Peninsula Energy Limited (Peninsula) advises that it held an investor update webcast on 5 February 2019 including the attached presentation to cover the December 2018 quarter.

A recording of the webcast is available on the link below:

http://www.pel.net.au under “Announcements” subsection ”Presentations”.

Yours sincerely

Jonathan Whyte
Company Secretary

For further information, please contact our office on +61 8 9380 9920 during normal business hours.
December 2018 Quarter Results

Webcast | 5 February 2019
Disclaimer & Competent Person

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Please note that in accordance with Clause 17 of the JORC (2012) Code, the potential quantity and grade of the "Exploration Target" in this presentation must be considered conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

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 Peninsula’s Lance Projects 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 they are 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. Guilinger consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.
Agenda

• Highlights of the Quarter

1. Lance Results and Activities
2. Low pH Permitting Progress
3. Low pH Field Demonstration
4. Low pH FS Highlights
5. Quarterly Costs & Cash Flow Analysis
6. Uranium Market
7. Investment Highlights

Tank for low pH field demonstration

Mr Wayne Heili – Managing Director & CEO
Lance – Maintaining Production During Transition

- **December Quarter Production**
  - 20,364 lbs produced in the quarter – lost 9 days due to plant pipe failure
  - 14,445 lbs dried & drummed in the quarter
  - 100,000 lbs U₃O₈ sold on 1 October 2018; US$4.5m sales proceeds
  - Controlled production expenditures during transitional period
  - Improved toll milling agreement signed in December 2018
Low pH Permitting Status

- Permit and License amendments progressing in line with original timing expectations

Agreement State
- Effective 1 October 2018
- State of Wyoming has primacy over both Permit to Mine and Source Material and by-product License

Permit to Mine
- WDEQ completed their review
- 60-day public comment period concluded on 26 January

Source Materials License
- Amendment request submitted early October 2018
- Submission consistent with Permit to Mine amendment application
Low pH Field Demonstration

- Approved by regulators in Nov-2018
- Trial operations started Dec-2018
- Three production patterns in test area
- Planned 6-month test duration

Sulfuric Acid Addition Pump

Test Pattern Map (in MU-1)
Lance Low pH FS Highlights

**LOM Production**
- 33.4m lbs $U_3O_8$
- 17 year minelife

**Financial Metrics**
- LOM AISC of $31.77/lb
- NPV8 $157m at $49/lb

**Three Stage Expansion Plan**

<table>
<thead>
<tr>
<th>Stage</th>
<th>Year</th>
<th>Capacity mlbs/yr</th>
<th>Expansion CAPEX</th>
<th>Production Cost $/lb.</th>
<th>AISC $/lb.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1</td>
<td>2019</td>
<td>1.15</td>
<td>$5.3m</td>
<td>$14.67</td>
<td>$40.58</td>
</tr>
<tr>
<td>Stage 2</td>
<td>2024</td>
<td>2.3</td>
<td>$43.1m</td>
<td>$8.93</td>
<td>$31.52</td>
</tr>
<tr>
<td>Stage 3</td>
<td>2026</td>
<td>3.0</td>
<td>$70.3m</td>
<td>$9.16</td>
<td>$30.36</td>
</tr>
</tbody>
</table>

- Significant improvement over current alkaline performance
- Attractive economics irrespective of s232 outcomes
## Quarterly Cost Performance Review

- **Spending discipline continues**

<table>
<thead>
<tr>
<th>Payments for:</th>
<th>Actual Mar Qtr CY18</th>
<th>Actual Jun Qtr CY18</th>
<th>Actual Sep Qtr CY18</th>
<th>Actual Dec Qtr CY18</th>
<th>F’cast Mar Qtr CY19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exploration &amp; Evaluation</strong></td>
<td>169</td>
<td>197</td>
<td>159</td>
<td>394</td>
<td>150</td>
</tr>
<tr>
<td><strong>Development &amp; PPE</strong></td>
<td>786</td>
<td>491</td>
<td>327</td>
<td>432</td>
<td>500</td>
</tr>
<tr>
<td><strong>Production</strong></td>
<td>3,219</td>
<td>2,457</td>
<td>2,739</td>
<td>2,502</td>
<td>3,300</td>
</tr>
<tr>
<td><strong>Sales, Admin &amp; Corporate (1)</strong></td>
<td>601</td>
<td>381</td>
<td>329</td>
<td>242</td>
<td>300</td>
</tr>
<tr>
<td><strong>Staff (Corporate)</strong></td>
<td>288</td>
<td>284</td>
<td>539</td>
<td>331</td>
<td>300</td>
</tr>
</tbody>
</table>

| | | | | | |
|---|---|---|---|---|
| | 5,063 | 3,810 | 4,093 | 3,901 |

### Notes:

1. Excludes payments for uranium purchases, financing charges, debt repayments, US$3.8m VAT amount remitted in June Quarter and US$3.0m debt repayment made on 20 April 2018.
Robust Financial Position

Available Cash\(^{(1)}\) Balances and Movement

- Outflows for Dec Qtr lower than forecast
- Sales proceeds of US$4.5m rec’d on 31 Oct 2018
- Finance costs include legal & EGM costs for Con Note extension

1) Available Cash excludes amounts placed on deposit to secure guarantees and surety bonds
Uranium Market Overview

• The uranium markets have reached a critical point

- Uranium is sold in spot & term markets
- Spot market up sharply since mid-2018
- Spot market supply depth is being tested by producer/investor buying
- Term market is now expected to open up
- Both markets are still well below pre-Fukushima levels

Source: UxC, LLC
Flexible Sales Strategy

- CY2018 completed deliveries of 225,000 lbs of U₃O₈
- Some deliveries in 2019 and 2020 have flexible origin clauses allowing seller optionality
- Contracted to purchase 225,000 lbs U₃O₈ as needed – fixed purchase prices with average cost of $23.69/lb U₃O₈
  - No “negative” exposure to rising uranium prices

**2018 Sales Composition**
- 55,000 lbs Purchased
- 170,000 lbs Lance Production

**2019-2020 Planned Sales Composition**
- 225,000 lbs Purchased
- 147,000 lbs Lance Production
Investment Upside – Low EV / lb vs Peers

Imminent share price re-rate events in 2019

- Completion of low pH permit amendments
- Completion of low pH field trial
- US Section 232 decision

Peer group leading revenue base

- Investment grade customer base
- Predictable base revenue
- Only 20% of LOM production under contract – substantial leverage to uranium price recovery

20% to 70% discount to ISR peers
## A Prime Uranium Investment Opportunity

<table>
<thead>
<tr>
<th>Investment Criteria</th>
<th>Peninsula</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active US uranium production assets – low pH transformation in progress</td>
<td>✔️</td>
</tr>
<tr>
<td>Long term sales contract protection</td>
<td>✔️</td>
</tr>
<tr>
<td>Direct exposure to Section 232 outcomes</td>
<td>✔️</td>
</tr>
<tr>
<td>Strong leverage to rising uranium market price</td>
<td>✔️</td>
</tr>
<tr>
<td>Ability to rapidly expand production capacity</td>
<td>✔️</td>
</tr>
<tr>
<td>Low current CAPEX requirements</td>
<td>✔️</td>
</tr>
<tr>
<td>Experienced technical, commercial and financial team</td>
<td>✔️</td>
</tr>
<tr>
<td>Attractive valuation to ISR peers</td>
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</tbody>
</table>
Questions & Answers
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