

31 January 2024

## DECEMBER QUARTERLY ACTIVITIES REPORT

### KEY POINTS

#### A\$60 MILLION EQUITY RAISE TO FUND RESTART OF LANCE

- Peninsula received binding commitments to raise A\$50m (before costs) via a placement to global institutional and sophisticated investors at A\$0.075 per share (“**Placement**”)
- Peninsula also undertook a Securities Purchase Plan (“**SPP**”) for all eligible shareholders to raise a maximum of A\$10m
- The Placement and SPP were approved by shareholders at an Extraordinary General Meeting (“**EGM**”) which took place on 10 January 2024

#### LANCE PROJECT HIGHLIGHTS

- The Ross process plant low-pH transition construction was substantially completed
- Final engineering work for the plant capacity and capability expansion is nearing completion with the appointment of a construction contractor expected during Q1 2024
- Mine Unit 3 (“**MU-3**”) well installation and surface facility construction commenced

#### ESTABLISHMENT OF NEW URANIUM DEVELOPMENT PROJECT

- Establishment of the Dagger Project expands the Company’s mineral rights just 20km NE from Lance Project facilities
- Multiple mineral rights packages totalling approximately 4,140 acres were successfully acquired
- Initial Mineral Resource Estimate for Dagger of 6.9 million pounds U<sub>3</sub>O<sub>8</sub> (Inferred) at an average grade of 1,037ppm
- A drilling program to facilitate a potential resource upgrade is planned for CY2024

#### CORPORATE

- Available cash of US\$17.9m at 31 December 2023
- Proceeds from the Placement and SPP to be received in Q1 2024
- Inventory of 209,507 lbs U<sub>3</sub>O<sub>8</sub> was delivered to a current customer under the agreed terms of a sales agreement, satisfying a delivery requirement, with proceeds received in December

Peninsula Energy Limited and its wholly owned subsidiary, Strata Energy Inc. (together “**Peninsula**” or the “**Company**”) (ASX:PEN, OTCQB:PENMF) are pleased to announce the release of their December quarterly report.

### LANCE PROJECTS, WYOMING

The Company’s flagship Lance Projects comprise the Ross Production Project Area, Kendrick Development Project Area and Barber Exploration Area. The recently revised production strategy and Life-of-Mine (“**LoM**”) plan for the Ross and Kendrick areas, which collectively boast a resource base of 21.8 million pounds (“**Mlbs**”) U<sub>3</sub>O<sub>8</sub>, sees Lance operations commence in late 2024.

The August 2023 LoM model includes a complete 5,000 GPM uranium In Situ Recovery (“**ISR**”) process plant, to produce up to 2.0 Mlbs p.a. of dry yellowcake (U<sub>3</sub>O<sub>8</sub>) product.

The LoM plan excludes the contiguous Barber Resource Area, setting the total cost of the plant and infrastructure against Ross & Kendrick production. The expanded plant functionality will be available to process future output from the 31.9 Mlb U<sub>3</sub>O<sub>8</sub> Resource base at Barber, highlighting the opportunity for significant future growth at the Lance Projects.

### Lance Project Construction Activities

The Company has completed the modification of the existing Lance plant facility to enable the processing of low-pH ISR solutions at the facility. Acid storage and distribution facilities are fully installed, and the process plant plumbing has been reconfigured.



*Figure 1 – The new acid storage vessels at the Ross Plant-Lance*



*Figure 2 – Modified piping systems within the Ross Plant-Lance*

On 31 August 2023, the Company announced its intention to expand the existing Lance plant facility production capacity from 0.8 Mlbs p.a. to approximately 2.0 Mlbs p.a. The Company is also adding the capability to produce a saleable dry yellowcake product at the Lance plant facility so that it will no longer be dependent on third party toll-milling services. Final engineering work for the plant capacity and



capability expansion is nearing completion with the plant layout and equipment sizing due for finalisation in January 2024. Finalization of equipment sizing and plant layout will allow multiple other disciplines such as concrete design, structural steel, and HVAC to move forward. The Company anticipates selecting a construction contractor during Q1 2024.

Construction activities related to the preparation of the MU-3 surface facilities commenced during the quarter. The Header House #11 building along with internal piping manifolds are being fabricated on-site by the in-house construction team. In the field, large diameter trunk lines have been prepared for MU-3.



**Figure 3 - Header House #11 under construction. MU-3 and beyond header houses will accommodate twice the number of wells as previous header houses**



**Figure 4 – Large diameter pipelines being prepared for MU-3**

### Wellfield Development

During December, a seventh drilling rig was contracted for the project development with all drill rigs now working on well installation in MU-3.



