



13<sup>th</sup> July 2015

Companies Announcement Office  
Via Electronic Lodgement

## LANCE MINE UNIT 1 DEVELOPMENT DRILLING INTERSECTS HIGH GRADE URANIUM ORE

### Highlights

- **High grade uranium intercepts within and outside Mine Unit 1**
- **Significant intercepts include:**
  - **8.5ft @ 1,690ppm U<sub>3</sub>O<sub>8</sub> from 364.5ft (GT 1.44)**
  - **19.5ft @ 650ppm U<sub>3</sub>O<sub>8</sub> from 459ft (GT 1.27)**
  - **11.5ft @ 660ppm U<sub>3</sub>O<sub>8</sub> from 433ft (GT 0.76)**
  - **14ft @ 540ppm U<sub>3</sub>O<sub>8</sub> from 454ft (GT 0.76)**
- **Intercepts within Mine Unit 1 meet or exceed resource grade expectations which augurs well for production from this mining zone**

### Summary

Peninsula Energy Limited (**Peninsula, the Company**) is pleased to provide an update from the recent development drilling at the Lance Uranium Projects in Wyoming, USA (**Lance Projects**).

As advised previously, Peninsula's wholly owned subsidiary Strata Energy Inc. (**Strata**) has completed the installation of a series of monitor/baseline wells within the initial mining unit (**Mine Unit 1**) at the Lance Projects. Strata is using these wells to develop site-specific ground water quality data and to perform aquifer pump tests.

Delineation drilling has also been conducted to optimise the well field patterns and design within Mine Unit 1.

Peninsula advises that both the monitor well drilling and delineation drilling have intersected high grade uranium mineralisation within the ore zone of Mine Unit 1, with several high grade holes also being recorded outside of Mine Unit 1. Pleasingly the drill results to date have met or exceeded resource grade expectations for the ore body which is a positive result ahead of the commencement of production and extraction of uranium from this mining zone.

In addition to the positive drilling results so far, productivity of contracted drill rigs is exceeding budget rates, reducing the effective cost per development well drilled.

Peninsula Managing Director and Chief Executive Officer Gus Simpson stated "As development progresses at Lance MU1 we are seeing consistent support for the estimates generated in the Feasibility work. This combined with better than expected drilling results augurs well for future production. "

