



ASX Listed - U.S. Uranium Investment Opportunity

Equity Raising Presentation | 10 December 2019



Not for release to US wire services or distribution in the United States

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Please note that Production Targets within this presentation are based on a proportion of inferred resources. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resource or that the production target itself will be realised.

Competent Person Statement

The information in this presentation 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’. Mr. Schiffer consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Cautionary & Inferred Resources Notice



The Feasibility Study completed for the Lance Projects includes measured and indicated resources and an assumed resource conversion of 60% (inferred to indicated or greater). The purpose of the Feasibility Study is to demonstrate the Lance Projects economic viability and the robustness of the planned low pH operations over an extended mine life beyond the existing Ross production area.

The Feasibility Study itself is based on various assumptions, including homogeneity of the delineated ore body contained within the Lance Projects. This is considered reasonable by the Company's technical consultants, competent persons and independent external consultants. The Company believes that it has a reasonable basis upon which to prepare and release these Feasibility Study results, particularly given that the Lance Projects have been in operation since December 2015. Whilst the Company considers that all the material assumptions underpinning the Feasibility Study are based on reasonable grounds, there is no certainty that they will prove to be correct or that the outcomes indicated by the Feasibility Study will be achieved.

The Company believes it has a reasonable basis for providing the forward-looking statements and production targets included in this announcement. The material assumptions are included in Appendix 1 of this announcement and in the JORC table disclosures appended. The detailed assumptions regarding the resources are outlined in the ASX announcement released on 17 September 2018.

Investors should also note that there is no certainty that the Company will be able to raise the amount of funding for the Lance Projects when it is required or on terms that are not overly dilutive or that are favourable to the value of the Company's existing shares.

This announcement has been prepared in accordance with the JORC Code (2012) and the ASX Listing Rules. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration and delineation work will result in the determination of indicated mineral resources or that the production target itself will be realised. Financial information contained in this announcement is preliminary in nature and is in-part based on low-level technical and economic assessments and is insufficient to support the estimation of reserves or to provide assurance of economic development.

Under the Feasibility Study mine plan, the first 5 years production can be sourced almost entirely from Measured and Indicated Resources. If the Inferred Resources are excluded from the Feasibility Study, the economic analysis still forecasts a positive financial performance. Therefore, the Company is satisfied that the use of Inferred Resources is not a determining factor in overall Project viability and that it is reasonable to include Inferred Resources in the Feasibility Study, particularly given that the Lance Projects is an operating project that has been producing uranium for over three years.

In accordance with the relevant regulations governing the disclosure of mineral projects, readers are cautioned that mineable resources based on inferred resource material are considered too speculative geologically to enable them to be classified as reserves.

Equity Raising & Size



Offer Structure and Size	<ul style="list-style-type: none">• A\$9.1 million equity raising comprising:<ul style="list-style-type: none">➤ Institutional placement that raised A\$7.0million (“Placement”); and➤ A 1 for 20 pro-rata renounceable entitlement offer to raise approx. A\$2.1 million (“Entitlement Offer”) to existing eligible shareholders• Approximately 55.1 million new Peninsula shares (“New Shares”) to be issued under the Placement and Entitlement Offer
Offer Price	<ul style="list-style-type: none">• Offer Price of A\$0.165 per share (“Offer Price”)• 21.4% discount to the closing price on 26 November 2019 (last day of trade prior to capital raise announcement)• 20.7% discount to the 10-day VWAP to 26 November 2019
Entitlement Offer	<ul style="list-style-type: none">• Entitlement Offer to open on Tuesday, 10 December 2019• Entitlement Offer scheduled to close on Monday, 6 January 2020• Eligible Shareholders who apply for their full Entitlement Offer will also be entitled to apply for additional New Shares to be allocated out of any shortfall⁽¹⁾

⁽¹⁾ Condition set out in the Prospectus

Equity Raising Overview



Ranking	<ul style="list-style-type: none">• New Shares will rank equally in all respects with Peninsula's existing shares• New Shares issued under the Placement will be allotted after the Record Date and will not be eligible to participate in the Entitlement Offer
Cornerstone Investors	<ul style="list-style-type: none">• 6 of the Company's existing institutional shareholders subscribed for New Shares in the Placement – approx. 19.5 million New Shares
Joint Lead Managers	<ul style="list-style-type: none">• Canaccord Genuity (Australia) Limited ("Canaccord") and Euroz Securities Limited ("Euroz") are Joint Lead Managers ("JLMs") of the Placement and Entitlement Offer
Underwriting	<ul style="list-style-type: none">• The Entitlement Offer is not underwritten

Indicative Timetable



Key Event	Date ⁽¹⁾
Announcement of the Equity Raise	29 November 2019
Lodge Prospectus with ASIC and ASX	2 December 2019
“Ex” date for Entitlement Offer	4 December 2019
Record Date for Entitlement Offer	5 December 2019
Placement Allotment Date	9 December 2019
Entitlement Offer Opens and Despatch of Prospectus	10 December 2019
Rights Trading Ends	27 December 2019
Entitlement Offer closes	6 January 2020
Announcement of Results of Entitlement Offer	9 January 2020
Allotment of New Shares under the Entitlement Offer	13 January 2020
Expected date of despatch of holding statements for New Shares Issued under the Entitlement Offer	13 January 2020
Quotation of New Shares issued under the Entitlement Offer	14 January 2020
Last Date to Issue any Shortfall Shares	3 April 2020

⁽¹⁾ The timetable is indicative only and subject to change. Peninsula, in conjunction with the JLMs, reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws.

