

31 January 2025

DECEMBER 2024 QUARTERLY ACTIVITIES REPORT

KEY POINTS

LANCE PROJECTS

- Operations at the flagship Lance Uranium Projects (“**Lance**”) in Wyoming USA, were restarted within selected areas of Mine Unit 1 (“**MU-1**”) in late December 2024 after a five-year hiatus
- Restart of production at Lance as a low-pH ISR operation marks a historic milestone for Peninsula on its journey to become an independent producer of uranium yellowcake
- Early-stage operations during December 2024 have generated approximately 1,000 pounds of uranium captured in ion exchange resins
- Initial flow rates and grades have match planned levels and are expected to increase as preconditioning continues in subsequent Header Houses
- Agreed final pricing to convert engineering, procurement and construction services contractor (“**EPC**”) contract for the Central Processing Plant (“**CPP**”) to a fixed lump sum contract
- Well installation in Mine Unit 3 (“**MU-3**”) continued with pre-conditioning underway in Header House 11 (“**HH-11**”)
- Construction of the yellowcake filtration and drying circuits is ongoing with first dry yellowcake product expected in the June Quarter 2025

CORPORATE

- Subsequent to the quarter end, Mr George Bauk was appointed as Managing Director (“**MD**”) and Chief Executive Officer (“**CEO**”)
- Mr Frederic Guerin was appointed to the position of Chief Operating Officer (“**COO**”) and Senior Vice President (“**SVP**”) of Geology in November 2024
- Available cash of US\$44.9 million as of 31 December 2024
- Completion of 20-for-1 issued capital consolidation

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 2024 Quarterly Activities Report.

LANCE PROJECTS, WYOMING

Commencement of Production at MU-1

Uranium ISR operations restarted within selected areas of MU-1 at the Company’s flagship Lance Projects on 18 December 2024, after a five-year hiatus. The restart of production at Lance marked a historic milestone for Peninsula on its journey to become a fully independent producer of uranium yellowcake and a critical supplier of uranium in the clean energy transition.

Initial production streams from the MU-1 were routed to the rebuilt ion exchange system of the Phase 1 plant for uranium capture. Flow rates and grades have matched the planned levels and are expected to increase as preconditioning is completed in subsequent Header Houses.

As at the end of the quarter, approximately 1,000 pounds of uranium have been captured in the ion exchange system and have been held as in-process inventory.

Progress towards the construction of the yellowcake filtration and drying circuits continued with first dry yellowcake product expected in the June Quarter 2025¹.

Plant Construction Update

Peninsula continued to expand the Ross uranium recovery plant and auxiliary facilities at Lance, which were originally constructed in 2015 as an alkaline In-Situ Recover (“ISR”) satellite plant, for an expanded production capacity utilising the low-pH ISR process, and to include a CPP capable of producing a finished dry yellowcake product. The expanded CPP (“**Phase II**” expansion) houses additional ion-exchange circuit capacity along with new resin elution, precipitation, filtration and product drying circuits.

Plant construction efforts during the Quarter remained focused on the installation of HVAC systems, pipe racks, cable trays, additional equipment and pipework and electrical connections. The first of two yellowcake dryer units were delivered to the project site in December 2024.

On completion of Phase II construction activities, the Lance Projects will be home to a 5,000 GPM uranium recovery ion-exchange process plant, with the capability to independently produce up to 2 million pounds per annum of dry yellowcake (U₃O₈) product.

The Company and its appointed engineering, procurement and construction services contractors, Samuel Engineering, Inc and Samuel EPC, LLC (together as “Samuel”) agreed on final pricing to convert the EPC contract for the CPP to a fixed lump sum contract, including allowances for mechanical and performance guarantees on selected critical equipment, for an additional cost of US\$6.3 million over the previous budget estimate. The owners’ team estimated costs for other (non-Samuel) workstreams undertaken at the central processing plant increased by US\$3.2 million. The total cost overrun of US\$9.5 million is allocated across the budget categories (engineering, labour, materials, transportation, change of scope, etc.) and not specifically attributable to any individual components. With the remaining construction priced at a fixed lump sum level, the Company projected the final plant expansion capital cost to be approximately US\$49 million, with the cost overrun of US\$9.5 million.

The amended agreement with Samuel included performance guarantees on the engineering design meeting the design specifications of the project.

Challenging weather conditions and supply chain issues have impacted the completion of the Lance CPP and Samuel have advised full completion is now scheduled for the June Quarter 2025. Production of the first dry yellowcake is also expected in the June Quarter 2025.

Peninsula had previously forecast completion of the CPP, and commissioning of the first drying unit enabling production of the first dry yellowcake, at the end of the March Quarter. The Company will continue to sequentially commission the elution, precipitation and filtration circuits as they are turned over from the construction contractor. Ramp up to higher than current production rates will occur after the full plant is commissioned.

