

Peninsula Energy Ltd

14:11 27 Oct 2017

Peninsula Energy's game-changer adds potential for Lance to be in first quartile of uranium producers

Peninsula Energy Ltd (ASX:PEN) has taken another step towards unlocking the full potential of its Lance Projects in Wyoming, U.S.

Laboratory testing indicates that using an alternative mining solution could transform the Lance Project's operating performance and cost profile to be much closer to global industry leading ISR projects.

This is a game-changer for Peninsula, as the company is looking at a process development that could place the large scale project side by side with world leading uranium ISR production facilities from a performance and cost perspective.

How will this be achieved

Multiple laboratory tests confirm extremely positive results using a lower pH solution chemistry on Lance core samples.

Samples have returned dramatically increased peak uranium solution grades averaging nearly 1.0 g/L with uranium recoveries typically over 90%.

These initial results indicate that utilising a low pH system could be a major transformational development for Lance and could align the operating performance and cost profile with the industry leading global uranium production projects.

All first quartile uranium operations globally are ISR utilising a low pH lixiviant.

Wayne Heili, managing director, commented:

"From a regulatory perspective, we have received a positive response from the relevant regulator which bodes well for a smooth and timely process to amend existing permits.

"In the interim the company will continue to steadily produce uranium as we are now, supported by a very strong contract base which underpins Peninsula's business plan."

Importantly, no legal impediments have been identified to use of low pH ISR solutions at Lance.

The company's current production and uranium sales contract portfolio provides a consistent revenue stream throughout the transformation timeline.

Analysis

The transition to a low pH recovery system could not only positively transform

Price: A\$0.3

Market Cap: A\$68.88M

1 Year Share Price Graph



Share Information

Code: PEN

Listing: ASX

52 week High Low
0.68p 0.265p

Sector: Mining

Website: www.pel.net.au

Company Synopsis:

Peninsula Energy Ltd (ASX:PEN) is a uranium producer from the Lance ISR Projects in the U. S. The company also has uranium projects in South Africa.

Author:

Proactive Investors Australia

+61 (0)2 9280 0700

action@proactiveinvestors.com.au

Peninsula's key asset in the U.S. during the currently challenging uranium market conditions, but could also ultimately position the company to rapidly grow when uranium markets recover.

Moving to current production, the September quarter results show a consistent improvement over recent periods.

Production from Lance for the three months ending September was circa 34,500 pounds of uranium with around 42,500 pounds of uranium dried and drummed in the period.

Sales totalled 132,934 pounds of uranium, which consisted of 92,934 pounds from Lance and the remaining 40,000 pounds from market purchases.

The average sale price was US\$50 per pound for cash receipts of US\$6.6 million.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

No investment advice

The information on this Site is of a general nature only. It does not take your specific needs or circumstances into consideration, so you should look at your own financial position, objectives and requirements and seek financial advice before making any financial decisions. You acknowledge and understand that neither the Company, its related bodies corporate, the information providers or their affiliates will advise you personally about the nature, potential value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter. You should read our FSG and any other relevant disclosure documents and if necessary seek persona advice prior to making any investment decision.

You understand and agree that no Content (as defined below) published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person.

You understand that in certain circumstances the Company, its related bodies corporate, the information providers or their affiliates may have received, or be entitled to receive, financial or other consideration in connection with promoting, and providing information about, certain entities on the Site and in communications otherwise provided to you.

You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate. From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

Before you act on any general advice we provide, please consider whether it is appropriate for your personal circumstances.