Use of Proceeds



- 🌀 Net proceeds raised from the Placement and Entitlement Offer will be primarily applied to the Lance Projects for the purposes of ongoing site costs (including retention of key staff for restart readiness) and low pH de-risking and optimisation activities
- 🌀 De-risking and optimisation activities include:
 - 🌀 Testing to select an ion exchange resin better suited to low pH operations
 - 🌀 Treatment and management of fines typically encountered during the acidification process
 - 🌀 Optimisation of the acid storage and distribution system
 - 🌀 Possible new field demonstration in an unmined area on the edge of Mine Unit 1

Sources	US\$'m
Available cash at 31 Oct 19	2.5
Placement proceeds ⁽¹⁾	4.8
Entitlement Offer proceeds ⁽¹⁾	1.4
Uranium sale proceeds	4.0
Total Sources	12.7

Uses	US\$'m
Site costs (incl staff retention costs)	4.7
De-risking & optimisation	1.7
Debt servicing costs	0.8
Purchase of uranium	2.5
Corporate & equity raising costs	2.1
Cash buffer	0.9
Total Uses	12.7

⁽¹⁾ AUD to USD FX rate of 0.6800 applied

The No.1 ASX-Listed Uranium Investment Opportunity



Flagship asset: Lance Projects in-situ recovery uranium mine in Wyoming, USA





- 🌀 Only US uranium ISR mine authorised to use industry leading low pH solution
- 🌀 Transition to low pH solution is low cost and underway
- 🌀 Ready for rapid re-start to be first to respond to improving market
- 🌀 Largest contiguous US uranium ISR mineral resource
- 🌀 Only US uranium mining project with long-term sales contracts beyond 2020
- 🌀 Only ASX-listed uranium company with direct exposure to US NFWG outcomes
- 🌀 Significant debt reduction in progress
- 🌀 Compelling valuation metrics vs US listed uranium ISR peers

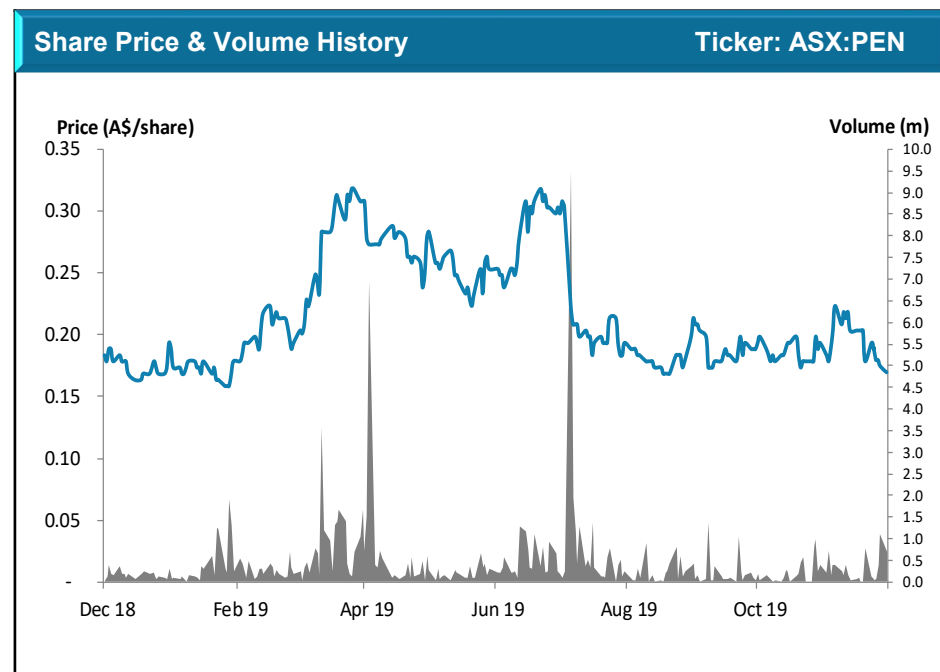
Use of nuclear power continues to increase in a world that is demanding more low-carbon electric power generation

Corporate Overview



Capital Structure	
Shares on issue*	295m
Share price (9-Dec-19)	A\$0.170
Market capitalisation (9 Dec-19)	A\$50m
Enterprise Value (9-Dec-19)	A\$66m
Available Cash (31-Oct-19)	US\$2.5m
Debt (31-Oct-19)	US\$17.0m

Shareholding*	Holding (%)
 PARADICE INVESTMENT MANAGEMENT	9.6%
 RESOURCE CAPITAL FUNDS	9.5%
 COLLINS ST VALUE FUND	2.5%
 orano	2.3%
Top 20 Shareholders	46.9%



*Undiluted as at 9 December 2019 and excludes New Shares issued under the Entitlements Offer

Debt Reduction Terms Agreed



Debt Reduction

- ⦿ Binding agreement reached with Lenders⁽¹⁾
- ⦿ Proceeds from uranium contract monetisation, when completed, of ~US\$10-11m to be applied to reduce debt

Term & Coupon

- ⦿ Revised maturity date of 22 April 2021 if monetisation complete by 30 Apr 2020 (31 Oct 2020 otherwise)
- ⦿ Straight term debt, bullet repayment
- ⦿ Coupon reduced to 10%

