

ASX Announcement

13 January 2016

Peninsula Mines Limited (ASX: PSM)

Exploration in South Korea
- Graphite
- Molybdenum and Tungsten
- Gold, Silver and Base Metals

Substantial Shareholders

Aurora Minerals Limited	35.8%
Management	9.7%
Perth Select	6.8%
M&S Lynch	6.7%

Shares on Issue: 300m

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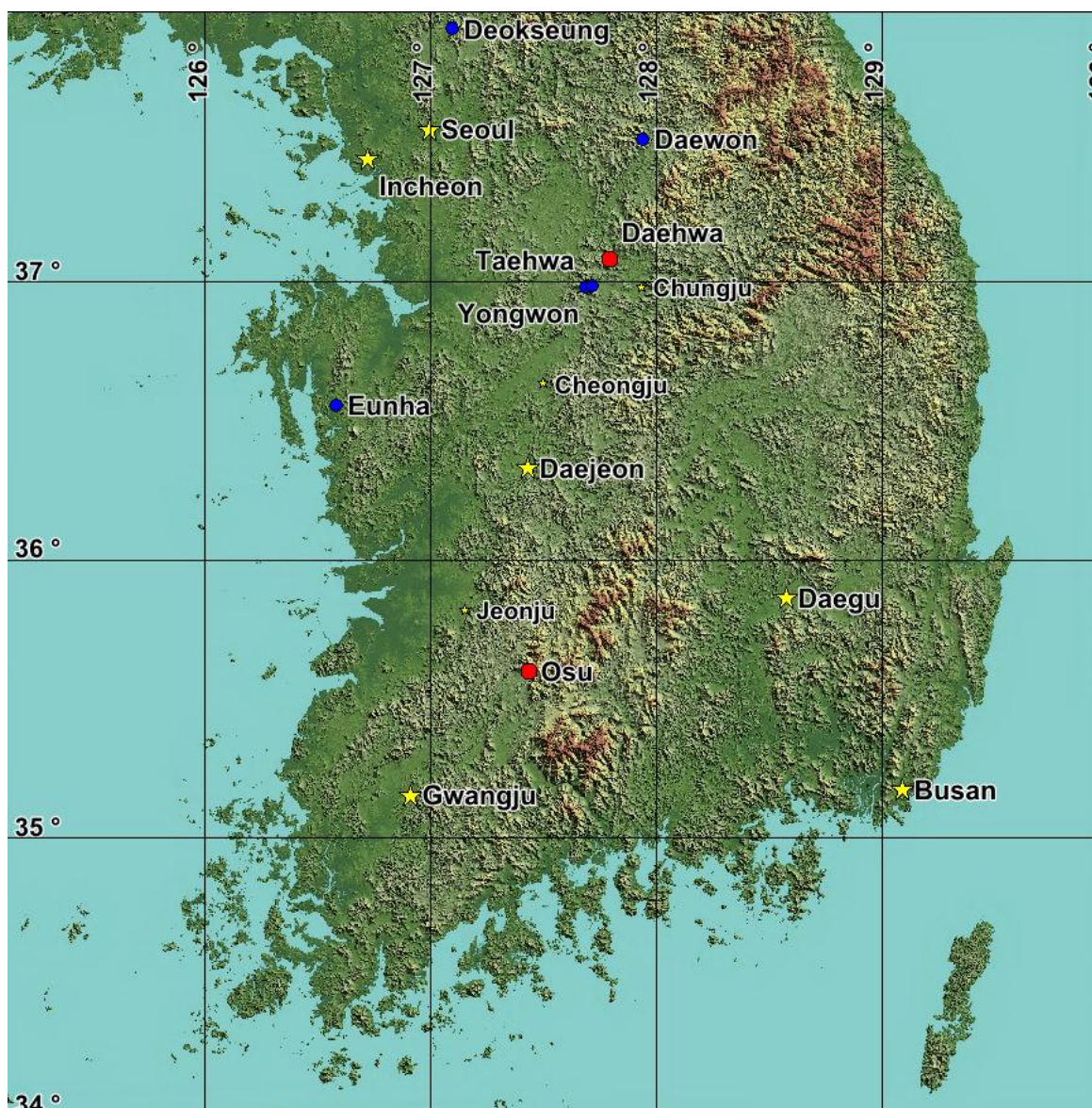
www.peninsulamines.com.au



Graphite Prospects, South Korea

- Peninsula (PSM or the “Company”) is pleased to announce that its wholly owned Korean subsidiary, Suyeon Mining Co. Ltd. (SMCL) has filed 9 tenement applications over 5 historic graphite prospects (Figure 1).
- Each Korean tenement application block covers an area of 1° latitude by 1° of longitude or around 276 hectares.
- The Company is currently sourcing and compiling historic records from the Korean Resources Corporation (KORES). KORES has undertaken various levels of exploration work at each of the prospects in the past.
- It appears from the limited records sourced so far that several of the prospects were active mines at some point prior to 1980. The Company is in the process of looking for the historic production records and any KORES resource data that may be available for any of the projects.
- The Daewon prospect includes an application for two tenement blocks where graphitic schists and associated limestone occur as part of a basement sequence dominated by PreCambrian biotitic and porphyroblastic gneisses which are intruded by Mesozoic granites and felsic porphyry.
- The Doekseung prospect is a single tenement application over graphitic structures hosted within gneissic basement.
- The Eunha prospect application again covers a single tenement block where graphitic structures are hosted in granitic gneisses.
- The Taehwa and Yongwon prospects are located on adjoining tenement blocks. The graphite bearing structures are hosted within PreCambrian biotitic gneisses. A total of 5 adjoining applications have been filed over these two prospects.
- Commenting on the applications, Executive Director, Martin Pyle said: “South Korea historically was a significant producer of graphite, but production ceased several decades ago. Korea is now a hub for high tech industries developing modern applications for graphite such as lithium battery production, therefore it seems a logical place to explore for and develop graphite mines. These applications complement and expand on our South Korean exploration portfolio where SMCL has been active for over 5 years and has built a creditable presence.”

Figure 1: Plan showing the location of the Company's Graphite Applications (blue dots) along with the locations of the Company's existing projects (red dots) for reference.



Pursuant to the South Korea minerals law, Peninsula has six months to lodge a Mineral Deposit Survey (MDS) over each of the applied tenements. Upon receipt of official notification that the MDS has been accepted, the Company has one year from the original application date to file a prospecting plan. The prospecting plan outlines the exploration method the applicant intends to use and the quantum of work. Certain minimum levels of drilling and/or geophysics and/or geochemistry are required. The applicant is then granted a 3 year exploration license which can on application be extended once for an additional 3 year period. An applicant may at anytime during the exploration period file an application to change the prospecting method. At the end of the exploration period, the tenement holder must submit a prospecting report which must demonstrate that specified minimum levels of exploration work has been completed. If the prerequisite minimum levels of exploration work has been completed, the tenement holder is then granted a mining right.

Exploration will commence with historical data review, mapping and sampling followed possibly by geophysics and drilling on the prospects deemed most prospective.

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Peninsula's ASX releases are available for download from the Company's website
www.peninsulamines.com.au

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Daniel Noonan, a Member of The Australian Institute of Mining and Metallurgy. Mr Noonan is Exploration Manager for the Company and is employed as a consultant.

Mr Noonan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Noonan consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.