Peninsula Minerals Ltd

11 April 2007

Companies Announcement Office
Via Electronic Lodgement

NON-RENOUNCEABLE ENTITLEMENT ISSUE

As announced on 27 February 2007, Peninsula Minerals Limited (Peninsula) recently entered into a heads of agreement with PacMag Metals Limited (PacMag) to expand its uranium portfolio through the acquisition of 100% of PacMag's uranium exploration assets which are located in Wyoming USA, South Australia and Western Australia (Acquisition). Completion of the Acquisition is subject to Peninsula and PacMag shareholder approval respectively at Extraordinary General Meetings (EGM) anticipated to be held in May 2007.

Entitlement Issue

Peninsula is pleased to announce a non-renounceable entitlement issue (Entitlement Issue) of one (1) fully paid ordinary share with one (1) free attaching option for every ten (10) shares held in Peninsula at an issue price of 6 cents per share to raise approximately $5.092 million. The options will have an exercise price of 10 cents and will expire on 30 June 2010. It is intended that the options be quoted on the ASX.

The funds raised from the Entitlement Issue will be used to further exploration on Peninsula's uranium assets (assuming completion of the Acquisition) and provide additional working capital.

It is anticipated that the Entitlement Issue will take place following completion of the Acquisition and subsequent to PacMag's in specie distribution of the Pensinsula consideration shares forming part of the Acquistion. To accommodate PacMag shareholders the record date for the Entitlement Issue will occur after the despatch date for the in-specie distribution.

Underwriting Agreement

An underwriting agreement has been entered into with Euroz Securities Limited (Euroz), to underwrite a minimum shortfall of 50 million shares under the Entitlement Issue (Underwriting Agreement). Under the terms of the Underwriting Agreement and in the event that there is a shortfall from the Entitlement Issue which is less than 50 million shares, Peninsula will undertake a placement (as soon as possible after the closing date of the Entitlement Issue) through Euroz, for the balance of the shares, up to a maximum

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of 50 million shares (to raise up to a further $3 million). The Placement will be made on the same terms and conditions as the Entitlement Issue and will be subject to shareholder approval at the Peninsula EGM. The Underwriting Agreement is subject to completion of the Acquisition, shareholder approval of the Placement and due diligence and sub-underwriting conditions.

Full details of the Entitlement Issue including an indicative timetable will be released to the market as soon as the dates for the respective Peninsula and PacMag EGMs are finalised.

Capital Structure

The capital structure of Peninsula subsequent to the Acquisition and upon completion of the Entitlement Issue will be as follows:

Shares	Number
Share Capital Post Acquisition	848,767,237
Rights Issue – Capital Raising*	84,876,724
Total Shares	**933,643,961**
Options	
Existing Options	26,500,000
Options under Rights Issue*	84,876,724
Total Options	**111,376,724**
Fully Diluted Share Capital	**1,045,020,685**

* Assuming full take up and no further securities issued pursuant to the Euroz top-up placement facility.

On behalf of the Board of
Peninsula Minerals Limited

Malcolm James
Chairman

For further information, please contact either Malcolm James or Jonathan Whyte on (08)9420 9333 during normal business hours.