

# Peninsula Energy Ltd

10:48 14 Jul 2020

## Peninsula Energy's 2021 contracted uranium sales will deliver cash margin of US\$6-8 million

Peninsula Energy Ltd (ASX:PEN) has entered into a binding purchase agreement with UG USA, a subsidiary of ORANO, for 400,000 pounds of uranium oxide for delivery in 2021.

This will add to the 450,000 pounds of U3O8 in committed sales that the company has to its customers in 2021.

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.

### "De-risks" cash flow projections

Managing director and CEO 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 optimised restart plan for the Lance Projects, while uranium markets continuing to strengthen."

While the price to be paid under the purchase agreement is confidential, it is in line with current market reported prices.

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.

**Price:** 0.065

**Market Cap:** \$57.37 m

### 1 Year Share Price Graph



### Share Information

**Code:** PEN

**Listing:** ASX

**52 week High Low**  
0.192 0.056

**Sector:** Uranium

**Website:** www.pel.net.au

### Company Synopsis:

Peninsula Energy (ASX:PEN) commenced in-situ recovery uranium operations in December 2015 at its Lance Projects.

action@proactiveinvestors.com.au

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](mailto:action@proactiveinvestors.com.au)

### No investment advice

The Company is a publisher. You understand and agree that no content 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 the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. 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.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Peninsula Energy Ltd named herein, including the promotion by the Company of Peninsula Energy Ltd in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).