was based on a share price of A$0.169 per share.

(c) Options

The total number of options on issue at 30 June 2021 was 27,425,000.

The options include 1,950,000 unlisted options exercisable at A$0.4572 (A$0.4572: 2020) on or before 30 November 2022, 2,975,000 unlisted options exercisable at A$0.5072 (A$0.5072: 2020) on or before 30 November 2022, and 22,500,000 unlisted options exercisable at A$0.4572 (A$0.4572: 2020) on or before 22 April 2022.

A reconciliation of the total options on issue as at 30 June 2021 is as follows:

	OPTIONS	
	LISTED No.	UNLISTED No.
At the beginning of the reporting year	-	27,425,000
Issued during the year	-	-
Expired during the year	-	-
Exercised during the year	-	-
Total at the end of the reporting year	**-**	**27,425,000**

All options granted to Key Management Personnel are convertible into ordinary shares in Peninsula, which confer a right of one ordinary share for every option held.

All equity transactions with specified directors and specified executives have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arm's length.

(d) Capital Management

Management controls the capital of the consolidated group in order to maintain an appropriate debt to equity ratio and ensure that the consolidated group can fund its operations and continue as a going concern. The consolidated group currently has no long-term debt but had a US$0.6 million loan at 30 June 2021 under the second round of the US Paycheck Protection Program.

Management effectively manages the consolidated group’s capital by assessing projected compliance with financial undertakings and financial risks, and if required, adjusting its capital structure in response to changes in these risks and projected compliance with financial undertakings. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the consolidated group since the prior year.

Accounting Policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

The consolidated group operates equity-settled share-based payment employee share, performance rights, restricted share unit and option schemes. The fair value of the equity in which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares and restricted share units is ascertained as the market bid price at the time of issue. The fair value of performance rights is ascertained independently on the effective date of grant using a hybrid option pricing model, with the expected share price at the expiry date simulated using a Monte-Carlo model. The fair value of options is ascertained independently using a Black Scholes pricing model which incorporates all market vesting conditions. The number of shares, restricted stock units and options expected to vest is reviewed and, where expectations relate to non-market performance conditions, adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Note 18: Reserves

(a) Share-Based Payments Reserve

The share-based payments reserve records items recognised as expenses on valuation of employee share options and convertible note facility shares and options.

A reconciliation of the movement in the share-based payments reserve as at 30 June 2021 is as follows:

	2021 US$000s	2020 US$000s
At the beginning of the reporting year	16,148	16,008
Share-based payments recorded in reserve	-	778
Accrual reversal (2020 and 2019 LTIP RSUs)	(489)	(638)
Accrual reversal 2017 retention incentive scheme	(193)	-
Total at the end of the reporting year	**15,466**	**16,148**

(b) Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign operations.

Refer to the Statement of Changes in Equity for a reconciliation of movements in the Share-Based Payments Reserve and Foreign Currency Translation Reserve during the year.

Foreign Currency Transactions and Balances

Functional and Presentation Currency

The functional currency of each of the consolidated group's entities is measured using the currency of the primary economic environment in which that entity operates. The functional currency of the parent entity is Australian dollars. The consolidated financial statements are presented in United States dollars which is the parent entity's presentation currency. The functional currency of a material subsidiary, Strata Energy, Inc. is United States dollars. The functional currency of a material subsidiary, Tasman RSA Holdings (Pty) Ltd is South African rand. The functional currency of a material subsidiary, Peninsula Uranium Limited is United States dollars.

Transaction and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the exchange rate on the last day of the reporting period. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge. The parent entity of the consolidated group provides the majority of funding to subsidiaries by way of US dollar denominated intercompany loans, thereby generating a net investment hedge where the gain or loss on consolidation is taken to other comprehensive income in the consolidated statement of profit or loss.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Group Companies

The financial results and position of foreign operations whose functional currency is different from the consolidated group's presentation currency are translated as follows:
- assets and liabilities are translated at exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the reporting period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than United States dollars are recognised in Other Comprehensive Income and included in the foreign currency translation reserve in the statement of financial position.

Note 19: Auditor's Remuneration

	2021 US$000s	2020 US$000s
Remuneration of the auditor of the parent entity for:		
• Auditing or reviewing the financial report	79	48
• Other services	67	33
Total auditor's remuneration	**146**	**81**

Note 20: Key Management Personnel Compensation

Names and positions held of consolidated and parent entity Key Management Personnel in office at any time during the financial year are:

Key Management Personnel	Position
John Harrison	Non-Executive Chairman
Wayne Heili	Managing Director / Chief Executive Officer
Harrison Barker	Non-Executive Director
Mark Wheatley	Non-Executive Director
David Coyne	Non-Executive Director (resigned as Chief Financial Officer and Joint Company Secretary effective 17 July 2020 but continues to serve on the Board)
Ralph Knode	Chief Executive Officer (Strata Energy Inc.)
Ron Chamberlain	Chief Financial Officer and Joint Company Secretary from 13 July 2020

Refer to the Remuneration Report contained in the Report of the Directors for details of the remuneration paid or payable to each member of the consolidated group's Key Management Personnel for the year ended 30 June 2021.

The totals of remuneration paid to Key Management Personnel of the Company and the consolidated group during the year are as follows:

	2021 US$000s	2020 US$000s
Short-term employee benefits	1,218	1,757
Post-employment benefits	54	160
Medical benefits	61	29
Share-based payments (Note 22)	(88)	507
Total remuneration paid to Key Management Personnel	**1,245**	**2,453**

Note 21: Events Since the End of the Financial Year

On 1 July 2021 and 7 September 2021, the Company announced progress updates on the Lance Project low pH field demonstration which has yielded significantly additional results since the previous updates.

