



PENINSULA MINES LIMITED

ASX:PSM

ASX ANNOUNCEMENT

27 September 2016

PENINSULA RAISES \$1.6M TO ACCELERATE EXPLORATION OF SOUTH KOREAN PROJECTS

- **Peninsula receives commitments to raise approximately \$1.6 million in Placement**
- **Major shareholder commits \$250,000 to Placement, subject to shareholder approval**
- **Funds raised to accelerate exploration on Peninsula's projects in South Korea, and drill test key graphite, lithium, gold-silver and zinc-silver targets**

Peninsula Mines Limited ("Peninsula" or the "Company") is very pleased to announce that it has received commitments to raise approximately \$1.6 million through an over-subscribed placement of shares to institutional and sophisticated investors ("Placement").

The Placement will result in the issue of approximately 76 million ordinary fully paid shares in the Company at an issue price of 2.1 cents per share. Other than shares to be issued to the Company's major shareholder, Aurora Minerals Ltd, and Directors and Executives of Peninsula, the issue will be made to institutional and sophisticated investors under ASX Listing Rule 7.1.

Peninsula's major shareholder, Aurora Minerals Limited (ASX:ARM), has committed to invest \$250,000 as part of the Placement, subject to shareholder approval at the Company's up-coming Annual General Meeting ("AGM").

The Placement will include participation by Peninsula's Directors and Executives for approximately \$35,000 in total, the majority of which is also subject to shareholder approval at the AGM.

The Lead Manager for the Placement is Perth based Hartleys Limited.

The proceeds of the Placement will be used to fund the next stage of exploration leading to drilling on the Company's priority graphite, lithium, gold-silver and/or zinc-silver targets in South Korea, and for working capital purposes.

Follow up sampling is currently in progress at the Company's lithium and zinc-silver projects with the objective of defining drilling targets; metallurgical testing is being finalised to determine saleable concentrate grades for key graphite projects, and preparations are well advanced to commence drilling of the high-grade gold-silver target at the Osu Project.

Peninsula's CEO Jon Dugdale said: *"We are extremely pleased with the strong demand from both new and existing shareholders and the support shown by institutional and sophisticated investors for this Placement.*

"We now plan to accelerate exploration of our highly-prospective graphite, lithium, gold-silver and zinc-silver projects, with the objective of defining multiple targets for drilling."

For more information please contact:

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About Peninsula Mines

Peninsula Mines Ltd is an Australian listed exploration/development company focused on developing the outstanding opportunities for mineral discovery within South Korea. Peninsula's strategy is to focus on mineral commodities which have a positive price outlook for potential off-take in-country. The Company has established and is growing a portfolio of highly prospective graphite, lithium, gold-silver and zinc-silver-polymetallic projects in South Korea that all offer significant exploration potential.

Full versions of all the company's releases are available for download from the Company's website www.peninsulamines.com.au

Forward looking Statements

This release contains certain forward looking statements. These forward-looking statements are not historical facts but rather are based on Peninsula Mines Ltd's current expectations, estimates and projections about the industry in which Peninsula Mines Ltd operates, and beliefs and assumptions regarding Peninsula Mines Ltd's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates" "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Peninsula Mines Ltd, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Peninsula Mines Ltd cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Peninsula Mines Ltd only as of the date of this release. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Peninsula Mines Ltd does not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this presentation except as required by law or by any appropriate regulatory authority.

Competent Persons Statement

The information in this release 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 an Executive Director of the Company.

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 release of the matters based on this information in the form and context in which it appears.

