



4 September 2015

Companies Announcement Office
Via Electronic Lodgement

US ENVIRONMENTAL PROTECTION AGENCY AQUIFER EXEMPTION

Peninsula Energy Limited (PEN) is pleased to announce that the US Environmental Protection Agency (EPA) has approved an aquifer exemption surrounding the deep disposal well (DDW) at the Ross Permit Area (RPA) of the Lance Projects in Wyoming, USA.

As announced to ASX in June 2015, Peninsula Energy Limited's wholly owned subsidiary Strata Energy Inc. successfully completed the DDW to a depth of 8,607 feet at the RPA. Strata subsequently submitted a revision to the existing aquifer exemption request to the Wyoming Department of Environmental Quality (WDEQ) to include a portion of the Flathead aquifer that surrounds the DDW.

Based on a review of supporting information provided to the WDEQ, including water quality data, the EPA approved "a non-substantial program revision to include exemption of a portion of the Flathead formation surrounding the Ross DDW". Specifically, the depths and extent of the aquifer exemptions are "the portion of the Flathead formation one-quarter mile from the Ross DDW No.2 wellbore and at approximate depths of 8,277 to 8,565 feet below ground surface".

The approval represents EPA's concurrence with the previous conclusion by the WDEQ concerning the aquifer exemption criteria for the DDW that:

- The aquifer does not currently serve as a source of drinking water, and
- The aquifer is situated at a depth or location which makes recovery of water for drinking water purposes economically or technologically impractical.

Peninsula Managing Director and CEO Gus Simpson stated, "The EPA deep disposal well aquifer exemption clears a significant regulatory milestone for the commencement of production at the Lance Projects".

Yours sincerely

A handwritten signature in black ink, appearing to read "John Simpson", written over a white background.

John (Gus) Simpson
Managing Director/Chief Executive Officer

For further information, please contact our office on +61 (0)89380 9920 during normal business hours.