On 23 August 2021 Strata received confirmation that its application for 100% forgiveness of the US$0.56 million loan and accrued interest under the second round of the US COVID-19 Paycheck Protection Program had been approved, resulting in the Company having no outstanding loan under this program.

The uranium spot price has increased to US$44.10 per pound U_3O_8 on 28 September 2021 as reported by industry observers.

The group continues to progress and execute its planned activities wherever possible subject to governmental, legal, health, safety and other necessary or imposed restrictions and concerns related to COVID-19 pandemic. COVID-19 has not materially impacted the transition to low pH operations at the Lance Projects, but it does remain an uncertainty moving forward. COVID-19 uncertainty may inhibit the divestment of the Karoo Projects in South Africa.

Note 22: Share-Based Payments

	2021 US$000s	2020 US$000s
Director incentive options issued[1]	-	24
Employee incentive options issued[2]	-	72
Shares issued under employment agreement	-	12
Accrual for LTIP shares[3,4]	(13)	489
Accrual for Retention Incentive Shares[5]	(97)	193
Total share-based payments	**(110)**	**790**

Notes:

(1) On 19 December 2017, 1,350,000 unlisted options were issued to Executive Directors as approved by shareholders at the Annual General Meeting (AGM) held on 28 November 2017. The options were valued independently using the Black Scholes option model and are being expensed over the vesting period of the options, refer to the Notice of Annual General Meeting released on 27 October 2017 for detailed valuation assumptions. The director incentive options will be held on trust for directors and will vest in equal proportions over a three-year period with the first vesting date being 1 July 2018. A further 600,000 unlisted options were issued to Non-Executive Directors as approved by shareholders at the AGM held on 29 November 2018.

(2) On 19 December 2017, 2,975,000 unlisted options were issued to employees under existing contracts. The options were valued using the Black Scholes option model and are being expensed over the vesting period of the options. The employee incentive options were held on trust for the various recipients until the future vesting date being 6 months after the relevant regulatory body approves the amendments to the permits and licenses to allow low pH mining in the Ross Permit area. The final amendment approval was received by the Company on 1 August 2019 and the options fully vested on 1 February 2020.

(3) In September 2020, the Board approved the award of Long-Term Incentive Plan incentives for Key Management Personnel and senior staff in recognition of substantial progress being made on the low pH license and permit amendment approvals during the financial year to 30 June 2020. These amounts were accrued for as at 30 June 2020 but were issued subsequent to year end.

(4) In August 2019, the Board approved the award of Long-Term Incentive Plan incentives for Key Management Personnel and senior staff in recognition of substantial progress being made on the low pH license and permit amendment approvals during the financial year to 30 June 2019. These amounts were accrued for at 30 June 2019 and subsequently adjusted for valuation movement prior to their issue date on 30 August 2019. Restricted share units (RSUs) are held in trust for the recipients to vest over a three-year period. The number of RSUs issued has been determined using a share price of A$0.26 per share. No RSU vested to any participant before 1 July 2020.

(5) On 3 February 2020, the Company announced that Mr Heili elected to take the full amount (US$153,000) of his Retention Scheme award as shares in lieu of cash. These have been accrued as at 30 June 2020 and were issued subsequent to year end in December 2020 after shareholder approval was obtained at the 2020 Annual General Meeting.

In the 2020 financial year Mr Coyne elected to take part of his Retention Scheme award (US$40,248) as shares in lieu of cash. These have been accrued as at 30 June 2020 and were issued subsequent to year end in December 2020 after shareholder approval was obtained at the 2020 Annual General Meeting.

All options granted to Key Management Personnel are convertible into ordinary shares in Peninsula, which confer the right of one ordinary share for every option held.

Note 23: Loss Per Share

The following reflects the income and share data used in the calculations of basic and diluted earnings per share (EPS):

(a) Reconciliation of earnings used in calculating earnings per share	2021 US$000s	2020 US$000s
Loss for the year attributable to the members of Peninsula Energy Limited:		
Loss after income tax	(1,432)	(7,639)
Loss used to calculate basic and diluted EPS	(1,432)	(7,639)
Loss for the year from continuing operations:		
Loss after income tax	(1,380)	(7,694)
Loss used to calculate basic and diluted EPS	(1,380)	(7,694)

(b) Weighted average number of shares outstanding during the year	2021 No.	2020 No.
Weighted average number of ordinary shares used in calculating basic EPS	897,209,346	284,804,427
Weighted average number of ordinary shares and shares under option used in calculating diluted EPS	897,209,346	284,804,427

Earnings Per Share

i. *Basic earnings per share*
Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

ii. *Diluted earnings per share*
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. For the 2021 and 2020 financial years the exercise of granted options is anti-dilutive and as such the diluted earnings per share is the same as the basic loss per share.

Note 24: Capital, Leasing and Delivery Commitments

	2021 US$000s	2020 US$000s
(a) Exploration Tenement Leases		
Payable – Mining Leases (not later than one year)	324	378

The consolidated group has certain obligations with respect to mining tenements and minimum expenditure requirements on areas held. For exploration licence expenditures, commitments are only expected for the following year. Financial commitments for subsequent periods are contingent upon future exploration results and cannot be estimated.

(b) U_3O_8 Delivery Commitments

As at 30 June 2021 Peninsula has up to 5,250,000 pounds of U_3O_8 remaining under contract through to calendar year 2030 for delivery to major utilities located in the United States and Europe.

Of the total delivery commitments noted above, 3,900,000 pounds U_3O_8 is committed and up to 1,350,000 pounds U_3O_8 is optional at the election of the customer.

