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Companies Announcement Office
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LANCE CONSTRUCTION AND OPERATIONS RAPIDLY ADVANCING TOWARD MID-YEAR 2023 PRODUCTION

KEY POINTS

- All work streams remain on schedule for a production restart in mid-year 2023
- Key equipment has been delivered to site and is being installed
- Capital expenditure continues to track with August 2022 Definitive Feasibility Study (DFS) projections
- Wellfield preconditioning operational flows have ramped up
- Once in operation, Lance will be one of the largest uranium in-situ recovery (ISR) operations in the United States, with exciting exploration and development upside
- Peninsula appoints Vice President of Corporate Development

Peninsula Energy Limited (“**Peninsula**” or “**the Company**”) is pleased to provide a progress update on its flagship Lance Projects (“**Lance**” or “**the Projects**”), located in Wyoming, USA. The Company is rapidly advancing final site construction while it ramps up pre-production wellfield conditioning flowrates. The Projects remain on track to recommence commercial uranium production operations by mid-year 2023.

Peninsula’s Managing Director and CEO, Mr Wayne Heili said, “April felt like a turning point as the Lance Project team took delivery of several long lead-time items that were previously holding back progress. Field conditions have been favourable for construction activities and our contractors have substantially advanced the various work streams.

The Company has also made substantial strides in ramping up pre-production operational activities. A significant portion of our Mine-Unit One (MU-1) is now being preconditioned in advance of turning the production stream into the recovery plant. We are now gaining a clear line of sight to the re-commissioning of the plant and the resumption of commercial production operations at Lance.”

Construction Milestones

Throughout April, the project team continued preparing the existing production plant and wellfield facilities for low pH ISR operations. A construction firm has been working on site to install the concrete foundations and pedestals for the high-capacity sulfuric acid and hydrogen peroxide storage and delivery systems. The first of two large volume acid storage tanks has been placed and the distribution systems are currently being connected to the plant addition points. A second acid tank has been received and will be installed soon. Delivery of a high-capacity peroxide storage tank has been delayed due to inclement weather at the fabrication facility, but Lance possesses a smaller capacity peroxide addition system that can support operational activities in the interim.

Portions of the existing uranium recovery plant are being rebuilt to be compatible with the low-pH solutions. Contractors have commenced the dismantling of the old equipment while preparing the facility for the new installations. The plant upgrade construction work is expected to be completed in June 2023.



IMAGE 1: Placement of the high-volume sulfuric acid storage tank at Lance



IMAGE 2: Plant transformation construction efforts in-progress

As noted previously, new ion-exchange resins were ordered to facilitate more efficient uranium recovery in the process plant. The resin order was a long lead-time item and delivery was delayed. A large batch of new resin has been received and will be available when the recovery plant is recommissioned.



IMAGE 3: New Ion Exchange Resins at site

Capital expenditure related to the low-pH facility project transformation continues to closely track the August 2022 DFS projection, and no material deviation is anticipated. The DFS projected CAPEX of US\$8.4 million for the low pH transition and Stage-1 upfront costs.

Operational Milestones

The Company previously reported the establishment of limited scale pre-production circulating flows using existing chemical delivery systems. Well patterns in MU-1 are being pre-acidified and readied for production operations. A booster pump has been received, installed, and commissioned to allow significantly enhanced recirculation flowrates for preconditioning. Currently, an operation flowrate of approximately 500 gallons per minute (GPM) has been established. Flowrates will continue to be increased throughout May and June.

The large volume acid storage and distribution system is expected to be available for use by mid-May. When commissioned, the new systems will facilitate higher concentrations of acid, further accelerating the preconditioning operations.

Currently, the preconditioning process stream is not being directed to the production plant, and no uranium is being recovered in the plant circuits. Uranium concentrations are expected to build throughout the pre-conditioning operations, and it is currently projected that the process plant will be activated for commercial uranium production activities by mid-year 2023.

Appointment - Vice President of Corporate Development

In line with the Company's continued growth, Mr. Willie Bezuidenhout has been appointed as Vice President of Corporate Development. Mr. Bezuidenhout is a qualified Chartered Accountant (SA) and holds an MBA (with distinction) from the North-West University. Mr. Bezuidenhout has a strong strategic focus and international management experience extending beyond normal financial roles. He previously served Peninsula in the role of CEO of the Company's South African Operations and has a broad knowledge of international uranium recovery operations.

Mr Heili said, *"The Company enthusiastically welcomes Willie back in his new capacity. Willie has demonstrated great competency in contributing to our corporate objectives in the past, and now we will be tapping his strategic leadership abilities along with his unbridled enthusiasm for the uranium industry to help grow the Company in new directions"*.

Yours Sincerely,



Wayne Heili
Managing Director / CEO

This release has been approved by Peninsula's Board of Directors.

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ABOUT PENINSULA ENERGY LIMITED

Peninsula Energy Limited (PEN) is an ASX-listed uranium mining company which has made the decision to restart its 100% owned Lance Projects in Wyoming, USA. This is the final step in a project transformation initiative at Lance to transition from an alkaline ISR operation to a low pH ISR operation. Lance is one of the largest uranium development projects in the United States and once in production, Peninsula will be in strong position to supply a growing market, as the importance of nuclear power continues to gain momentum and support, as a critical part of the green energy mix.