**Monitor and Delineation Drilling Program**

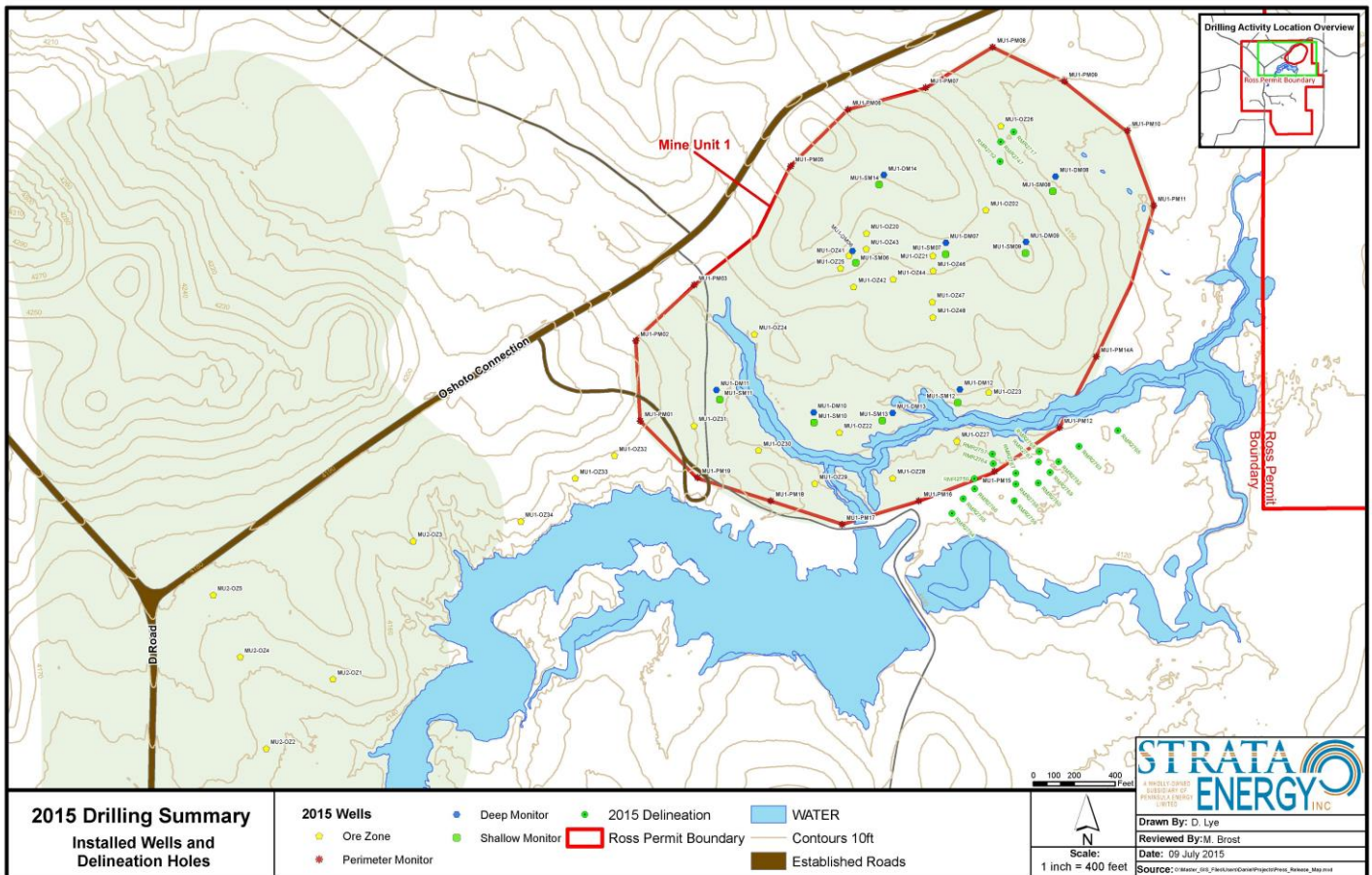
During the period February 2015 to present, Strata completed 56 monitoring/baseline wells, 19 delineation holes and 7 mining wells at the Lance Projects. The vast majority of these holes were drilled within and around Mine Unit 1, as shown in Figure 1.

The primary purpose of the monitor/baseline wells was to provide supplementary, site-specific geological and hydrological information within Mine Unit 1. This data is being submitted to the State of Wyoming and the US Nuclear Regulatory Commission for review and approval.

Delineation drilling has also been conducted to optimise the well field patterns and design within Mine Unit 1.

Both the monitor/baseline and delineation drilling have intersected strong uranium mineralisation, testing the extent of the known ore zone and in many cases providing intercepts that exceed expectations for the Mine Unit 1 ore zone.

Highlights included drill hole MU1-OZ22 which intersected 8.5ft @ 1,690ppm U<sub>3</sub>O<sub>8</sub> (GT 1.44), drill hole MU1-OZ44 which intersected 19.5ft @ 650ppm U<sub>3</sub>O<sub>8</sub> (GT 1.27), drill hole MU1-OZ42 which intersected 11.5ft @ 660ppm U<sub>3</sub>O<sub>8</sub> (GT 1.27) and drill hole MU1-OZ48 which intersected 14ft @ 540ppm U<sub>3</sub>O<sub>8</sub> (GT 0.76).



**Figure 1: Lance Projects Development Drilling Location**

Unit 17, Level 2, 100 Railway Road, Subiaco WA 6008,

PO Box 8129, Subiaco East WA 6008

Phone: +61 (0)8 9380 9920

Fax: +61 (0)8 9381 5064

**Peninsula Energy Limited - ABN: 67 062 409 303**

As expected, a number of the holes were barren, consistent with the Company's understanding of the Mine Unit 1 ore resource boundaries.