During the quarter, approximately US\$21.3 million was incurred on process plant expansion activities.

Wellfield Development and Preconditioning Activities

In addition to plant construction activities, the Company’s employee and drilling contractor teams continued to advance the development of new wellfield production areas identified as Mine Unit 3 and Mine Unit 4 (“**MU-4**”).

Peninsula concluded agreements for three more drill rigs in November. The additional drill rigs will increase the external contractor drill rig count for CY2025 to 16.

The Company initiated preconditioning operations of the newly developed HH-11 area of MU-3 in November. The start of preconditioning was delayed approximately 6 weeks as the site team experienced challenges in the commissioning of the new acid storage and delivery systems.

1 – Refer ASX Announcement “Update on the Central Processing Plant Commissioning” dated 31 January 2025

Wellfield development costs incurred during the quarter amounted to approximately US\$4.3 million.

Safety

No Lost Time Injuries (“LTI’s”) were recorded on site from either employees or contractors during the quarter. A total of 97,098 hours were worked by staff and contractors at Lance during the quarter.

Kendrick Area Permitting Update

At the end of CY2022, the Company applied to the State of Wyoming WDEQ Land Quality Division for the inclusion of the Kendrick Project area into the Ross Project Area Permit to Mine and Source Materials Licenses.

Subsequent to the end of the reporting period, The State of Wyoming Department of Environment Quality, Land Quality Division issued an approved Permit to Mine amendment to expand the authorised mine permit area to include the Kendrick Project area at Lance.

The State of Wyoming Uranium Recovery Program also reviewed an amendment submittal to include the Kendrick Project Area in the Lance Source Materials License.

The Company anticipated that the Source Materials License amendment process will be completed towards the end of 1Q 2025. Both the Permit to Mine and the Source Materials License amendments must be obtained before the company can commence uranium recovery operations within the Kendrick Area.

DAGGER PROJECT, WYOMING

The Dagger Project (“Dagger”) is a high-grade, satellite uranium development introduced in October 2023. Located in Crook County, Wyoming within the Black Hills district in the Northeast corner of the State, it lies approximately 20km Northeast of the Company’s Ross Processing Plant at the Lance Project facilities.

With a JORC (2012) Inferred Resources of 6.9 Mlbs U3O8 (refer Appendix 1) at an average grade of 1,037ppm, over twice the grade of U3O8 compared to Lance, Dagger provides the Company with the opportunity to extend the Lance project life through a Satellite ISR operation.

CORPORATE

Appointment of Chief Operating Officer

In November, Peninsula appointed Mr Frederic Guerin to the position of Chief Operating Officer and Senior Vice President of Geology. Mr Guerin commenced his role on 25 November 2024, and is responsible for the overall planning, execution, and control of all mining and processing operations for the Company. Mr Guerin will also be responsible for ensuring that the Company’s operations deliver on time performance, within budget and to the highest safety and environmental standards.

Mr Guerin brings a deep technical knowledge of the uranium ISR industry following 30 years of international management experience in the uranium industry. Mr Guerin has held key roles in Canada, France, Mongolia and Uzbekistan, including overseeing the development of new low-pH In Situ Recovery (“ISR”) Projects.

Appointment of Managing Director / Chief Executive Officer

Subsequent to the end of the quarter, Mr George Bauk was appointed as the new Managing Director and Chief Executive Officer of Peninsula. Mr Bauk commenced his role on 20 January 2025. His appointment followed the announcement on 15 November 2024 where Peninsula’s Board and management initiated

a structured succession planning process following the Company's current MD and CEO, Wayne Heili, announcing his intention to step down from his role in 2025.

Mr Heili will remain with the Company as a Technical Advisor and is committed to ensuring the Lance Operations delivers on key commissioning and long-term production targets. Mr Heili's decision to transition into a technical role was contingent upon the Company identifying and appointing a suitably qualified successor, who brings the necessary credentials and experience to lead Peninsula through the next phase of growth and establish the Company as a leading, long-term North American uranium producer. The Company conducted an executive search process for Mr Heili's successor and following the assessment of several impressive candidates appointed Mr Bauk.

Mr Bauk brings over 30 years of global experience across the uranium, rare earths, gold, lithium and graphite sectors. He has successfully established and managed companies, led major projects from exploration to production, and raised over A\$670 million through equity, debt financing and government grants. Mr Bauk has built strong political and industry connections across Australia, the USA and key global markets.

Consolidation of Share Capital

The Company completed its proposed consolidation of issued capital of the Company on a twenty (20) for one (1) basis on 3 December 2024, following shareholder approval at the Annual General Meeting.

