



14 July 2020

Companies Announcement Office
Via Electronic Lodgement

URANIUM PURCHASES SECURE US\$6-8 MILLION CASH GENERATION FROM SALES CONTRACTS IN CY2021

Peninsula Energy Limited (**Peninsula or Company**) is pleased to advise that it has entered into a binding purchase agreement with UG USA, a subsidiary of ORANO, to procure 400,000 lbs U_3O_8 for delivery in CY2021. As previously advised, the Company currently has 450,000 lbs U_3O_8 of committed sales to its customers in CY2021.

The latest purchase agreement underpins Peninsula's forecast net cash margin of US\$6 million to US\$8 million on uranium sales for next year based on the difference between the purchase pricing and the sales price computations of the Company's agreements with customers. The price to be paid under the purchase agreement is confidential but in line with current market reported prices for U_3O_8 to be delivered in CY2021. The agreed pricing is fixed and is not subject to any form of escalation or adjustment.

Purchased uranium will be delivered to Peninsula in allotments during the year in order to align with the timing of deliveries to customers. Payment for the purchased uranium is also aligned with the receipt of proceeds from the sales.

Managing Director / CEO, Mr Wayne Heili said, *"Entry into the agreement to secure the uranium that we need for most of our 2021 deliveries significantly de-risks our cash flow projections through to the end of next year. The recently completed equity raise along with the net cash margin from these sales will provide funding certainty through the second half of 2021, allowing us to complete the planned technical activities in support of an optimized restart plan for the Lance Projects, while the uranium markets continuing to strengthen."*

Yours sincerely

A handwritten signature in blue ink, appearing to read "Wayne Heili", written over a light blue horizontal line.

Wayne Heili
Managing Director / CEO

This release has been approved by the Managing Director / CEO.

For further information, please contact

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About Peninsula Energy Limited

Peninsula Energy Limited (PEN) is an ASX listed uranium mining company which commenced in-situ recovery operations in 2015 at its 100% owned Lance Projects in Wyoming, USA. Following a positive feasibility study, Peninsula is embarking on a project transformation initiative at the Lance Projects to change from an alkaline ISR operation to a low pH ISR operation with the aim of aligning the operating performance and cost profile of the project with industry leading global uranium production projects.