In addition to the drilling program above, Strata has continually re-entered abandoned historic drill holes with modern abandonment materials in order to meet current license conditions. To July 3, 313 historic holes have been re-entered and abandoned in accordance with licence conditions in 2015. Since the programme began in late 2012, a total of 475 historic holes have been re-entered and abandoned in the Mine Unit 1 and Mine Unit 2 areas.

**Table 1: Lance projects Drilling Results (>0.2GT) PFN Measurement.**

Hole Type	Hole ID	Surveyed Easting	Surveyed Northing	Total Depth (ft)	From (ft)	Interval (ft)	Grade (eU3O8ppm)	GT
Monitor Well	MU1-OZ22	503935	4936433	490	364.5	8.5	1690	1.44
Production Well	MU1-OZ44	504015	4936660	510	459	19.5	650	1.27
Production Well	MU1-OZ42	503956	4936649	520	433	11.5	660	0.76
Production Well	MU1-OZ48	504074	4936604	500	454	14	540	0.76
Monitor Well	MU1-DM07	504094	4936714	560	429.5	10	640	0.64
Production Well	MU1-OZ47	504073	4936626	500	452.5	15.5	370	0.57
Delineation	RMR2768	504232	4936404	460	383	3	1910	0.57
Monitor Well	MU1-DM09	504213	4936715	550	406.5	12	450	0.54
Production Well	MU1-OZ41	503950	4936696	530	438	8.5	630	0.54
Monitor Well	MU1-DM14	504001	4936815	580	432	15.5	310	0.48
Monitor Well	MU1-OZ31	503719	4936443	520	481	9.5	470	0.45
Delineation	RMR2764	504164	4936386	460	374.5	12.5	330	0.41
Production Well	MU1-OZ46	504074	4936673	500	464.5	6.5	540	0.35
Monitor Well	MU1-OZ27	504110	4936420	480	446.5	5.5	620	0.34
Monitor Well	MU2-OZ4	503044	4936099	590	513.5	13.5	220	0.3
Production Well	MU1-OZ44	504015	4936660	510	454.5	4	680	0.27
Production Well	MU1-OZ48	504074	4936604	500	428.5	9	290	0.26
Monitor Well	MU2-OZ5	503004	4936191	600	516	2.5	1040	0.26
Production Well	MU1-OZ46	504074	4936673	500	439	9	270	0.24
Monitor Well	MU1-OZ21	504074	4936695	510	426.5	8	290	0.23
Monitor Well	MU1-OZ24	503809	4936579	520	414.5	8.5	230	0.20

\*All holes are vertical. GT = Grade Thickness.

Refer Appendix 1 for a full table of the development drilling results.

Yours sincerely



**John (Gus) Simpson**  
**Managing Director/CEO**

For further information, please contact our office on (08) 9380 9920 during normal business hours.

## Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Jim Guilinger. Mr. Guilinger is a Member of a Recognised Overseas Professional Organisation included in a list promulgated by the ASX (Member of Mining and Metallurgy Society of America and SME Registered Member of the Society of Mining, Metallurgy and Exploration Inc.). Mr. Guilinger is Principal of independent consultants World Industrial Minerals. Mr. Guilinger 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 Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Guilinger consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

U3O8 grades quoted in this document are obtained from the prompt fission neutron (PFN) down-hole probe and are not subject to disequilibrium effects.

### 1 Current JORC Compliant Resource Estimate (JORC 2012) for Lance Projects

Resource Classification	Tonnes Ore (M)	U3O8 kg (M)	U3O8 lbs (M)	Grade (ppm U3O8)
Measured	4.1	2.1	4.5	495
Indicated	11.6	5.7	12.7	497
Inferred	35.5	16.6	36.5	467
<b>Total</b>	<b>51.2</b>	<b>24.4</b>	<b>53.7</b>	<b>476</b>

(The JORC resource is reported above a lower grade cut-off of 200ppm and a GT of 0.2)

<sup>1</sup>JORC Table 1 included in an announcement to the ASX released on 27th March 2014: "Company Presentation – Mines and Money Hong Kong". 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 exploration results and 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.