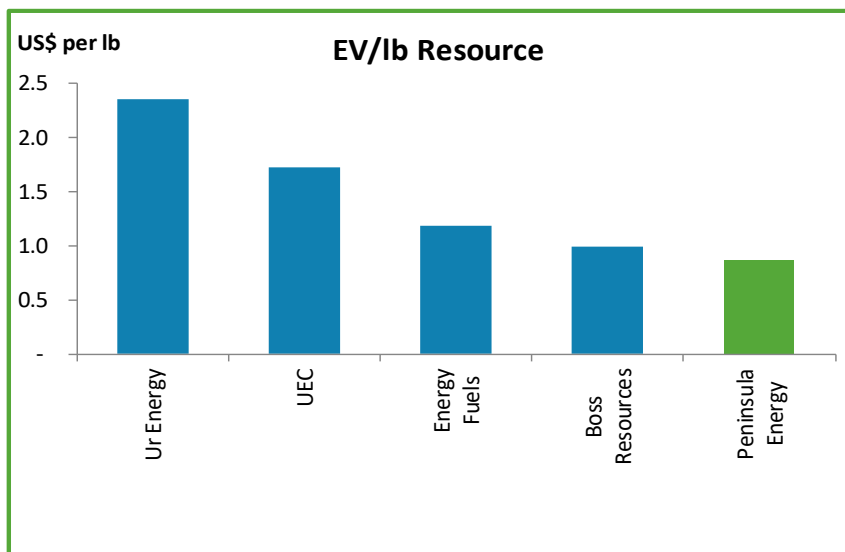
Balance Sheet

- ⦿ Debt balance expected to be US\$6-7m after partial contract monetisation is completed
- ⦿ Non-current liability on the balance sheet

De-risked balance sheet provides greater financing flexibility when funding for low pH transition & ramp-up occurs

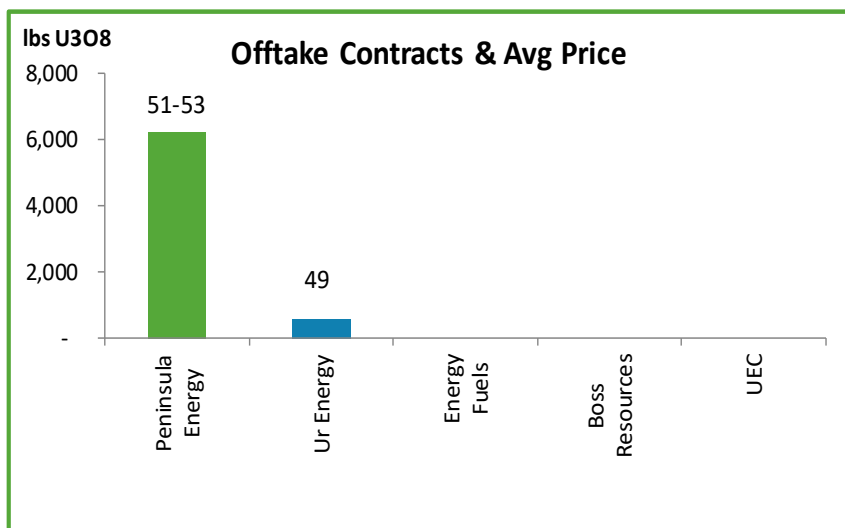
(1) Refer to ASX announcements dated 5 November 2019 and 25 November 2019