*Figure 5– Multiple drill rigs working within MU-3 area. The Ross plant facilities are seen in the background*

### Exploration Activities

During the quarter, the Company completed a 60-hole exploration/delineation drilling program within the Kendrick area. The program targeted an area where uranium mineralization is currently defined in the Inferred category. The results of the program will be utilized to update the Kendrick mineral resource and will be reported when the update is completed.

### Safety & Sustainability

During the quarter, no Lost Time Injuries (“LTI’s”) were recorded on site from either employees or contractors.

There were no reportable events of adverse environmental impacts during the quarter.

## **DAGGER PROJECT, WYOMING**

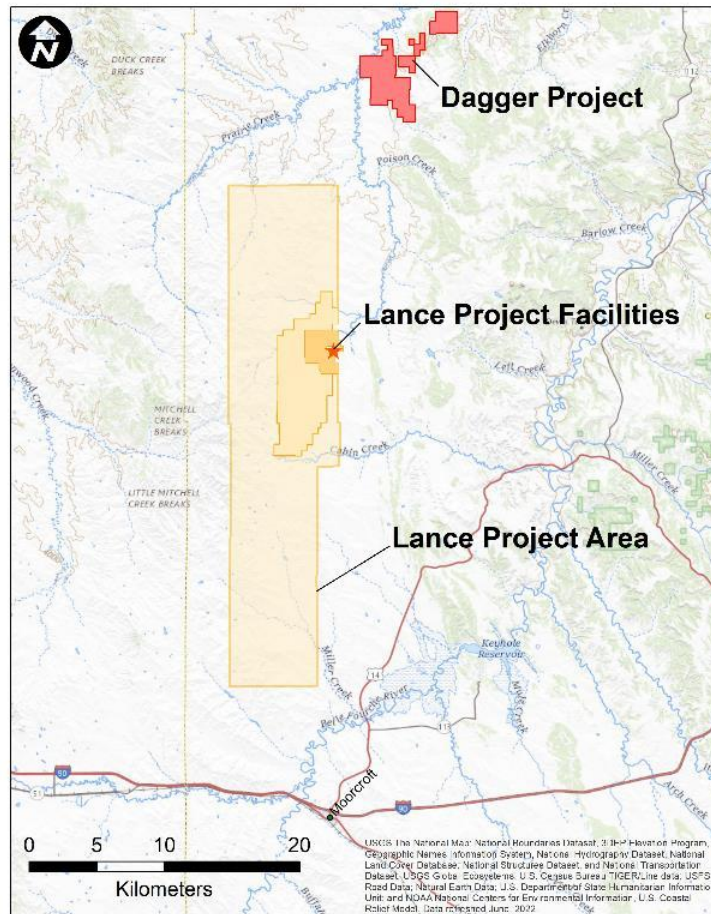
In October 2023, the Company announced the establishment of a new high grade uranium development, the Dagger Project (“**Dagger**”), located in Crook County, Wyoming within the Black Hills district in the Northeast corner of the State, approximately 20km Northeast of the Company’s Ross Processing Plant at the Lance Project facilities (refer Figure 6).

A Mineral Resource Estimate (“**MRE**”) prepared for Dagger of 6.9 Mlbs U<sub>3</sub>O<sub>8</sub> at an average grade of 1,037ppm, is based solely on significant historical drilling information and assumes mining by In-situ Recovery (“**ISR**”) methods, in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) (refer Appendix 1).

At over twice the grade of U<sub>3</sub>O<sub>8</sub> compared to the Lance Resource, Dagger has provided the Company with a relatively high-grade uranium resource, location diversity within a top mining jurisdiction and further opportunities to increase the scale and quality of Peninsula’s mineral resource holdings. Dagger has also provided the opportunity to extend the Lance project life through Satellite ISR operations.

Dagger was established through a series of mineral rights and data acquisition transactions spanning an eight-year period at a cost of only US\$800k (or US\$0.12/lb U<sub>3</sub>O<sub>8</sub>). The combined State and Federal Mineral rights cover an area with historically identified uranium mineralization contiguous to past uranium mining sites.

A confirmation drilling program is planned at Dagger for completion prior to the end of FY2024 to assist with the preparation and publication of an updated JORC (2012) compliant resource estimate.



**Figure 6: Peninsula's Lance and Dagger Projects**

## CORPORATE

### Capital Raise

On 20 November 2023, Peninsula received binding commitments from new and existing institutional and sophisticated investors for a Placement of new fully paid ordinary shares in Peninsula.

Subsequent to the end of the Quarter, Peninsula held an EGM on 10 January 2024, where all resolutions pertaining to the equity raise were passed by way of shareholder poll.