**Appendix 1: Full Drill Results Table**

Hole Type	Hole ID	Surveyed Easting	Surveyed Northing	Total Depth (ft)	From (ft)	Interval (ft)	Grade	
							(eU3O8ppm)	GT
Monitor Well	MU1-DM06	503955	4936702	590				
Monitor Well	MU1-DM07	504094	4936714	560	419	7.5	210	0.16
Monitor Well	MU1-DM07	504094	4936714	560	429.5	10	640	0.64
Monitor Well	MU1-DM08	504257	4936813	540				
Monitor Well	MU1-DM09	504213	4936715	550	406.5	12	450	0.54
Monitor Well	MU1-DM10	503897	4936462	560				
Monitor Well	MU1-DM11	503752	4936496	550				
Monitor Well	MU1-DM12	504115	4936497	520	383.5	2	160	0.03
Monitor Well	MU1-DM13	504015	4936462	530	365.5	6.5	190	0.12
Monitor Well	MU1-DM13	504015	4936462	530	373	2.5	150	0.04
Monitor Well	MU1-DM13	504015	4936462	530	376.5	2.5	200	0.04
Monitor Well	MU1-DM13	504015	4936462	530	428	1.5	160	0.02
Monitor Well	MU1-DM13	504015	4936462	530	459	1	110	0.01
Monitor Well	MU1-DM14	504001	4936815	580	432	15.5	310	0.48
Monitor Well	MU1-OZ02	504153	4936763	510	413	3.5	150	0.05
Monitor Well	MU1-OZ20	503975	4936729	530				
Monitor Well	MU1-OZ21	504074	4936695	510	421	1	120	0.01
Monitor Well	MU1-OZ21	504074	4936695	510	426.5	8	290	0.23
Monitor Well	MU1-OZ21	504074	4936695	510	465	2.5	160	0.04
Monitor Well	MU1-OZ22	503935	4936433	490	364.5	8.5	1690	1.44
Monitor Well	MU1-OZ22	503935	4936433	490	422	1.5	130	0.02
Monitor Well	MU1-OZ23	504157	4936492	460				0
Monitor Well	MU1-OZ24	503809	4936579	520	411	2.5	110	0.03
Monitor Well	MU1-OZ24	503809	4936579	520	414.5	8.5	230	0.2
Monitor Well	MU1-OZ24	503809	4936579	520	427	1	130	0.01
Monitor Well	MU1-OZ25	503937	4936677	520				
Monitor Well	MU1-OZ26	504175	4936888	470				
Monitor Well	MU1-OZ27	504110	4936420	480	440	3	410	0.12
Monitor Well	MU1-OZ27	504110	4936420	480	446.5	5.5	620	0.34
Monitor Well	MU1-OZ28	504015	4936365	500	438.5	3	160	0.05
Monitor Well	MU1-OZ29	503899	4936357	500	346	4	170	0.07
Monitor Well	MU1-OZ29	503899	4936357	500	419	1	120	0.01
Monitor Well	MU1-OZ29	503899	4936357	500	477	0.05	120	0.01
Monitor Well	MU1-OZ30	503815	4936406	510			0	
Monitor Well	MU1-OZ31	503719	4936443	520	471.5	2.5	140	0.04
Monitor Well	MU1-OZ31	503719	4936443	520	481	9.5	470	0.45
Monitor Well	MU1-OZ32	503601	4936398	520	482	2	200	0.04

