

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Peninsula Energy Limited

ABN

62 062 409 303

Quarter ended ("current quarter")

30 June 2020

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (12 months) \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	7,480
1.2 Payments for		
(a) exploration & evaluation (if expensed)	(31)	(164)
(b) development	(29)	(237)
(c) production	(1,157)	(7,485)
(d) staff costs	(428)	(1,713)
(e) administration and corporate costs	(384)	(1,342)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	53
1.5 Interest and other costs of finance paid	(413)	(1,529)
1.6 Income taxes received / (paid)	80	(191)
1.7 Government grants and tax incentives	-	-
1.8 Other (insurance claim, uranium purchases)	508	(3,170)
1.9 Net cash from / (used in) operating activities	(1,848)	(8,298)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(19)	(79)
(d) exploration & evaluation (if capitalised)	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	11	236
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(8)	157

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	27,349	33,506
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1,760)	(2,222)
3.5	Proceeds from borrowings	516	516
3.6	Repayment of borrowings	(16,854)	(16,921)
3.7	Transaction costs related to loans and borrowings	(18)	(127)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	9,233	14,752

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,790	8,547
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,848)	(8,298)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(8)	157
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,233	14,752

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
4.5	Effect of movement in exchange rates on cash held	(8)	1
4.6	Cash and cash equivalents at end of period	15,159	15,159

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	11,934	4,562
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Security Deposits)	3,225	3,228
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	15,159	7,790

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$US'000**

231

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Payment of Directors' Fees and payments to Executive Directors under respective service agreements. Additional information has been included in the Quarterly Activities Report.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (US COVID-19 Paycheck Program)	516	516
7.4 Total financing facilities	516	516
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p><u>Loan facilities:</u></p> <p>On 30 June 2020, the Company repaid US\$16.8 million in Convertible Notes held by Resource Capital Fund VI L.P., Pala Investments Limited the Piperoglou Family Interests in cash sourced from the A\$40.3 million Entitlement Offer completed on 30 June 2020.</p> <p><u>Other facilities:</u></p> <p>During the June 2020 quarter the Company received US\$0.516 million under a US COVID-19 Paycheck Protection Program which is a loan specifically designed to help businesses keep their workers on the payroll. In accordance with this program the Company expects this loan to be 100% forgiven before the end of the 2020 calendar year.</p> <p><u>Disclosure note:</u></p> <p>The Financing facilities disclosure above excludes miscellaneous and minor hire purchase agreements that meet the requirement under AASB 16 Leases to be classified as both a lease liability and a lease asset.</p>		

8. Estimated cash available for future operating activities	\$US'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,848)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,848)
8.4 Cash and cash equivalents at quarter end (Item 4.6) (NOTE: excl Item 5.4 which is Restricted Cash)	11,934
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	11,934
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	6.5
8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<p>Answer:</p> <p>Not applicable as Item 8.7 is not less than 2 quarters</p>	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

Not applicable as Item 8.7 is not less than 2 quarters

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Not applicable as Item 8.7 is not less than 2 quarters

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2020



Authorised by: **CFO / Joint Company Secretary**
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.