Summary of Delivery Commitments Over the Next Five Years:	
Financial Year	**Pounds U_3O_8**
2022	450,000
2023	575,000
2024	750,000
2025	850,000
2026	725,000

Approximately 74% of deliveries over the next five years are firm and binding and 26% of deliveries are optional at the election of the customer.

Of the 30 June 2021 committed U_3O_8 sale deliveries at 30 June 2021, 0.9 million pounds can be satisfied with market sourced material ("open origin") in the next three years, with the balance to be supplied from Lance Project origin uranium. The open source origin components do not meet the 'own-use exemption' under *IFRS 9 Financial Instruments* to not fair value the contractual rights and obligations of the arrangement, refer to Note 9.

(c) U_3O_8 Purchase Commitments

As at 30 June 2021 Peninsula has 700,000 pounds of U_3O_8 remaining under contract for purchase.

Summary of Purchase Commitments Over the Next Five Years:	
Financial Year	**Pounds U_3O_8**
2022	450,000
2023	250,000
2024	-
2025	-
2026	-

Key Estimates, Judgements and Assumptions

Judgement is required to determine whether the consolidated group's U_3O_8 delivery commitments satisfy the "own-use exemption" contained within IFRS 9. The standard applies to contracts to buy or sell a non-financial item that can be settled net in cash or in another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale, or usage requirements.

Other than sale contracts that can be settled net in cash or in another financial instrument, management believe all other sales contracts meet the “own-use exemption” definition. Therefore, the majority of commitments fall outside the scope of IFRS 9 and no derivative has been recognised other than as disclosed in Note 9.

Note 25: Financial Risk Management

The consolidated group’s financial instruments consist of certain uranium concentrate sale and purchase agreements, deposits with banks, local money market instruments, short-term investments and accounts receivable and payable, notes issued to debt providers, loans to subsidiaries, and leases.

Financial Risk Management Policies

The consolidated group manages its exposure to a variety of financial risks, market risk (including currency risk, commodity price risk and interest rate risk), credit risk, liquidity risk and cash flow interest rate risk in accordance with the Audit and Risk Management Committee Charter and specific approved group policies. These policies are developed in accordance with the consolidated group’s operational requirements. The consolidated group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessment of prevailing and forecast interest rates and foreign exchange rates. The consolidated group manages credit risk by only dealing with recognised, creditworthy third parties and liquidity risk is managed through the budgeting and forecasting process.

Specific Financial Risk Exposures and Management

The main risks the consolidated group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk, credit risk and equity price risk.

(a) Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the consolidated group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for approval, granting and removal of credit limits, regular monitoring of exposures against such limits and monitoring the financial stability of significant customers and counterparties), ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 30 days from invoice date.

Risk is also minimised by investing surplus funds in financial institutions that maintain a high credit rating.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the reporting date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The consolidated group has no significant concentration of credit risk with any single counterparty or group of counterparties. However, on a geographical basis, the consolidated group has significant credit risk exposures to the United States, United Kingdom and Australia given the substantial operations in those regions. Details with respect to credit risk of Trade and Other Receivables are provided in Note 6. Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 6.

Credit risk related to balances with banks and other financial institutions are managed in accordance with approved Board policy. The consolidated group’s current investment policy is aimed at maximising the return on surplus cash, with the aim of outperforming the benchmark within acceptable levels of risk return exposure and to mitigate the credit and liquidity risks that the consolidated group is exposed to through investment activities.

The following table provides information regarding the credit risk relating to cash and money market securities based on Standard and Poor's counterparty credit ratings.

	2021 US$000s	2020 US$000s
Cash and cash equivalents		
A-Rated	6,701	11,935

(b) Liquidity Risk

Liquidity risk arises from the possibility that the consolidated group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The consolidated group manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments. The consolidated group's liquidity needs can be met through a variety of sources, including the issue of equity instruments and short or long term borrowings.

Alternative sources of funding in the future could include project debt financing and equity raisings, and future operating cash flow. These alternatives will be evaluated to determine the optimal mix of capital resources.

The following table details the consolidated group's non-derivative financial instruments according to their contractual maturities. The amounts disclosed are based on contractual undiscounted cash flows. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

	Financial Asset and Financial Liability Maturity Analysis							
	Within 1 Year		1-5 Years		Over 5 Years		Totals	
	2021	2020	2021	2020	2021	2020	2021	2020
	US$000s	US$000s	US$000s	US$000s	US$000s	US$000s	US$000s	US$000s
Financial Assets								
Cash and cash equivalents	6,701	11,935	-	-	-	-	6,701	11,935
Trade and other receivables	10,772	553	3,001	3,066	-	-	13,773	3,619
Other financial assets	6,566	2,578	6,084	6,717	-	-	12,650	9,295
Total Financial Assets	**24,039**	**15,066**	**9,085**	**9,783**	**-**	**-**	**33,124**	**24,849**
Financial Liabilities								
Trade and other payables	7,398	1,167	-	-	-	-	7,398	1,167
Borrowings	608	572	8	43	-	-	616	615
Total Financial Liabilities	**8,006**	**1,739**	**8**	**43**	**-**	**-**	**8,014**	**1,782**

(c) Market Risk

(i) Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The consolidated group does not use derivatives to mitigate these exposures.

At the reporting date, the details of outstanding contracts are as follows:

	Effective Average Fixed Interest Rate			
	2021 %	2020 %	2021 US$000s	2020 US$000s
Maturity of Amounts				
Less than 1 year	1.10	1.10	43	40
1 to 2 years	-	-	-	-
2 to 5 years	-	-	-	-
Total Financial Assets			**43**	**40**
Maturity of Amounts				
Less than 1 year	-	-	-	-
1 to 2 years	1.00	1.00	560	516
2 to 5 years	-	-	-	-
Total Financial Liabilities			**560**	**516**

(ii) Foreign Exchange Risk

The consolidated group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the relevant group company. The consolidated group's borrowings and deposits are largely denominated in US dollars. Currently there are no foreign exchange hedge programmes in place. However, the consolidated group treasury function manages the purchase of foreign currency to meet operational requirements.