Monitor Well	MU1-OZ33	503542	4936365	520	487.5	4	240	0.1
Monitor Well	MU1-OZ34	503461	4936301	540	480	2.5	270	0.07
Monitor Well	MU1-OZ34	503461	4936301	540	484.5	7.5	150	0.11
Monitor Well	MU1-OZ34	503461	4936301	540	501.5	5.5	180	0.1
Production Well	MU1-OZ41	503950	4936696	530	438	8.5	630	0.54
Production Well	MU1-OZ42	503956	4936649	520	433	11.5	660	0.76
Production Well	MU1-OZ43	503975	4936705	530	452	1	120	0.01
Production Well	MU1-OZ44	504015	4936660	510	454.5	4	680	0.27
Production Well	MU1-OZ44	504015	4936660	510	459	19.5	650	1.27
Production Well	MU1-OZ46	504074	4936673	500	411	3	140	0.04
Production Well	MU1-OZ46	504074	4936673	500	439	9	270	0.24
Production Well	MU1-OZ46	504074	4936673	500	464.5	6.5	540	0.35
Production Well	MU1-OZ46	504074	4936673	500	472.5	1.5	230	0.03
Production Well	MU1-OZ47	504073	4936626	500	409.5	1.5	130	0.02
Production Well	MU1-OZ47	504073	4936626	500	431	7.5	200	0.15
Production Well	MU1-OZ47	504073	4936626	500	444.5	2	380	0.08
Production Well	MU1-OZ47	504073	4936626	500	452.5	15.5	370	0.57
Production Well	MU1-OZ48	504074	4936604	500	428.5	9	290	0.26
Production Well	MU1-OZ48	504074	4936604	500	442	2.5	190	0.05
Production Well	MU1-OZ48	504074	4936604	500	454	14	540	0.76
Monitor Well	MU1-PM01	503639	4936450	510	452.5	5	230	0.12
Monitor Well	MU1-PM02	503632	4936569	520				
Monitor Well	MU1-PM03	503719	4936652	500				
Monitor Well	MU1-PM05	503863	4936828	505				
Monitor Well	MU1-PM06	503948	4936912	510				
Monitor Well	MU1-PM07	504064	4936945	480				
Monitor Well	MU1-PM08	504163	4937005	460				
Monitor Well	MU1-PM09	504270	4936954	440				
Monitor Well	MU1-PM10	504364	4936881	420				
Monitor Well	MU1-PM11	504402	4936770	410				
Monitor Well	MU1-PM12	504263	4936440	430				
Monitor Well	MU1-PM14A	504317	4936545	450	384.5	1	120	0.01
Monitor Well	MU1-PM15	504166	4936375	450	370	3	130	0.04
Monitor Well	MU1-PM15	504166	4936375	450	379	2.5	110	0.03
Monitor Well	MU1-PM15	504166	4936375	450	388.5	1.5	200	0.03
Monitor Well	MU1-PM16	504054	4936331	460				
Monitor Well	MU1-PM17	503939	4936296	490	385	3.5	470	0.16
Monitor Well	MU1-PM17	503939	4936296	490	391	3	110	0.03

Unit 17, Level 2, 100 Railway Road, Subiaco WA 6008, PO Box 8129, Subiaco East WA 6008