The Placement raised A\$50 million through the issue of approximately 666.7 million Placement Shares at an offer price of A\$0.075 per share ("**Placement Shares**"), together with one free attaching option for every two Placement Shares ("**Placement Options**"), exercisable at \$0.10 per option and expiring on 31 March 2025. The Placement Shares were issued on 16 January 2024.

The Company also undertook a Securities Purchase Plan ("**SPP**") for all eligible shareholders to raise a maximum of A\$10 million, providing existing shareholders the opportunity to participate in the capital



raising on the same terms as the Placement. Eligible Holders were invited to invest up to A\$30,000 per shareholder, subject to any scale back. SPP shares will begin trading on the ASX on 1 February 2024.

Participants in the SPP were entitled to one free attaching option for every two new shares allocated ("**SPP Options**"), allotted on the same terms as the Placement Options. The SPP Shares and SPP Options are scheduled to be issued on 31 January 2024, along with the Placement Options.

Exercise of the SPP Options and Placement Options could provide the Company with further funding of up to A\$40m. Combined with the A\$10m SPP, the Company will have up to A\$50m in further funding on top of the A\$50m Placement.

Proceeds from the Placement will allow the Company to progress pre-production construction works at Lance and maintain the schedule for critical path items to restart production in late 2024.

Canaccord Genuity (Australia) Limited and Shaw and Partners Limited acted as Joint Lead Managers and Joint Bookrunners. Red Cloud Securities acted as Broker to the Placement. H.C. Wainwright & Co. acted as US financial advisor to the Company and BurnVoor Corporate Finance acted as financial advisor to the Company.

### Funding

As well as the combined Placement and SPP proceeds of A\$60 million and potential funds from the exercise of options, the Company intends to augment funding with other sources including term debt, offtake prepayment and/or working capital facilities. There is strong interest from a broad range of lenders including government financing agencies.

### Uranium Sales

During the quarter, the Company delivered its inventory of 209,507 pounds of U<sub>3</sub>O<sub>8</sub> to an existing customer in satisfaction of a current delivery requirement. Cash proceeds from the sale totalling US\$11.9 million were received.

All customers have agreed to adjusted delivery schedules to align with the current forecast production. The next product delivery is scheduled in 2025 after production is expected to resume at Lance. The Company does not currently foresee a circumstance where it would be required to obtain yellowcake in the market to satisfy future delivery obligations.

### Uranium Inventory

As noted above, the Company has monetised its available uranium inventory by satisfying nearer term offtake requirements.

During the quarter, the remaining in-circuit inventory held at UEC was dried and drummed. The Company holds a dry yellowcake inventory of 14,323 lbs which will be transported to a conversion facility in Q1 2024.

### Cash Position

The Company's available cash at the end of the quarter was US\$17.9million. The capital raise completed post quarter end has added approximately US\$39 million (\$A60 million before costs) to the Company's cash position.

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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*This release has been approved by the Board.*

**ABOUT PENINSULA ENERGY LIMITED**

*Peninsula Energy Limited (PEN) is an ASX-listed uranium mining company with its' 100% owned Lance Project in Wyoming one of the largest near-term uranium development projects in the United States. Currently undergoing a project transformation initiative, the long-life Lance Project is transitioning to a low cost and environmentally friendly low pH ISR operation. Once back in production, Lance will establish Peninsula as a fully independent end-to-end producer of yellowcake. Lance is well-placed to become a key supplier of uranium and play an important role in creating a clean energy future.*

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## Appendix 1

### <sup>1</sup> Lance Projects Classified JORC-Compliant Resource Estimate (U<sub>3</sub>O<sub>8</sub>) as at 31 December 2022

Classification	Tonnes (M)	U <sub>3</sub> O <sub>8</sub> (Mkg)	U <sub>3</sub> O <sub>8</sub> (Mlbs)	Grade (ppm U <sub>3</sub> O <sub>8</sub> )	Location
<b>Measured</b>	3.5	1.7	3.8	489	Wyoming, USA
<b>Indicated</b>	11.3	5.5	12.2	492	Wyoming, USA
<b>Inferred</b>	36.2	17.2	37.8	474	Wyoming, USA
<b>Total</b>	<b>51.0</b>	<b>24.4</b>	<b>53.8</b>	<b>479</b>	

(i) *Due to rounding, total values may not appear to equal the sum of estimated resource. The above tables are provided by an independent consultant outlined in the competent person statement below.*

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

### <sup>2</sup> Dagger Project Classified JORC-Compliant Resource Estimate (U<sub>3</sub>O<sub>8</sub>) as at 23 October 2023

Classification	Tonnes (M)	U <sub>3</sub> O <sub>8</sub> (KTonnes)	U <sub>3</sub> O <sub>8</sub> (Mlbs)	Grade (ppm U <sub>3</sub> O <sub>8</sub> )	Location
<b>Inferred</b>	3.0	3.1	6.9	1037	Wyoming, USA
<b>Total</b>	<b>3.0</b>	<b>3.1</b>	<b>6.9</b>	<b>1037</b>	

*\* Reported above a 0.02 % eU<sub>3</sub>O<sub>8</sub> grade and a 0.2 GT cut-off*

JORC Table 1 included in an announcement to the ASX released on 23 October 2023: "Peninsula Establishes Significant New Uranium Development Project". Peninsula confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

#### Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves at the Lance and Dagger 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'.