The Consolidation was proposed to reduce Peninsula's shares on issue to a more appropriate capital structure for the Company and translate a share price that is more appealing to a wider range of investors. The timing of this decision coincided with Peninsula's transition into production as the Company expects to access more diverse pools of capital from investors that are attracted to a smaller issued capital structure.

The effect of the consolidation as at 21 November 2024 (Effective date of Consolidation) is outlined below.

CAPITAL STRUCTURE	Shares	Unlisted \$0.10 Options	Unlisted \$0.30 Options
Pre-Consolidation	3,187,017,822	331,568,432	4,100,000
CAPITAL STRUCTURE	Shares	Unlisted \$2.00 Options	Unlisted \$6.00 Options
Post-Consolidation	159,350,891	16,578,422	205,000

Funding

Through the ongoing efforts of the Company's appointed a financial adviser, BurnVoor Corporate Finance, to assist with the arrangement of debt facilities to support working capital to achieve steady state production and balance sheet flexibility discussions with US Government funding agencies continued. The Company has also received interest from international financiers in relation to funding the Lance Projects.

Uranium Sales and Onerous Contract Provision

There were no uranium sales during the quarter. The next planned product delivery is scheduled for mid-2025. This delivery is due to be made in terms of an existing sales contract.

Indications are that Lance will not produce sufficient quantities of uranium to satisfy the full delivery obligation of this contract. As negotiations with the counterparty were ongoing at the balance date, and the quantity of Lance sourced production remains subject to ramp-up, the Company expects to recognise an onerous contract provision of up to US\$5.0 million in its half-year financial statements ended 31 December 2024. Depending on the outcome of negotiations with the counterparty regarding delivery schedules and quantities, the provision may be reversed in the full year financial statements at 30 June 2025.

Peninsula has supportive and constructive relationships with its long-standing customers and will review and discuss the impact of the CPP delay on scheduled deliveries.

The Company's total contractual sales obligation over the upcoming 10-year period is approximately 6.0 Mlbs.

Uranium Inventory

The Company holds an in-process inventory of 15,182 lbs of dry yellowcake.

Cash Position

The Company's available cash at the end of the quarter was US\$44.9 million.

Payments to Related Parties

Payments to related parties during the quarter as outlined in Sections 6.1 and 6.2 of Appendix 5B consisted of US\$0.4 million in directors' fees and payments to executive directors under respective service agreements.

- ENDS -

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

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ABOUT PENINSULA ENERGY LIMITED

Peninsula Energy Limited (ASX:PEN) is one of the only ASX-listed uranium companies providing US production and direct market exposure. Its' 100% owned Lance Projects in Wyoming has re-commenced production in December 2024 and will continue ramping up the production rate in 2025 in coordination with the commissioning of a complete central processing plant.

Lance is one of the largest, independent near-term uranium development projects in the US. With a track record of meeting delivery requirements since 2016, Peninsula has 10 years of sales contracts in place with major utilities in both the US and Europe. Once back in full production, Lance will establish Peninsula as a fully independent end-to-end producer of yellowcake, well-placed to become a key supplier of uranium and play an important role in a clean energy future.

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Appendix 1

¹ Lance Projects Classified JORC-Compliant Resource Estimate (U₃O₈) as at 31 December 2023

Classification	Tonnes (M)	U ₃ O ₈ (Mkg)	U ₃ O ₈ (Mlbs)	Grade (% U ₃ O ₈)	Location
Measured	3.3	1.7	3.8	0.051	Wyoming, USA
Indicated	11.0	5.5	12.4	0.051	Wyoming, USA
Inferred	38.3	18.9	41.7	0.049	Wyoming, USA
Total	52.6	26.3	58.0	0.050	

(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.

¹ Dagger Project Classified JORC-Compliant Resource Estimate (U₃O₈) as at 23 October 2023

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

* Reported above a 0.02 % eU₃O₈ grade and a 0.2 GT cut-off

¹JORC Table 1 included in an announcement to the ASX released on 14 November 2018: “Revised Lance Projects Resource Tables”, updated in the “Annual Report to Shareholders” released on 29 September 2023 and ASX Announcement released on 23 October 2023: “Peninsula Establishes Significant New Uranium Development Project” and ASX Announcement released on 13 May 2024: “Mineral Resource Increases 19.6% within current Lance Life of Mine Area”. 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 2024

Lance Projects, Wyoming, USA

Location / Project Name	Tenement	Percentage
Private Land (FEE) – Surface Access Agreement	Approx. 11,353 acres	100%
Private Land (FEE) – Mineral Rights	Approx. 10,430 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. 12,264 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 ²)	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 33 PR	Tasman Lukisa JV	01/12/2006	MR Application lapsed – Environmental Closure Application Submitted	68	04/07/2016	U, Mo	Expired
WC 152 PR	Tasman-Lukisa JV	01/12/2006	MR Application lapsed - Environmental Closure Application submitted	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
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
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