As at 30 June 2021 the consolidated group's net exposure to foreign exchange risk was as follows:

	Currency	2021 $000s	2020 $000s
Functional currency of individual entity: AUD			
Net Foreign Currency Financial Assets			
Cash and cash equivalents	USD	5,711	5,322
Net Foreign Currency Financial Liabilities			
Borrowings	USD	-	-
Total Net Exposure	**USD**	**5,711**	**5,322**

The effect of a 10% strengthening of the USD against the AUD at the reporting date on the USD-denominated assets and liabilities carried within the AUD functional currency entity would, all other variables held constant, have resulted in a decrease in post-tax profit for the year and increase of net assets of US$0.57 million (2020: increase in post-tax loss and decrease in net assets of US$0.53 million).

(iii) Price Risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors of commodities. The consolidated group is also exposed to securities price risk on investments held for trading or for medium or longer terms. The value of the consolidated group's investments, as detailed in Note 9, is not material enough to be considered a risk at the reporting date.

Fair Value

Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

- Cash and short-term investments – the carrying amount approximates fair value because of their short term to maturity;
- Trade receivables and trade creditors – the carrying amount approximates fair value;
- Listed investments – for financial instruments traded in organised financial markets, fair value is the current quoted market bid price for an asset adjusted for transaction costs necessary to realise the asset;
- Derivative financial assets and liabilities – initially recognised at fair value through profit or loss at the date the contract is entered into and subsequently re-measured at each reporting date; and
- Other assets and liabilities approximate their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below:

30 June 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
	US$000s	**US$000s**	**US$000s**	**US$000s**
Financial Assets				
Listed investments[1]	3	-	-	3
Derivative financial asset[2]	-	-	12,647	12,647
Total Financial Assets	**3**	**-**	**12,647**	**12,650**

30 June 2020	**Level 1**	**Level 2**	**Level 3**	**Total**
	US$000s	**US$000s**	**US$000s**	**US$000s**
Financial Assets				
Listed investments[1]	3	-	-	3
Derivative financial asset[2]	-	-	9,292	9,292
Total Financial Assets	**3**	**-**	**9,292**	**9,295**

Notes:

(1) The fair value of the listed investments have been based on the closing quoted bid prices at reporting date, excluding transaction costs.

(2) The fair value of the derivative financial asset has been determined using comparison of uranium forward spot prices to total contractual cash flows of the respective uranium sale and purchase agreements, discounted back to present value.

There were no transfers between levels during the years ended 30 June 2021 and 30 June 2020.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair value due to their short-term nature.

Level 3 Assets
Movements in level 3 assets during the year ended 30 June 2021 are set out below:

	Balance 1 July 2020	Derivative fair value movement	Realised portion	Balance 30 June 2021
Derivative financial asset	9,292	6,929	(3,574)	12,647

The level 3 asset unobservable inputs and sensitivities are as follows:

Description	Unobservable Inputs	Input	Sensitivity
Derivative financial assets	Pre-tax discount rate	9.73% nominal	1% change would increase/ decrease fair value by US$0.1m (2020: US$0.1m)
	Uranium forward sales price	US$37/lb	US$1/lb change would increase/decrease fair value by US$0.8m (2020: US$1.0m)
	Uranium forward purchase price	US$31/lb	US$1/lb change would increase/decrease fair value by US$0.6m (2020: US$0.1m)

Financial Instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the consolidated group commits itself to either the purchase or sale of the asset (i.e., trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified ‘at fair value through the profit or loss’, in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value or amortised cost using the effective interest rate method. Mortgages and finance leases are measured at amortised cost and all other financial instruments are measured at fair value through profit or loss. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised Cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- less any reduction for impairment.

The consolidated group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) *Loans and receivables*
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost or fair value. Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. All other loans and receivables are classified as non-current assets.

(ii) *Investments*
Investments are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. Investments include non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. All other financial assets are classified as current assets.

(iii) *Financial liabilities*
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost or fair value.

(iv) *Financial assets*
Fair value for financial assets is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models. Fair value for financial liabilities is determined by reference to comparable arm’s length transactions or by reference to factors that would apply on an arm’s length transaction. In determining fair value, the projected cash flow stream of the financial liability is escalated to a future date using the interest rate applicable to the financial liability instrument. Future cash flows are discounted back to present value using a discount rate that reflects the expected rate of return and level of risk inherent within each financial liability instrument.

(v) *Impairment*
At each reporting date, the consolidated group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

(vi) *Financial guarantees*
Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with IFRS 15: Revenue from Contracts with Customers. Where the entity gives guarantees in exchange for a fee, revenue is recognised under IFRS 15.

(vii) *De-recognition*
Financial assets are de-recognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are de-recognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Note 26: Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

Ultimate Parent Entity

Peninsula Energy Limited is the ultimate parent entity. The parent entity has related party transactions with its subsidiaries whereby the parent funds exploration, evaluation and development expenses, and general and administrative expenses incurred by its subsidiaries. These expenses are charged to the subsidiaries through inter-company loans.

Service Agreements

Peninsula Energy Limited charged its wholly owned subsidiary Strata Energy Inc, a management fee for the provision of corporate, financial management, administration and other services during the year. The total management fee charged was US$0.31 million (2020: US$0.81 million).

Note 27: Operating Segments

The consolidated group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors and Managing Director / Chief Executive Officer (chief operating decision makers) in assessing performance and determining the allocation of resources. Segments are identified on the basis of area of interest. Financial information about each segment is provided to the chief operating decision makers on at least a monthly basis.