## Appendix 2

### Schedule of Interests in Mining Tenements as at 31 December 2023

#### Lance Projects, Wyoming, USA

Location / Project Name	Tenement	Percentage
Private Land (FEE) – Surface Access Agreement	Approx. 9,459 acres	100%
Private Land (FEE) – Mineral Rights	Approx. 10,348 acres	100%
Federal Mining Claims – Mineral Rights	Approx. 18,789 acres	100%
Federal Surface – Grazing Lease	Approx. 40 acres	100%
State Leases – Mineral Rights	Approx. 12,184 acres	100%
State Leases – Surface Access	Approx. 314 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 <sup>2</sup> )	Current Expiry	Commodity Group	Original PR Status
EC 07 PR	Tasman Lukisa JV	14/11/2006	MR Application rejected – Environmental Closure Application Submitted	48	10/06/2015	U, Mo	Expired
EC 08 PR	Tasman Lukisa JV	14/11/2006	MR Application rejected - Environmental Closure Application Submitted	47	10/06/2015	U, Mo	Expired
EC 12 PR	Tasman Lukisa JV	14/11/2006	MR Application rejected - Environmental Closure Application Submitted	36	10/06/2015	U, Mo	Expired
EC 13 PR	Tasman Lukisa JV	14/11/2006	MR Application rejected - Environmental Closure Application Submitted	69	10/06/2015	U, Mo	Expired
WC 25 PR	Tasman Lukisa JV	17/10/2007	MR Application lapsed - Rehabilitation Completed - Environmental Closure Application being prepared	7	12/11/2014	U, Mo	Expired
WC 33 PR	Tasman Lukisa JV	01/12/2006	MR Application lapsed – Environmental Closure Application Submitted	68	04/07/2016	U, Mo	Expired
WC 34 PR	Tasman Lukisa JV	01/12/2006	MR Application lapsed - Environmental Closure Application Submitted	34	01/08/2015	U, Mo	Expired
WC 35 PR	Tasman Lukisa JV	01/12/2006	MR Application lapsed - Environmental Closure Application Submitted	69	01/08/2015	U, Mo	Expired
WC 47 PR	Tasman Lukisa JV	04/09/2008	MR Application lapsed - Environmental Closure Application Submitted	36	04/07/2015	U, Mo	Expired
WC 59 PR	Tasman Lukisa JV	01/12/2006	MR Application lapsed - Environmental Closure Application Submitted	40	01/08/2015	U, Mo	Expired

WC 60 PR	Tasman Lukisa JV	01/12/2006	MR Application lapsed - Environmental Closure Application Submitted	56	01/08/2015	U, Mo	Expired
WC 61 PR	Tasman Lukisa JV	01/12/2006	MR Application lapsed - Environmental Closure Application Submitted	69	01/08/2015	U, Mo	Expired
WC 95 PR	Tasman-Lukisa JV	17/04/2007	Closure Submitted	5	23/03/2013	U, Mo	Expired
WC 127 PR	Tasman Lukisa JV	30/11/2006	MR Application lapsed - Environmental Closure Application Submitted	59	10/12/2017	U, Mo	Expired
WC 137 PR	Tasman Lukisa JV	30/11/2006	MR Application lapsed - Environmental Closure Application Submitted	73	04/07/2016	U, Mo	Expired
WC 152 PR	Tasman-Lukisa JV	01/12/2006	MR Application lapsed - Rehabilitation Completed - Environmental Closure Application being prepared	189	04/07/2016	U, Mo	Expired
WC 156 PR	Tasman Lukisa JV	30/11/2006	MR Application lapsed - Environmental Closure Application Submitted	69	04/07/2014	U, Mo	Expired
WC 158 PR	Tasman Lukisa JV	23/01/2007	MR Application lapsed - Environmental Closure Application Submitted	57	12/11/2014	U, Mo	Expired
WC 167 PR	Tasman Lukisa JV	30/11/2006	MR Application lapsed - Environmental Closure Application Submitted	21	12/11/2015	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
EC 28 PR	Tasman Pacific Minerals	15/11/2006	Closure Submitted	225	26/03/2015	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