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Companies Announcement Office
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PENINSULA APPOINTS PLANT CONSTRUCTION CONTRACTOR, PROVIDES BUDGETARY FORECAST UPDATE

KEY POINTS

- Samuel Engineering, Inc and Samuel EPC, LLC (together as “**Samuel**”) has been appointed as contractor for engineering, procurement, and construction services for the expansion of the Ross Central Processing Plant at the Lance Uranium Project (“**Lance**” or the “**Project**”)
- Samuel is intimately familiar with the Project and site construction requirements as Samuel’s Wyoming and Denver offices provided design engineering and advanced procurement services for the Project
- Samuel is prepared to mobilize to the site and commence construction activities immediately
- Key workstreams remain on track for the restart of production prior to year-end 2024
- Estimated overall group funding requirement to positive free cash flow increased by US\$5M to US\$100M (over same time frame as Peninsula’s August 2023 Life of Mine (“**LOM**”) model)
- Pre-production capital requirements driven by plant capital estimates have increased by ~US\$20M compared to the LOM estimate
- The additional plant capital needs can be largely offset when refreshing cash flow model assumptions including uncommitted sales revenues which have improved with the uranium markets, and other CAPEX and OPEX model assumptions
- The updated cash flow forecast continues to show achievement of sustainable positive free cash flow in Q3 2025
- Strong cash balance of US\$49.6 million as of 31 March 2024 after capital raise completed in Q1 2024

Peninsula Energy Limited and its wholly owned subsidiary, Strata Energy Inc. (together “**Peninsula**” or the “**Company**”) (ASX:PEN, OTCQB:PENMF) are pleased to announce the appointment of Samuel as contractor for engineering, procurement, and construction (“**EPC**”) services for the plant expansion of the Ross Central Processing Plant (“**CPP**”) at the Company’s flagship Lance Projects located in Wyoming, USA.

Samuel is a full service, multi-discipline, EPC project development and execution company. Backed by over 25 years of experience, Samuel serves the following industries: Metals & Minerals, Energy, Utilities, Renewable Energy, and Buildings & Government. Founded in 1996, Samuel is a private, minority woman-owned company incorporated in Colorado, USA.

Peninsula is actively preparing the Lance Projects for the resumption of uranium production following the completion of the Ross plant expansion. The Ross plant was constructed in 2015 as an alkaline ISR satellite facility capable of producing up to 1 million pounds per annum of uranium loaded on ion exchange resins. The Company recently completed construction activities to transform the original satellite plant for operation using low-pH ISR processes. Samuel has been contracted to construct the additional plant facilities required to expand the production capacity to 2 million pounds per annum and to add the capability to produce a finished dry yellowcake (uranium oxide) product.

The Company contracted Samuel Engineering to complete the detailed engineering and initial long-lead time equipment procurement works for the CPP expansion. Consequently, Samuel is intimately familiar with the project and execution requirements, providing an efficient path forward on site. Samuel's proposal anticipates that the CPP capacity and capability expansion will be ready for commissioning late in CY2024.

Peninsula's Managing Director and Chief Executive Officer Mr Wayne Heili said:

"The Company is in a strong position as we progress towards the production restart at Lance. The appointment of Samuel as our engineering, procurement and construction lead is an important step forward in preparing Peninsula to be a fully independent uranium producer. Concurrently, the Peninsula team is actively preparing new and existing wellfields and auxiliary surface facilities for the resumption of production. We eagerly look forward to the completion of the plant construction efforts which will conclude our pre-production activities."