The consolidated group has three reportable operating segments as follows:

- Lance Uranium Projects, Wyoming USA;
- Karoo Uranium Projects, South Africa; and
- Corporate/Other.

Basis of accounting for purposes of reporting by operating segments

(a) Accounting policies adopted

Unless otherwise stated, all amounts reported to the Board of Directors and Managing Director / CEO, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the consolidated group.

(b) Inter-segment transactions

Corporate charges are allocated to reporting segments based on an estimation of the likely consumption of certain head office expenditure that should be used in assessing segment performance.

(c) Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives the majority asset economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(d) Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of that segment. Borrowings and tax liabilities are generally considered to relate to the consolidated group as a whole and are not allocated. Segment liabilities include trade and other payables.

(e) Unallocated items

The following items of revenue, expenditure, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Net gains on disposal of available-for-sale financial investments;
- Impairment of assets and other non-recurring items of revenue and expense; and
- Other financial liabilities.

30 June 2021	Lance Projects Wyoming, USA	Karoo Projects, South Africa	Corporate/ Other	Total
	US$000s	US$000s	US$000s	US$000s
Revenue and Other Income				
External sales	2,775	-	7,000	9,775
Cost of sales	(2,246)	-	(6,274)	(8,520)
Gross Profit	**529**	**-**	**726**	**1,255**
Loan forgiveness	516	-	-	516
Sundry income	-	9	135	144
Interest revenue	1	10	4	15
Total Other Income	**517**	**19**	**139**	**675**
Total Gross Profit and Other Income	**1,046**	**19**	**865**	**1,930**
Expenses				
Standby mode and low pH transition costs	(7,138)	-	-	(7,138)
Selling and marketing expenses	(13)	-	(112)	(125)
Corporate and other administration expenses	-	(14)	(1,905)	(1,919)
Derivative fair value movement	620	-	6,309	6,929
Allocated Segment Expenses	**(6,531)**	**(14)**	**4,292**	**(2,253)**
Unallocated Expenses				
Foreign exchange loss				(650)
Other expenses				33
Finance costs				(35)
Income tax expense				(465)
Loss for the year				**(1,440)**
Segment loss included in discontinued operations				60
Loss for the year from continuing operations				**(1,380)**
Segment Assets				
Mineral development	38,633	-	-	38,633
Property, plant and equipment	18,713	-	5	18,718
Cash and cash equivalents	365	341	5,995	6,701
Trade and other receivables	3,327	258	10,188	13,773
Inventory	9,918	-	-	9,918
Held for sale assets	-	916	-	916
Other financial assets	1,037	-	11,613	12,650
Total Assets	**71,993**	**1,515**	**27,801**	**101,309**
Segment Liabilities				
Borrowings	616	-	-	616
Provisions	12,773	-	10	12,783
Trade and other payables	498	32	6,867	7,397
Liabilities associated with held for sale assets	-	654	-	654
Deferred tax liabilities	-	-	2,206	2,206
Total Liabilities	**13,888**	**686**	**9,084**	**23,657**

30 June 2020	Lance Projects Wyoming, USA	Karoo Projects, South Africa	Corporate/ Other	Total
	US$000s	US$000s	US$000s	US$000s
Revenue and Other Income				
External sales	6,078	-	-	6,078
Cost of sales	(5,958)	-	-	(5,958)
Gross Profit	**120**	**-**	**-**	**120**
Insurance recoveries and grants	534	-	33	567
Gain/(loss) on sale of property	-	255	-	255
Interest revenue	33	19	1	53
Total Other Income	**567**	**274**	**34**	**875**
Total Gross Profit and Other Income	**687**	**274**	**34**	**995**
Expenses				
Standby mode and low pH transition costs	(6,582)	-	-	(6,582)
Selling and marketing expenses	(6)	-	(122)	(128)
Corporate and other administration expenses	(110)	(14)	(2,469)	(2,593)
Depreciation expense	-	(1)	(27)	(28)
Derivative fair value movement	(590)	-	8,038	7,448
Allocated Segment Expenses	**(7,288)**	**(15)**	**5,420**	**(1,883)**
Unallocated Expenses				
Foreign exchange loss				5
Other expenses				(972)
Finance costs				(4,218)
Income tax expense				(1,527)
Loss for the year				**(7,600)**
Segment gain included in discontinued operations				(94)
Loss for the year from continuing operations				**(7,694)**
Segment Assets				
Mineral development	37,356	-	-	37,356
Property, plant and equipment	18,814	2	-	18,816
Cash and cash equivalents	1,122	337	10,476	11,935
Trade and other receivables	3,304	207	108	3,619
Inventory	473	-	-	473
Held for sale assets	-	759	-	759
Other financial assets	1,254	-	8,041	9,295
Total Assets	**62,323**	**1,305**	**18,625**	**82,253**
Segment Liabilities				
Borrowings	615	-	-	615
Provisions	11,438	-	87	11,525
Trade and other payables	608	27	532	1,167
Liabilities associated with held for sale assets	-	560	-	560
Deferred tax liabilities	-	-	1,527	1,527
Total Liabilities	**12,661**	**587**	**2,146**	**15,394**

Note 28: Contingent Liabilities

Lukisa Joint Venture Company Acquisition

In December 2013, the Company completed the acquisition of the South African uranium assets held by AREVA. As part of the commercial arrangements, an additional amount of US$45.0 million is to be paid to AREVA at the time that at least 50% of project development funding is secured. If 50% of project development funding is not secured within 25 years, no additional contingent payment is liable to be made. In order to achieve at least 50% of project development funding, additional exploration and delineation drilling is required, a bankable feasibility study needs to be completed and a mineral reserve to support the first five to seven years of mining operations is required. Following the decision during the 2018 financial year to exit the project, liquidate the assets and relinquish the mining rights, it is improbable that this additional payment is required.

