

Peninsula Energy Ltd

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Peninsula Energy lifts uranium production for third straight quarter

Peninsula Energy Ltd (ASX:PEN) has achieved its third successive quarter of increased uranium production from the Lance Projects in the U.S.

There were circa 38,800 pounds of uranium produced in the December quarter, 4,300 pounds more than the previous quarter.

The average daily production rate improved to 430 pounds during the quarter and this has continued into January with a rate of 500 pounds.

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Wayne Heili, managing director and CEO, said: "We are pleased to be producing at the high end of our 30,000 to 40,000 pounds quarterly forecast range.

"This comes as we prepare to transition the project to what we anticipate will be a substantially more robust and sustainable commercial operation utilising a lower pH mining solution."

Lance Projects in Wyoming

The Lance ISR uranium operation is in the state of Wyoming, which is a premier uranium extraction jurisdiction, hosting multiple ISR operations.

Process improvement initiatives implemented in 2017 have been largely responsible for ensuring wellfield flow rates remained stable during extreme cold weather in December and early January.

Production from the company's nine commissioned header houses using alkaline lixiviant will form the basis of ongoing operations over the near-term.

Changing to low pH operation

This will enable Peninsula to progress the various activities and permitting required for the change to a low pH ISR uranium operation.

The company is also constructing the surface facilities associated with the tenth header house to increase operating capacity by mid-2018 or as needed.

Uranium purchases

Peninsula is purchasing uranium from other producers to meet sales commitments.

Peninsula has contracted to purchase 900,000 pounds of uranium over the next 3 years at an average cost of US\$25 per pound and its costs are well

Price: A\$0.24

Market Cap: A\$55.59M

1 Year Share Price Graph



Share Information

Code: PEN

Listing: ASX

52 week High Low
0.485p 0.22p

Sector: Mining

Website: www.pel.net.au

Company Synopsis:

Peninsula Energy Ltd (ASX:PEN) is listed on the Australian Securities Exchange.

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below sales prices.

The company has up to 7.6 million pounds of uranium remaining under contract for delivery to major utilities in the U.S. and Europe through to 2030 at a weighted average delivery price of US\$54.50 per pound.

Projected revenue remaining under these existing long-term contracts is up to US\$415 million.

These contracts provide a substantial earnings stream to Peninsula while allowing it to retain significant quantities of planned uranium production for contracting in the future.

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