Investment Upside – Low EV/lb vs Peers



30% to 65% discount to US ISR Peers

- Offers significant upside opportunities

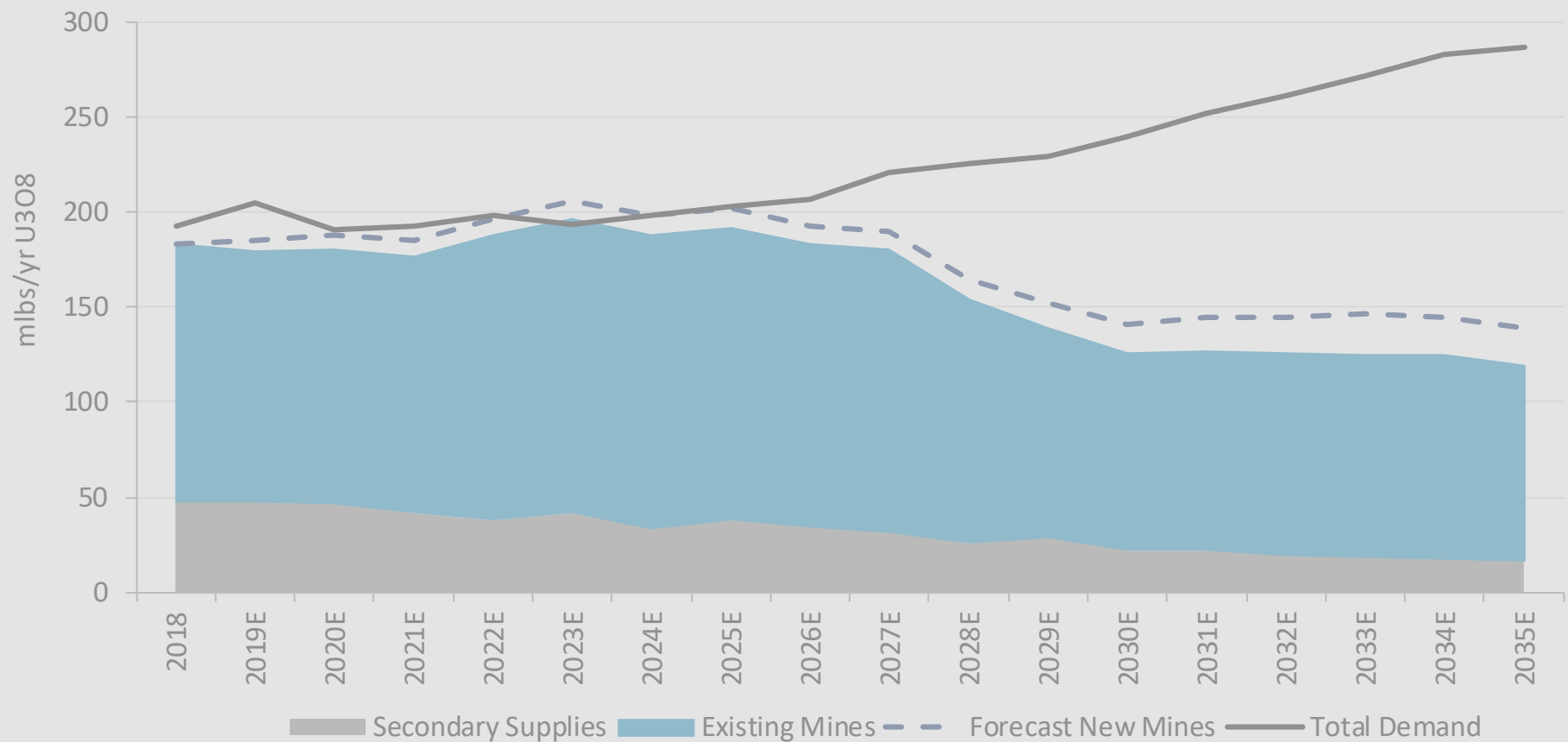


Peer group leading contract revenue base

- Investment grade customer base
- In-the-money contracts hold realisable asset value
- Substantial leverage to uranium price recovery with only 20% of FS LOM production under contract



