

21 December 2023

Shareholder Letter

Dear Shareholder,

In reviewing 2023, I along with my fellow Board members would like to extend our sincere gratitude for your support throughout the year.

2023 did not unfold as anticipated. The challenges encountered have resulted in us adjusting our production strategy by bringing forward the planned incorporation of circuits to treat our loaded resins in-house, which will deliver a faster ramp-up once in production. This will position Peninsula as a fully independent end-to-end producer of dry yellowcake, offering a significant advantage in the current market landscape.

Our revised strategy delivers a resilient project development plan for the Ross and Kendrick production areas, with an accelerated construction schedule and an objective to commence commercial production by the end of 2024. Upon completion of this upcoming phase of construction, our In-Situ Recovery (ISR) plant will be capable of generating up to 2 million pounds per annum of dry yellowcake product with the Lance Projects generating sustainable cash flows within the first year of production (CY2025).

Over the years, we have developed strong relationships with our customer base, along with the wider nuclear power industry. It is the depth of these relationships that has enabled Peninsula to successfully complete mutually satisfactory agreements to align the future delivery schedules with our revised production plan. The support of our customers is invaluable to the Company, and we look forward to maintaining our strong relationships with them.

In addition to the release of our revised production plan, another pivotal achievement this year was the establishment of the higher-grade Dagger Project, which increases the Company's already substantial resource base. This was a superb achievement for the Company and our shareholders, as we added this high-grade resource development project for only US\$800K (or US\$0.12/lb U₃O₈). The Dagger Project strengthens Peninsula's exploration and development opportunities and aligns strategically with the burgeoning North American uranium market. With the Dagger Project situated just 20 kilometres from our Lance Project facilities, the potential for further expansion and scalability of the Mineral Resource inventory is very exciting.

As a uranium project developer, we have strong exposure to near-term production as well as growth upside through both the Dagger Project and the substantial Barber Project. This provides a solid foundation to increase our Company in size and scale and we look forward to executing key exploration programs across these targets.

From a uranium market perspective, 2023 has seen a significant improvements in the market price and in the support for the uranium sector globally, due to the critical role that nuclear energy is expected to play in meeting decarbonization targets. The shifting sentiment towards nuclear as a primary energy source was highlighted by the recent agreement at COP 28, with over 20 countries signing up to the goal of tripling nuclear energy capacity by 2050.

On the US domestic front, strong support continues as the government's commitment to securing reliable domestic clean energy sources invigorates domestic uranium production as an essential component of the nuclear fuel cycle. Peninsula has been a direct beneficiary of this strategic positioning, qualifying as a supplier to the US Department of Energy and supplying 300,000 pounds of US origin U₃O₈ during 2023. More recently, the announcement of the passing of the *Prohibiting Russian Uranium Imports Act* in the House of Representatives highlights the US government's ongoing support for this domestic production and security of energy supply.

Looking to 2024 and beyond, Peninsula Energy is poised for an exciting future. We acknowledge this buoyancy in the uranium market has yet to flow through to the value of your Peninsula shares. However, we are confident that we have overcome the hurdles of 2023 and with a clear runway to production, in due course, the inherent value of your Company will be realised in the market.

On 10 January 2024, Peninsula will hold an Extraordinary General Meeting (EGM) to vote on a A\$60m equity raising, announced on 20 November 2023, made up of a A\$50m Placement to institutional and sophisticated investors and a A\$10m Security Purchase Plan (SPP) for all eligible shareholders. The SPP announced on the same date and scheduled to complete on 24 January, enables shareholders to participate on the same terms of the Placement. We strongly encourage all shareholders to take the opportunity to vote and attend the EGM either in person or online.

Following the Placement and SPP, Peninsula will be in a strong financial position to continue key development and construction activities at Lance in advance of commencing production activities. The funds raised through this Placement and SPP will result in Peninsula being well placed to restart production at Lance and contribute significantly to enhancing overall value for our shareholders.

Your commitment and patience in investing in Peninsula are crucial for our long-term vision and we look forward to providing value to all shareholders and to delivering the best possible outcomes for the Company.

With my best wishes to you and your families this festive season,

Sincerely,



Wayne Heili
Managing Director / CEO

This release has been approved by Peninsula's Board of Directors.

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ABOUT PENINSULA ENERGY LIMITED

Peninsula Energy Limited (PEN) is an ASX-listed uranium mining company which has made the decision to restart its 100% owned Lance Projects in Wyoming, USA. The existing process facilities at Lance will be expanded to include in-house resin processing and product drying circuits. This is the final step in a project transformation initiative at Lance to transition from an alkaline ISR operation to a low pH ISR operation. Lance is one of the largest uranium development projects in the United States and once in production, Peninsula will be in strong position to supply a growing market, as the importance of nuclear power continues to gain momentum and support, as a critical part of the green energy mix.

[Uranium extraction for a green energy future](#)