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Companies Announcement Office

Via Electronic Lodgment

## MAJOR DEVELOPMENT MILESTONE ACHIEVED AT LANCE PROJECTS

**Peninsula Energy Limited** (Peninsula or the Company) is pleased to announce that a major project development milestone has been achieved at its Lance Projects in Wyoming USA. Peninsula's wholly owned subsidiary, Strata Energy, Inc. (Strata) has submitted the wellfield data package for Mine Unit 1 (Wellfield Data Package) to the US Nuclear Regulatory Commission (NRC) and the Wyoming Department of Environmental Quality (WDEQ).

As part of its pre-operational license requirements, Strata is required to submit to the NRC and WDEQ the Wellfield Data Package for their respective review and approval prior to the commencement of production. Submission of the Wellfield Data Package follows the completion of installation of all Mine Unit 1 monitor wells, well pump tests and four rounds of baseline water sampling.

In making the submission to the NRC and the WDEQ, Strata has validated through testing that the hydrological aspects of the Mine Unit 1 orebody and its perimeter will function in a manner consistent with previous pump tests and modelling. This includes demonstrating that the ore zone aquifers are effectively isolated from the overlying and underlying aquifers.

Water quality information obtained from pre-production baseline water sampling will also be used to set upper control limits for all monitor wells during production and set restoration standards during future groundwater restoration and rehabilitation of depleted wellfields.

### About the Wellfield Data Package

The Wellfield Data Package is a comprehensive hydrologic evaluation of the Mine Unit 1, detailing wellfield conditions as they exist prior to subsurface disturbance. In order to prepare the Wellfield Data Package it was necessary to implement a comprehensive baseline groundwater monitoring program. Strata also further defined the exempted portions of the uranium ore zone aquifer and also used the monitor wells to perform additional hydrological testing.

Amongst other items, the Wellfield Data Package contains the following:

- Geological demonstration of the uranium mineralised ore zone's hydraulic isolation from vertically adjacent aquifers;
- Results of aquifer testing, which demonstrate that the perimeter production zone monitor wells are in communication with the Mine Unit 1 mineralised ore zone wells;
- Data from the overlying and underlying aquifers demonstrate effectively no hydraulic communication with the ore zone aquifer;
- Baseline water quality data and proposed groundwater restoration standards and monitor well upper control limits;
- Verification that the ore zone aquifer meets exemption requirements within the perimeter monitor well ring;
- Individual Well mechanical integrity test records;
- Abandonment records of historic exploration drill holes located within and adjacent to the perimeter monitor well ring; and
- Numeric groundwater model simulating operational conditions that verified wellfield performance using wellfield specific conditions.

## Construction Progress Update

Construction of the Central Processing Plant (CPP) and initial wellfields continues to progress as scheduled. Within the CPP, all tanks have been placed within the building structure and cladding of the structure is materially complete. Contractors for trades such as electrical, instrumentation, piping and controls have been mobilised to site.



Figure 1: Unloading of tanks at the CPP



Figure 2: Setting fibreglass tanks inside the CPP



With the Wellfield Data Package submitted, development drilling for the first header house within Mine Unit 1 can now be completed. Trenching and pipe laying for the first header house are also underway.



**Figure 3: Pipe laying in Mine Unit 1**

Strata CEO Ralph Knode stated *“Submitting the Wellfield Data Package is a major achievement for the project team and follows a significant amount of site activity over the past 3 to 4 months. CPP and wellfield construction activities continue to progress as planned, and preparations for the commencement of operations are well advanced.”*

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