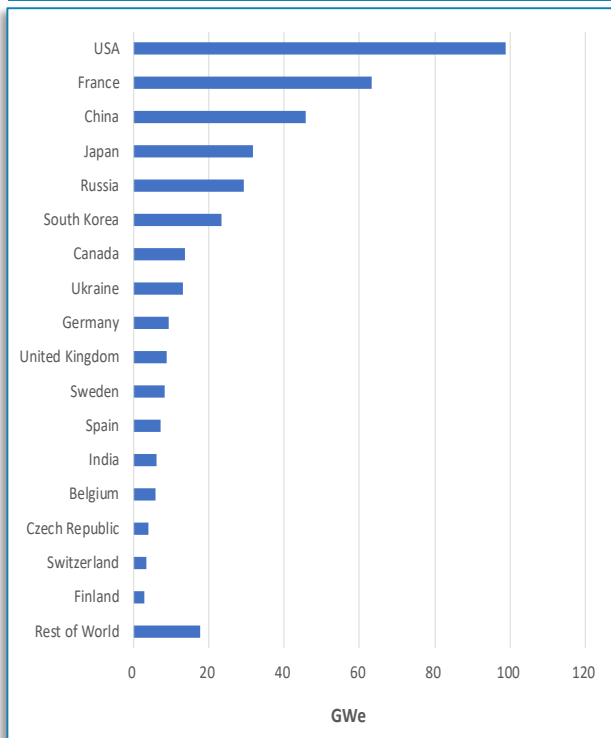
The Uranium Market



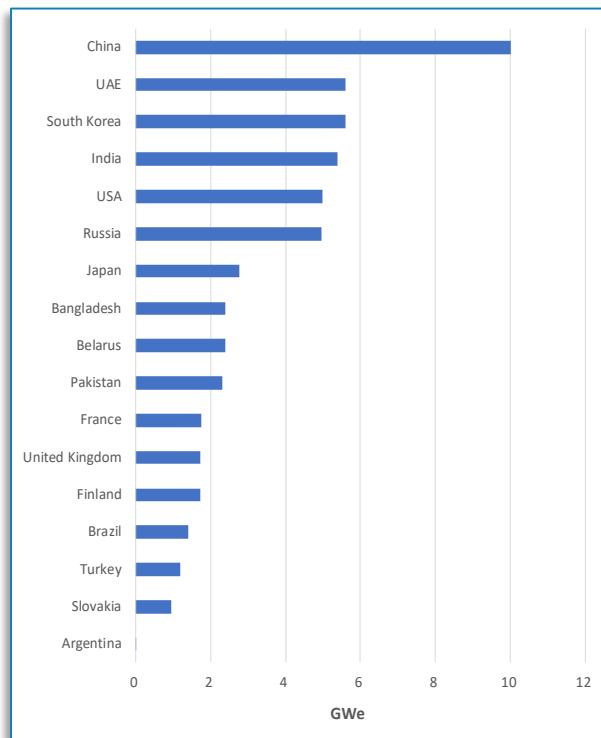
Solid Growth in Uranium Demand



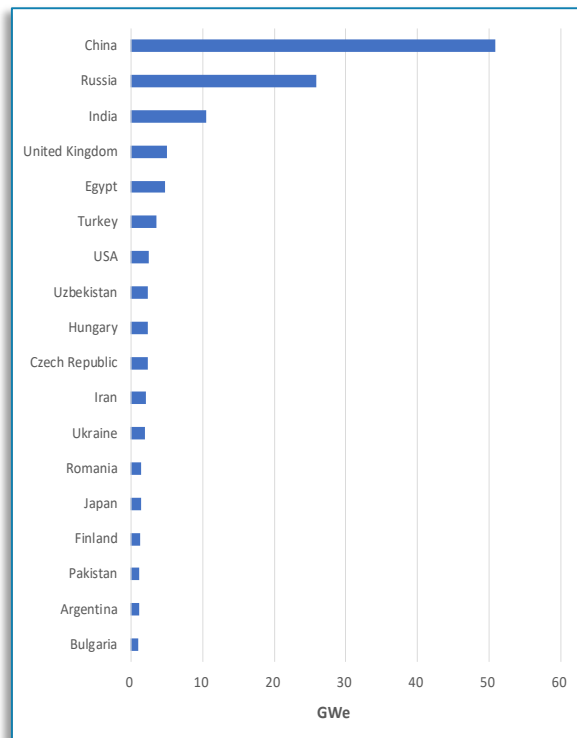
Operable Reactors



Reactors Under Construction



Planned Reactors



444 operable reactors

- 🌀 396 GWe capacity
- 🌀 Requires 176m lbs U3O8 per annum

54 reactors under construction

- 🌀 58 GWe capacity
- 🌀 Requires ~32m lbs U3O8 per annum*
- 🌀 per GWe; initial core based on 2.0m lbs

111 reactors firmly planned

- 🌀 122 GWe capacity
- 🌀 Requires ~61m lbs U3O8 per annum*
- 🌀 >200m lbs U3O8 for initial cores*

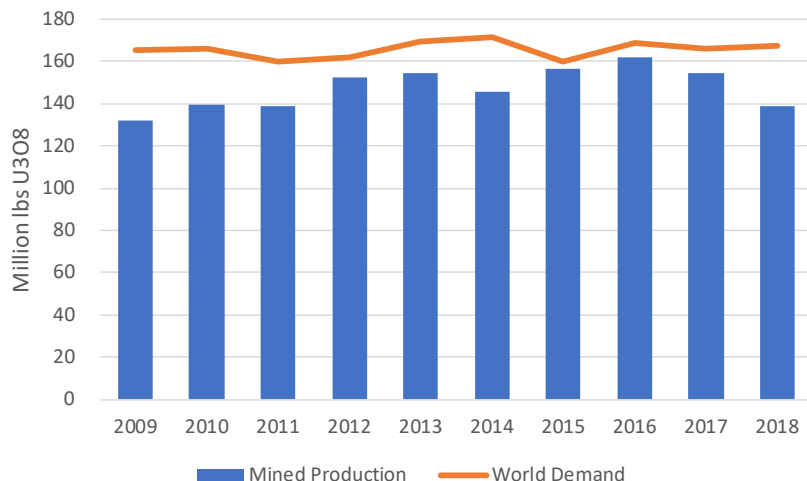
Source: World Nuclear Association, as at August 2019

* Annual U3O8 consumption based on 550,000 lbs per GWe; initial core based on 2.0m lbs per GWe

Improving Supply Side Fundamentals



Significant supply reductions⁽¹⁾



Substantial CAPEX to re-start idled mine capacity⁽²⁾

McArthur River	US\$70m (2 yrs.)
Langer Heinrich	US\$80m
Honeymoon	US\$68m

CAPEX to develop new projects is not currently available or warranted

Greenfield projects	US\$100's of million
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Secondary supplies gradually reducing

Price for uranium conversion services increasing

Demand and price for enrichment SWU will increase as roll-out of new reactors continues



Combination of these factors means that enricher underfeeding becomes less attractive

Government policy and action

US Nuclear Fuel Working Group – recommendations now expected in mid November 2019

Russian Suspension Agreement – up for renewal in CY2020

Possible sanctions on global companies supplying goods or services to the Iranian nuclear program could disrupt the western fuel supply chain

Source: (1) World Nuclear Association; (2) respective company stock exchange filings

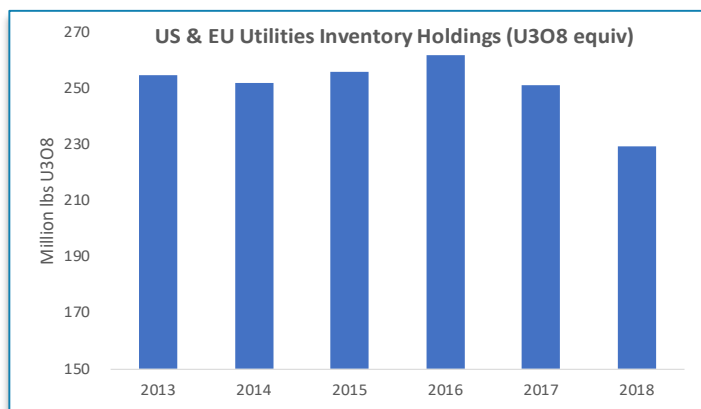
When will the Uranium Price Improve?