Phone: +61 (0)8 9380 9920 Fax: +61 (0)8 9381 5064

Peninsula Energy Limited - ABN: 67 062 409 303

Monitor Well	MU1-PM17	503939	4936296	490	395.5	2	140	0.03
Monitor Well	MU1-PM17	503939	4936296	490	425.5	4	320	0.09
Monitor Well	MU1-PM17	503939	4936296	490	431	3	140	0.04
Monitor Well	MU1-PM18	503833	4936331	490	395	5	170	0.09
Monitor Well	MU1-PM18	503833	4936331	490	401	2	120	0.02
Monitor Well	MU1-PM19	503724	4936366	500				
Monitor Well	MU1-SM06	503960	4936685	291				
Monitor Well	MU1-SM07	504093	4936697	268				
Monitor Well	MU1-SM08	504253	4936791	243				
Monitor Well	MU1-SM09	504212	4936699	270				
Monitor Well	MU1-SM10	503897	4936447	257				
Monitor Well	MU1-SM11	503757	4936482	268				
Monitor Well	MU1-SM12	504111	4936477	216				
Monitor Well	MU1-SM13	503999	4936450	266				
Monitor Well	MU1-SM14	503994	4936801	288				
Monitor Well	MU2-OZ1	503182	4936066	580	525	5.5	300	0.17
Monitor Well	MU2-OZ1	503182	4936066	580	543.5	3	320	0.1
Monitor Well	MU2-OZ2	503083	4935963	580	547.5	1	160	0.02
Monitor Well	MU2-OZ2	503083	4935963	580	550.5	2	120	0.02
Monitor Well	MU2-OZ3	503301	4936271	570	509.5	8.5	180	0.15
Monitor Well	MU2-OZ4	503044	4936099	590	544.5	2.5	160	0.04
Monitor Well	MU2-OZ4	503044	4936099	590	513.5	13.5	220	0.3
Monitor Well	MU2-OZ4	503044	4936099	590	500.5	4.5	180	0.08
Monitor Well	MU2-OZ4	503044	4936099	590	496	4	150	0.06
Monitor Well	MU2-OZ5	503004	4936191	600	506	2.5	140	0.04
Monitor Well	MU2-OZ5	503004	4936191	600	516	2.5	1040	0.26
Monitor Well	MU2-OZ5	503004	4936191	600	541	5	140	0.07
Delineation	RMR2717	504194	4936879	500	401.5	1.5	130	0.02
Delineation	RMR2747	504175	4936864	500				
Delineation	RMR2752	504174	4936835	500				
Delineation	RMR2754	504103	4936312	480				
Delineation	RMR2755	504119	4936334	480	362.5	3	340	0.1
Delineation	RMR2756	504136	4936364	480	375.5	2	150	0.03
Delineation	RMR2756	504136	4936364	480	379.5	1.5	120	0.02
Delineation	RMR2757	504163	4936401	480	364.5	4.5	160	0.07
Delineation	RMR2757	504163	4936401	480	408.5	3	200	0.06
Delineation	RMR2757	504163	4936401	480	441.5	4	310	0.12
Delineation	RMR2758	504198	4936356	460				
Delineation	RMR2759	504195	4936331	460	343.5	1	130	0.01
Delineation	RMR2760	504231	4936358	460				
Delineation	RMR2761	504232	4936389	460	369.5	1.5	370	0.06

Delineation	RMR2761	504232	4936389	460	413	2	250	0.05
Delineation	RMR2761	504232	4936389	460	415.5	2.5	210	0.05
Delineation	RMR2762	504261	4936389	460	382.5	1.5	160	0.02
Delineation	RMR2763	504291	4936412	460	416.5	1.5	120	0.02
Delineation	RMR2763	504291	4936412	460	423.5	1.5	140	0.02
Delineation	RMR2764	504164	4936386	460	374.5	12.5	330	0.41
Delineation	RMR2764	504164	4936386	460	388.5	1	110	0.01
Delineation	RMR2765	504349	4936435	460	393.5	3	210	0.06
Delineation	RMR2765	504349	4936435	460	402	1	140	0.01
Delineation	RMR2766	504136	4936349	480	380.5	2.5	120	0.03
Delineation	RMR2766	504136	4936349	480	383.5	2	140	0.03
Delineation	RMR2767	504198	4936372	460	352.5	2	140	0.03
Delineation	RMR2767	504198	4936372	460	361.5	3	220	0.07
Delineation	RMR2767	504198	4936372	460	370.5	2	150	0.03
Delineation	RMR2767	504198	4936372	460	384.5	1	130	0.01
Delineation	RMR2768	504232	4936404	460	357	5.5	180	0.1
Delineation	RMR2768	504232	4936404	460	383	3	1910	0.57
Delineation	RMR2768	504232	4936404	460	435.5	1.5	200	0.03
Delineation	RMR2769	504249	4936373	460	367.5	1	110	0.01
Delineation	RMR2769	504249	4936373	460	379.5	1	130	0.01
Delineation	RMR2769	504249	4936373	460	394.5	2.5	140	0.04