The Board is not aware of any other circumstances or information which leads them to believe there are any other material contingent liabilities outstanding as at 30 June 2021.

Key Estimates, Judgements and Assumptions

Amounts disclosed as contingent liabilities are judgements based on commercial arrangements entered into by the consolidated group. When making judgement on contingent liabilities, consideration is given the past or future event that gives rise to a possible liability in the future and to the probability that the liability will be actually required to be settled in the future. Under the terms of the agreement to acquire a 74% interest in Lukisa JV Company (Pty) Ltd, the Company may be liable in the future to make an additional payment of US$45.0 million to the vendor. After assessment of the conditions that would require this payment to be made in the future, the Company has judged that this possible future payment is a contingent liability as described above and will continue to classify it as a contingent liability until such time as the basis for the possible payment no longer exists. Change in circumstances or the future attainment of objectives may cause liabilities that are currently assessed as being contingent to be reclassified as financial liabilities.

Note 29: Parent Entity Information

	2021 US$000s	2020 US$000s
Current assets	6,697	10,452
Total assets	**73,514**	**48,368**
Current liabilities	403	601
Total liabilities	**403**	**601**
Issued capital	252,502	240,598
Accumulated losses	(197,370)	(213,399)
Share-based payment reserve	15,466	16,148
Foreign currency translation reserve	2,514	4,418
Total equity	**73,112**	**47,765**
Profit/(Loss) of parent entity	**16,029**	**(5,906)**
Other comprehensive income	-	-
Total comprehensive profit/(loss) of the parent entity	**16,029**	**(5,906)**

Note 30: Retirement Benefit Obligations

Superannuation

The parent entity contributes to a non-company sponsored or controlled superannuation fund. Contributions are made to an accumulation fund and are at least the minimum required by law. There is no reason to believe that funds would not be sufficient to pay benefits as vested in the event of termination of the fund on termination of employment of each employee.

Note 31: Cash Flow Information

(a) Reconciliation of net cash used in operating activities with loss after income tax	2021 US$000s	2020 US$000s
Loss after income tax	**(1,440)**	**(7,600)**
Non-cash flows included in loss:		
Gain on sale of fixed assets	(10)	(236)
Depreciation (including depreciation charged to cost of sales and Lance Projects costs)	327	414
Non-cash financing costs	-	2,759
Share-based payments expense	(110)	790
Inventory net realisable value adjustment	(4)	-
Unrealised foreign exchange (gain)/loss	650	(106)
Non-cash fair value movement on derivative	(3,354)	(6,055)
Loan forgiveness	(516)	-
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables relating to operating activities	(10,142)	339
(Increase)/decrease in inventories	(9,441)	1,015
(Increase)/decrease in held for sale assets and liabilities	(62)	45
Increase/(decrease) in trade and other payables relating to operating activities	6,194	(718)
Decrease in income tax provision	-	(191)
Decrease in provisions relating to operating activities	(54)	(12)
Increase in deferred tax liabilities	679	1,527
Net cash used in operating activities	**(17,283)**	**(8,029)**

(b) Acquisition and disposal of entities

During the financial year the group did not acquire or dispose of any entities that materially affected cash flows.

(c) Non-cash investing and financing activities

During the financial year, Peninsula made a number of share-based payments and transactions, which are outlined at Note 17 and Note 22.

Directors' Declaration

For the year ended 30 June 2021

In accordance with a resolution of the Board of Directors, I state that:

In the opinion of the Directors:

(1) (a) the consolidated financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows, and accompanying notes are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated group's financial position at 30 June 2021 and of its performance for the year ended on that date;

(ii) complying with Accounting Standards and Corporations Regulations 2001; and

(iii) other mandatory professional reporting requirements.

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

(c) the audited remuneration disclosures set out in the Remuneration Report of the Directors' Report for the year ended 30 June 2021 comply with section 300A of the *Corporations Act 2001*.

(2) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2021.

(3) The consolidated group has included in the notes to the consolidated financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

On behalf of the Board

John Harrison
Non-Executive Chairman

30 September 2021
Perth

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INDEPENDENT AUDITOR'S REPORT

To the members of Peninsula Energy Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Peninsula Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' de claration.

In our opinion the accompanying financial report of the Group, is in accordance with the Corporations Act 2001, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying Value of Mine Assets

Key audit matter	How the matter was addressed in our audit

Note 11 and 12 of the financial report discloses the carrying value of the Group's mine assets, including mine development assets and property, plant and equipment respectively.
 	
The Group is required to assess the carrying value of mine assets for indicators of impairment at each reporting date.
 	
As the carrying value of mine assets represents significant assets of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amounts of these assets may exceed their recoverable amount.
 	
This is a key audit matter due to the quantum of the assets and the significant judgement involved in management's assessment of the carrying value of mine assets.
	Our procedures included, but were not limited to the following:
	
	• Obtaining and reviewing the reserve report prepared by management's external expert including assessing the competency and objectivity of management's expert;
	
	• Evaluating and challenging management's assessment of indicators of impairment under the Australian Accounting Standards for the mine assets including:
	
	    • Comparing the carrying amounts of the Group's net assets against the market capitalisation, both as at 30 June 2021, and subsequent movements;
	
	    • Comparing commodity price assumptions at 30 June 2021 to independent consensus forecasts;
	
	    • Assessing economic indicators for impacts on appropriate discount rates; and
	
	• Assessing the adequacy of the related disclosures in Note 11 and 12 of the financial report.