No one knows for sure, but watch for these signals:



- When regulatory certainty returns to the US
- Utilities can go to the market with confidence



- As utility inventories reach minimum levels
- Balances down 13% over past 2 years



- When mining companies purchase rather than produce, reducing the amount of physical uranium available for utility needs



- When utilities do not get material offered to them in the quantities they request

The foundation for all of these indicators is being laid right now!

Lance ISR Project | Wyoming, USA

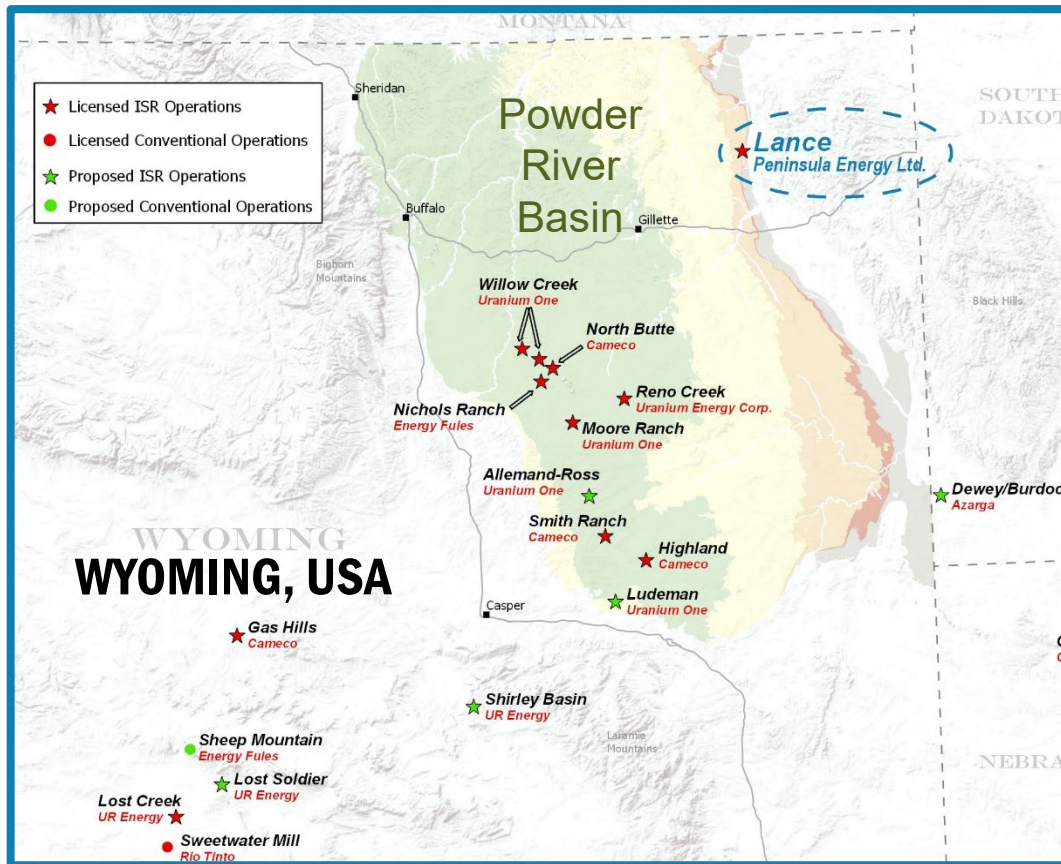
A Premier US Uranium Project



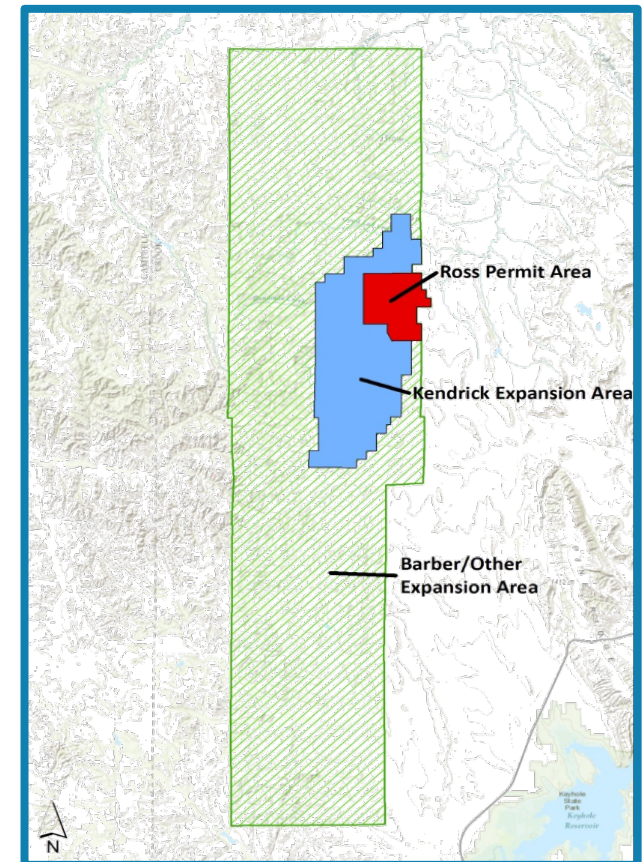
Lance – In a Favourable Jurisdiction



- Wyoming is a leading US uranium extraction jurisdiction, hosting multiple projects; and
- Lance is one of the largest in-size and scale.