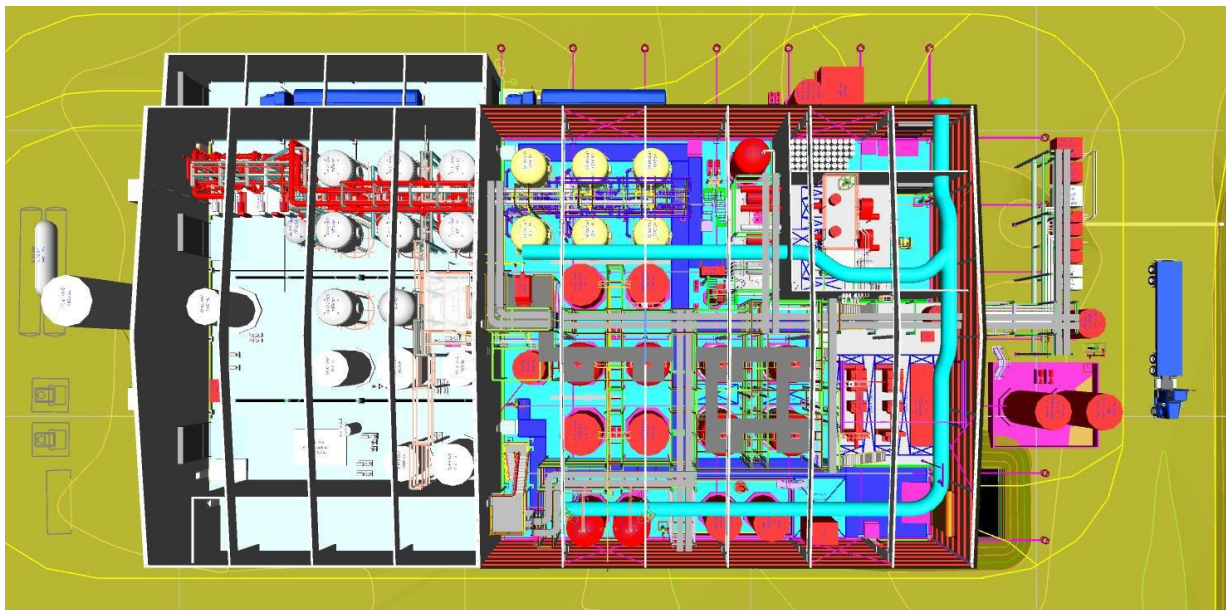


Figure 1: Design layout of the expanded Ross CPP at the Lance Projects

Company and Project Economic Forecast Update

The Company now guides that the overall group funding requirement over the same timeframe reflected in the August 2023 LOM study (August 2023 through to sustainable positive free cash flow in 3Q 2025), is approximately US\$100 million, a modest increase of US\$5 million.

The Company successfully raised gross placement and SPP proceeds of US\$39M (A\$60M) during the March 2024 quarter. A further US\$3.7M (A\$5.7M) was received from option conversions during the

quarter. Approximately US\$22.2M (A\$34.1M) of in-the-money March 2025 options remain unexercised. The Company ended the March 2024 quarter with a strong cash balance of US\$49.6 million.

As a part of their bid proposal, Samuel prepared a budgetary pricing estimate for the completion of the CPP expansion project. Samuel's estimated costings for construction materials, labour and services are substantially higher than estimated in the Company's 2023 LOM study model. An updated total project capital estimate incorporating Samuel's estimates suggests an additional capital requirement of US\$20.2 million. This consists of all expenditures necessary to prepare the expanded plant facility for operations and will therefore be realized in the period leading up to first production. A portion of the aforementioned estimated costings is related to expediting certain material and equipment deliveries as well as maintaining a labour schedule including overtime rates to ensure timely completion. As the EPC contract will initially be performed on a time and materials basis, every effort will be made to tightly control capital expenditures while maintaining the construction schedule.

The Company has also completed a re-assessment of the total group funding required until the project reaches the point of sustainable positive free cash flow. In addition to the CPP expansion capital expenditures, the group funding need reflects wellfield development, exploration drilling, pre-production and ramp-up operations, other sitewide expenditures and the corporate expenditure requirements.

The total group funding requirement (including the revised CPP capital estimate) has not materially increased from the US\$95M figure derived with the August 2023 LOM Study. The increased plant capital estimate is largely offset by improved sales revenue projections, reflective of the improved uranium market prices after August 2023. Other modelling adjustments, reflecting realized or projected changes subsequent to the publication of the 2023 LOM study have also contributed to the comparatively modest increase in total group funding requirements.

Peninsula has continued to advance non-equity funding opportunities to fully fund the Project to positive free cash flow. An application for a US Government funded loan programme is progressing well. The application has been submitted and is under review. Further, the Company is actively evaluating non-bank lending avenues through our appointed debt-advisor BurnVoor.

Project Timing Guidance

The Company maintains its guidance for the resumption of production at Lance in late 2024. Samuel has developed a detailed schedule for the CPP construction project. Samuel's detailed scheduling supports the target of commissioning the plant in December 2024.

At the Lance Projects, the Company's employee and contractor teams continue to advance wellfield and auxiliary facility preparation. The Company presently has eight contract drilling rigs employed at the site to prepare pattern wells in the new Mine Unit 3 development area. Additional contract drilling units are expected to join the effort in the coming months.

Further, the pipelines, powerlines and wellfield surface facility construction has been advancing on schedule in anticipation of the commencement of pre-production operations in Q3 2024.



Figure 2: Multiple drilling rigs developing Mine Unit 3 at the Lance Projects



Figure 3: New Header House and Trunkline installation at Mine Unit 3



Figure 4: A large concrete pour in March 2024 for the expanded process facilities at Lance

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

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About Peninsula Energy Limited

Peninsula Energy Limited (ASX:PEN) is one of the only ASX-listed uranium companies providing US production and direct market exposure. Its' 100% owned Lance Projects in Wyoming is due to re-commence production in December 2024 following a central processing plant capacity expansion construction project.

Lance is one of the largest, independent near-term uranium development projects in the US. With a track record of meeting delivery requirements since 2016, Peninsula has 10 years of sales contracts in place with major utilities in both the US and Europe. Once back in production, Lance will establish Peninsula as a fully independent end-to-end producer of yellowcake, well-placed to become a key supplier of uranium and play an important role in a clean energy future.

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