Accounting for Derivative Financial Asset

Key audit matter	How the matter was addressed in our audit
The carrying value of derivative financial assets held by the Group as at 30 June 2021 is disclosed in Note 9. Management are required to make significant accounting estimates and judgements to value and recognise a derivative financial instrument consisting of sale and purchase agreements which fall under the scope of AASB 9 Financial Instruments ('AASB 9'). Refer to Note 9 and Note 25 for the detailed disclosures, which include the related accounting policies and the critical accounting judgements and estimates.	Our procedures included, but were not limited to the following: • Evaluating management's assessment that the contracts fall within the scope of AASB 9; • Reviewing management's calculation including key judgements and assumptions applied in respect of accounting for the derivative financial assets; • Inspecting and reviewing the terms of the both the sale and purchase contracts, and recalculating the expected future cash flows that formed the basis of the valuation; • Challenging management assumptions over the discount rates and other key judgements applied involving our valuation experts where necessary; • Assessing whether management's assessment of the classification of the financial instrument is in accordance with the accounting standard; • Considering the taxation implications; and • Assessing the adequacy of the related disclosures in Note 9 and Note 25 of the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 30 to 38 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Peninsula Energy, for the year ended 30 June 2021, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Dean Just

Director

Perth, 30 September 2021

(a) Distribution of Shareholders as at 28 September 2021

Spread of Holdings	Number of Ordinary Shareholders	Number of Shares
1 – 1,000	2,699	935,086
1,001 – 5,000	3,084	8,819,455
5,001 – 10,000	1,762	13,507,405
10,001 – 100,000	3,612	124,804,817
100,001 – and over	765	847,951,422
Total	**11,922**	**996,018,185**

(b) Top Twenty Shareholders as at 28 September 2021

Rank	Name	Number of Ordinary Shares Held	%
1	HSBC Custody Nominees (Australia) Limited	202,428,670	20.32
2	Citicorp Nominees Pty Limited	96,847,188	9.72
3	BNP Paribas Nominees Pty Ltd ACF Clearstream	58,120,392	5.84
4	BNP Paribas Nominees Pty Ltd	48,727,021	4.89
5	Merrill Lynch (Australia) Nominees Pty Limited	32,696,836	3.28
6	BNP Paribas Noms Pty Ltd	27,953,020	2.81
7	UBS Nominees Pty Ltd	19,496,730	1.96
8	BNP Paribas Nominees Pty Ltd Six Sis Ltd	19,116,054	1.92
9	CS Fourth Nominees Pty Limited	8,142,849	0.82
10	HSBC Custody Nominees (Australia) Limited - A/C 2	7,722,619	0.78
11	J P Morgan Nominees Australia Pty Limited	7,628,635	0.77
12	Wanna Quickie Pty Ltd	7,554,804	0.76
13	Peninsula Energy LTIP Pty Ltd	7,132,264	0.72
14	Mr Wayne Heili	5,030,602	0.51
15	Ten Luxton Pty Ltd	5,000,000	0.50
16	Mr Stephen John Kinmond	4,961,885	0.50
17	Morgan Stanley Australia Securities (Nominee) Pty Limited	4,696,091	0.47
18	Mr John Robert Laloli	4,606,523	0.46
19	Dr Timothy Charles Crowe	4,000,000	0.40
20	Bearay Pty Limited	3,396,181	0.34
	Total Top 20	**575,258,364**	**57.76**
	Balance of Register	**420,759,821**	**42.24**
	Total Ordinary Shares on Issue	**996,018,185**	**100.00**

The number of shareholders holding less than a marketable parcel of shares is 3,775, totalling 2,613,901 ordinary shares as at 28 September 2021.

(c) Unlisted Options:

- There are 1,950,000 unlisted options over unissued shares on issue, in the class exercisable at A$0.4572 on or before 30 November 2022. There are three holders in this class of option.
- There are 2,975,000 unlisted options over unissued shares on issue, in the class exercisable at A$0.5072 on or before 30 November 2022. There is one holder in this class of option.
- There are 22,500,000 unlisted options over unissued shares on issue, in the class exercisable at A$0.4572 on or before 22 April 2022. There are three holders in this class of option.

(d) Voting Rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) Schedule of Interests in Mining Tenements

- **Wyoming, USA (Strata Energy, Inc.)**

Location / Project Name	Tenement	Percentage
Private Land (FEE) – Surface Access Agreement	Approx. 2,401 acres	100%
Private Land (FEE) – Mineral Rights	Approx. 10,361 acres	100%
Federal Mining Claims – Mineral Rights	Approx. 13,445 acres	100%
Federal – Surface Access – Grazing Lease	Approx. 40 acres	100%
State Leases – Mineral Rights	Approx. 10,584 acres	100%
State Leases – Surface Access	Approx. 914 acres	100%
Strata Owned – Surface Access	Approx. 315 acres	100%