Lance Regional Setting



Lance Permit Areas

Lance – Fully Licensed and Developed



Exceptional Asset

- ☞ Lance holds the largest defined uranium resource of any recently producing project in the United States
- ☞ 53.6M lbs U3O8 JORC (2012) compliant resource base⁽¹⁾

Scalable Production

- ☞ Lance is licensed to produce up to 3M lbs U3O8 per annum
 - Would be the #1 ISR producer in the US & Top 10 globally
- ☞ Current (Stage-1) plant capacity of 1.15M lbs U3O8 per annum

Restart Ready

- ☞ Two fully developed Mine Units on standby and are available for further recovery operations
- ☞ Recovery operations idled in 2019 due to low level of near term production requirements

(1) See Appendix 2

Unlocking the Full Potential of Lance



Peninsula is leading the US industry by transitioning to low-pH ISR

High Potential

- ☞ Transform the future performance and cost profile
- ☞ Feasibility Study released in September 2018

Short Timeline

- ☞ Two main regulatory approvals now completed
- ☞ Plant and wellfield modifications can be implemented in minimal time following investment decision

Low Cost Optimisation

- ☞ Modest CAPEX needed for process modifications
- ☞ Initial low pH operations to occur in existing wellfields



LOM Production

- 33.4 million lbs U_3O_8
- 17 year mine life

Financial Metrics

- LOM AISC of US\$31.77/lb
- NPV8 US\$157M at US\$49/lb

Three Stage Transition & Expansion Plan

Stage	Year	Capacity Mlbs/yr	Expansion CAPEX	Production Cost \$/lb.	ISC \$/lb.
Stage 1	0	1.15	\$5.3M	\$14.67	\$40.58
Stage 2	5	2.3	\$43.1M	\$8.93	\$31.52
Stage 3	7	3.0	\$70.3M	\$9.16	\$30.36

- Each US\$10/lb increase in U_3O_8 price assumption for uncontracted production increases NPV8 by almost US\$100m

Note: There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration and delineation work will result in the determination of indicated mineral resources or that the production target itself will be realised.

Low pH Implementation Plan



Phase 1

- ✓ Field Demonstrations of Mining and Initial Restoration
- ✓ **Complete**

Phase 2

- ✓ Commercial use of low pH in MU's 1 & 2
- ✓ **Authorised**

Phase 3

- ✓ Field groundwater restoration demonstration
- ✓ Interim Restoration Report (**IRR**) for WDEQ approval
- ✓ **Ongoing Activity**

Phase 4

- ✓ Upon approval of IRR, commercial use of low pH authorised in all future new mine units



Regulatory Benchmarks

- Completed major amendments for low pH ISR
- Progress & complete Phase 3 demonstrations during 2nd half CY2019

Low pH Technical De-risking & Optimisation

- Conduct low pH resin optimisation test work and studies
- Evaluate design improvements for fines removal methods
- Revise the design of acid storage and distribution system

Operational Readiness at Lance

- Two fully developed wellfields with remaining recoverable resources
- Project ready for implementation funding and operational green light

Uranium Sales Portfolio



Only US Uranium Mining Company with a Long-Term Contract Portfolio



🔊 Five sales agreements with major utilities

- Weighted sales price between US\$51-53/lb U_3O_8
- Contract portfolio carries through year 2030

🔊 Up to 6.2 million pounds U_3O_8 remaining under contract⁽¹⁾

- 4.2 million lbs U_3O_8 committed deliveries
- Up to 1.9 million lbs U_3O_8 optional at customer election between 2021 & 2026

🔊 Material origin clauses allow purchased U_3O_8 for deliveries in CY2020

- Already contracted to purchase 100,000 lbs U_3O_8 for delivery in March 2020 at fixed purchase price of US\$25/lb U_3O_8

🔊 Sales portfolio represents ~20% of projected Lance FS LOM production

(1) Volumes are shown before the effect of the proposed monetisation of 1.0m lbs U_3O_8 . Weighted average delivery price through to 2030 is expressed in nominal terms, and is based on an existing portfolio of committed and option contracts containing a combination of i) fixed prices, ii) fixed rates of escalation, and iii) variable rates of escalation. Contracts containing variable rates of escalation have been escalated at an assumed future escalation rate of 2.0% per annum.

Conclusion



Take-Away Points



U.S. Domestic Producer

- Peninsula is positioned to benefit from U.S. Government initiatives and ongoing corporate activities
- The only low pH uranium ISR project in the U.S.

Long Life Project

- Lance has the largest defined ISR uranium resource in the US with clear visibility and short timeline to re-start production

Valuable Contract Book

- The only U.S. based uranium project with long- term sales contracts extending to 2030

Attractive Valuation

- Low EV/lb resource compared to peer group with substantial share price re-rating events over next 12 months
- Uranium markets are poised for a strong upward move

Contact Details

REGISTERED OFFICE

Unit 32/33, Level 3, 22 Railway Road
Subiaco, Western Australia 6008
Australia

www.pel.net.au
info@pel.net.au

FURTHER INFORMATION

Wayne Heili Managing Director +61 8 9380 9920

David Coyne Finance Director / CFO +61 8 9380 9920

Appendix 1 - Board and Management



Board of Directors

- John Harrison, Non-Executive Chairman
- Wayne Heili, Managing Director & CEO
- David Coyne, Finance Director & CFO
- Harrison Barker, Non-Executive Director
- Mark Wheatley, Non-Executive Director