- **Karoo Projects, South Africa**

Permit Number/ Name	Holding Entity	Initial Rights Date	Renewed/ Signed/ Validity (*e.g. Valid, Under PR Application, Under Mining Right Application, Closure Submitted/Issued)*	Area (km^2)	Current Expiry	Commodity Group	Original PR Status
WC 10085 MR	Tasman Lukisa JV	TBD	Mining Right Application	689	TBD	U, Mo	In Progress*
EC 10029 MR	Tasman Lukisa JV	TBD	Mining Right Application	345	TBD	U, Mo	In Progress*
WC 10248 PR	Beaufort West Minerals	TBD	Prospecting Right Application	509	TBD	U, Mo	In Progress*
WC 10249 PR	Beaufort West Minerals	TBD	Prospecting Right Application	298	TBD	U, Mo	In Progress*
WC 10250 PR	Beaufort West Minerals	TBD	Prospecting Right Application	570	TBD	U, Mo	In Progress*
WC 10251 PR	Beaufort West Minerals	TBD	Prospecting Right Application	347	TBD	U, Mo	In Progress*
EC 07 PR	Tasman Lukisa JV	14/11/2006	Under MR Application – Environmental Closure Application Submitted	48	10/06/2015	U, Mo	Expired
EC 08 PR	Tasman Lukisa JV	14/11/2006	Under MR Application - Environmental Closure Application Submitted	47	10/06/2015	U, Mo	Expired
EC 12 PR	Tasman Lukisa JV	14/11/2006	Under MR Application - Environmental Closure Application Submitted	36	10/06/2015	U, Mo	Expired
EC 13 PR	Tasman Lukisa JV	14/11/2006	Under MR Application - Environmental Closure Application Submitted	69	10/06/2015	U, Mo	Expired
WC 25 PR	Tasman Lukisa JV	17/10/2007	Rehabilitation Planned	7	12/11/2014	U, Mo	Expired
WC 33 PR	Tasman Lukisa JV	01/12/2006	Under MR Application	68	04/07/2016	U, Mo	Expired
WC 34 PR	Tasman Lukisa JV	01/12/2006	Under MR Application - Environmental Closure Application Submitted	34	01/08/2015	U, Mo	Expired
WC 35 PR	Tasman Lukisa JV	01/12/2006	Under MR Application - Environmental Closure Application Submitted	69	01/08/2015	U, Mo	Expired
WC 47 PR	Tasman Lukisa JV	04/09/2008	Under MR Application - Environmental Closure Application Submitted	36	04/07/2015	U, Mo	Expired

Permit Number/ Name	Holding Entity	Initial Rights Date	Renewed/ Signed/ Validity (*e.g. Valid, Under PR Application, Under Mining Right Application, Closure Submitted/Issued*)	Area (km^2)	Current Expiry	Commodity Group	Original PR Status
WC 59 PR	Tasman Lukisa JV	01/12/2006	Under MR Application - Environmental Closure Application Submitted	40	01/08/2015	U, Mo	Expired
WC 60 PR	Tasman Lukisa JV	01/12/2006	Under MR Application - Environmental Closure Application Submitted	56	01/08/2015	U, Mo	Expired
WC 61 PR	Tasman Lukisa JV	01/12/2006	Under MR Application - Environmental Closure Application Submitted	69	01/08/2015	U, Mo	Expired
WC 127 PR	Tasman Lukisa JV	30/11/2006	Under MR Application - Environmental Closure Application Submitted	59	10/12/2017	U, Mo	Expired
WC 137 PR	Tasman Lukisa JV	30/11/2006	Under MR Application - Environmental Closure Application Submitted	73	04/07/2016	U, Mo	Expired
WC 156 PR	Tasman Lukisa JV	30/11/2006	Under MR Application - Environmental Closure Application Submitted	69	04/07/2014	U, Mo	Expired
WC 158 PR	Tasman Lukisa JV	23/01/2007	Under MR Application - Environmental Closure Application Submitted	57	12/11/2014	U, Mo	Expired
WC 167 PR	Tasman Lukisa JV	30/11/2006	Under MR Application - Environmental Closure Application Submitted	21	12/11/2015	U, Mo	Expired
WC 95 PR	Tasman-Lukisa JV	17/04/2007	Closure Submitted	5	23/03/2013	U, Mo	Expired
WC 152 PR	Tasman-Lukisa JV	01/12/2006	Rehabilitation in Progress	189	04/07/2016	U, Mo	Expired
WC 187 PR	Tasman Lukisa JV	01/12/2006	Closure Submitted	24	01/08/2014	U, Mo	Expired
WC 168 PR	Tasman Pacific Minerals	13/12/2006	Closure Submitted	332	05/05/2014	U, Mo	Expired
WC 170 PR	Tasman Pacific Minerals	13/12/2006	Closure Submitted	108	05/05/2014	U, Mo	Expired
NC 330 PR	Tasman Pacific Minerals	08/06/2007	Closure Submitted	481	19/04/2019	U, Mo	Relinquished
NC 331 PR	Tasman Pacific Minerals	08/06/2007	Closure Submitted	205	17/11/2018	U, Mo	Relinquished
NC 347 PR	Tasman Pacific Minerals	08/06/2007	Closure Submitted	634	17/11/2018	U, Mo	Relinquished
EC 28 PR	Tasman Pacific Minerals	15/11/2006	Closure Submitted	225	26/03/2015	U, Mo	Expired

**Note that Joint Venture Partner consent has been requested to withdraw application.*

Corporate Directory

Directors

John Harrison	Non-Executive Chairman
Wayne Heili	Managing Director / CEO
Harrison Barker	Non-Executive Director
Mark Wheatley	Non-Executive Director
David Coyne	Non-Executive Director

Managing Director / Chief Executive Officer

Wayne Heili

Chief Financial Officer

Ron Chamberlain

CEO – Strata Energy

Ralph Knode

Joint Company Secretaries

Jonathan Whyte and Ron Chamberlain

Registered and Principal Office

Suite 22, 44 Kings Park Road
West Perth WA 6005

PO Box 8129, Subiaco East, WA 6008

Telephone: +61 8 6263 4461
Facsimile: +61 8 6263 4444

Website: www.pel.net.au

Share Registry

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

Telephone: 1300 554 474
Facsimile: +61 2 9287 0303

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco, WA 6008

Stock Exchange

Peninsula Energy Limited is a public company listed on the Australian Securities Exchange (ASX) and incorporated in Western Australia.

Peninsula trades under the ticker "PENMF" on the OTCQB Venture Market in the United States.

ASX Codes

PEN – Ordinary Fully Paid Shares

ABN

67 062 409 303