Capital Markets

Exec. Leadership & Technical

Finance & Risk Management

Nuclear Fuel Markets

Mining CEO & ISR Technical

Management Team

- Ralph Knode
- David Hofeling
- Mike Brost
- Jay Douthit
- Mike Griffin

CEO USA

CFO USA

VP Geology USA

VP Operations USA

VP Permitting, Regulatory & Environment USA

Appendix 2 – Resources & Competent Person Statement



Lance Projects Resource Estimate as at 31 December 2018				
Classification	Tonnes (million)	U3O8(kg)	Grade (ppm U3O8)	U3O8(lbs)
Measured	3.4	1.7	487	3.7
Indicated	11.1	5.5	495	12.1
Inferred	36.2	17.2	474	37.8
Total	50.7	24.4	479	53.6

1) 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.

Appendix 3 – Key Risks



Uranium Mining Risks

The Company's uranium project is located in the state of Wyoming, USA. Whilst exploration and mining for uranium is currently permitted in Wyoming there is no guarantee that it will be permitted in the future.

Low pH Uranium Recovery

The Company is transitioning the Lance project from an alkaline leach chemistry to a low pH (mild acid) leach chemistry. Whilst laboratory and small-scale field demonstrations support application of a low pH leaching agent, the Company has not yet demonstrated the use of low pH on a commercial scale.

Uranium Recovery & Processing

The operations of the Company may be affected by difficulties associated with recovering and extracting uranium from its uranium projects.

Carbonate Content

Use of a low pH leaching agent is generally accepted as being applicable to ore bodies that have a carbonate content of less than 2.0%. Whilst the Company has tested 17 core samples that have resulted in an average of less than 2.0%, due to the scale and size of the Lance project there is no guarantee that the life of mine average will be less than 2.0%.

Operational Risk

The operations of the Company may be affected by various factors. No assurances can be given that the Company will achieve its commercial targets and that predicted production rates for low pH mining can be achieved, despite utilisation of established and proven processes and techniques.

Low pH Implementation – Regulatory Risk

The Company may not be able to meet the low pH implementation criteria set by the regulator to enable use of a low pH leaching agent.

Title Risk

Interests in tenements in the United States are governed by the respective State and Federal legislation and are evidenced by the granting of licences and leases. If a mining tenement is not renewed, the Company may suffer significant damage through the loss of the opportunity to develop and discover any mineral resources on the mining tenements.

Regulatory Risk

The Company is exposed to any changes in the regulatory conditions under which it operates.

Resource Estimates

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change.

Appendix 3 – Key Risks



Foreign Exchange Risks

The Company and its Shareholders are exposed to the fluctuations and volatility of currency exchange rates.

Service Providers, Agents and Contractors

There is a risk that the actions of agents, contractors and services providers used by the Company in any of its activities may have a negative impact on the Company.

Safety Risk

The construction and operation of a uranium mining operation has the potential to cause the emission of radiological material. The Company must maintain equipment and procedures at its project facilities to protect public health and minimise danger to life or property.

Additional Requirements for Capital

The Company's capital requirements depend on numerous factors. If the Company is unable to obtain additional financing as needed it may adversely impact on the ability of the Company to meet its objectives.

Operating History

The Company has operated the Lance project since December 2015 using an alkaline leaching agent. Whilst it has conducted a field demonstration using a low pH leaching agent, it does not have a low pH operating history.

Reliance of Key Management

The Company's future success depends substantially on its senior management and its key personnel. There can be no assurance that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

Provision of Surety Bonds

Environmental obligations are met through provision of surety bonds that are partly cash backed by the Company. The ability to open up new mine units, and environmental obligation cash requirements, are dependent on the ongoing provision of surety bonds by insurance companies.

Re-Structure of Convertible Note Debt

Extension of the maturity date of the debt to 22 April 2021 is subject to completion of the Monetisation by 30 April 2020.

Risks Associated with Operating in the United States

The Company has material operations in the United States and is exposed to the risks associated with operating in a foreign country.

Environmental Risk

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. There is a risk that significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

Appendix 3 – Key Risks



Exploration Risks

There can be no guarantee that the Company's planned exploration and evaluation programs will lead to positive exploration and evaluation results and the delineation of a commercial deposit or further, a commercial uranium mining operation.

Insurance Risk

Insurance of risks associated with minerals exploration and production is not always available and, where available, the costs can be prohibitive.

Economic Risk

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

Market Conditions

Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Changes in the price of uranium can have a significant impact on the economic performance of a project.

Commodity Price Risk

Volatility in commodity markets may materially affect the profitability and financial performance of the Company and the price of its Shares. In addition, any sustained low global price for uranium (as well as other related commodities) may adversely affect the Company's business and financial results, and its ability to finance, and the financing arrangements for activities and its planned capital expenditure commitments (in the ordinary course of the Company's operations).

Third Party Risk

If the Company fails to meet its obligations in terms of product quantity, quality or timing, there may be a risk that contracts are terminated. This may have a material adverse effect upon the Company's financial performance and results of operations.

Competition

Competition from other uranium producers, developers and explorers may affect the potential future cash flow and earnings which the Company may realise from its operations.

Litigation

From time to time, the Company may become involved in litigation and disputes.