

22 July 2026

Lance Uranium Project, Wyoming, USA **Operational and Production Guidance Update**

KEY POINTS

- **CY2026 production guidance is being withdrawn** following a slower-than-anticipated wellfield ramp-up (largely related to reduced flow rates) as the Company continues to advance the Lance Uranium Project's low-pH in-situ recovery (ISR) operations.
- **CY2027 production guidance of 500-600klbs U₃O₈ is reconfirmed.** The issues in CY2026 mostly relate to Mine Unit 1 (MU-1), Mine Unit 3 (MU-3) and wellfield chemistry refinement in the first 2-3 header houses in Mine Unit 4 (MU-4).
- **Following the recently secured US\$56m funding package, Peninsula remains in a strong financial position to continue the production ramp-up**, supported by a cash balance of US\$47.1m (unaudited) as at 17 July 2026.
- **Lance represents the first commercial-scale application of the industry-leading low-pH (acid leach) ISR uranium recovery in the United States**, requiring Peninsula to develop new operational expertise, and recruit and train a new specialised workforce.
- **Recent operational performance continues to validate the effectiveness of the low-pH recovery process**, with positive leach kinetics in the first Header House in MU-4.
- **Management is confident that the identified issues are temporary and are unlikely to impact production beyond CY2026. We remain highly encouraged by the results from Header House 14 (HH14) which has recorded average head grades of 50-60 mg/L U₃O₈ during May to June (Pore Volume 5 to 6), more than double the historical average during alkaline leach in MU-1 and MU-2.**
- **Until recently, management was confident that the commencement of production from MU-4 would allow Peninsula to meet production guidance of 400-500klb for CY2026**, however it has taken longer than expected to resolve the previously announced flow rate issues associated with gassing.
- **De-risking activities prior to development of Mine Unit 5 (MU-5) continue to track well**, with a final investment decision expected before the end of CY2026.
- **Peninsula has commenced transitioning wellfield drilling activities to an owner-operated model**, which is expected to materially reduce ongoing drilling costs, improve operational flexibility and support future wellfield development.
- **The long-term outlook for the Lance Project remains compelling.** With one of the largest permitted ISR uranium resources in the United States, an established 2.0Mlb per annum capacity Central Processing Plant (CPP) and increasing demand for secure, domestically sourced nuclear fuel supply, Peninsula believes Lance is well positioned to benefit from strengthening uranium market fundamentals over the medium to long-term.

Peninsula Energy Limited (“Peninsula” or the “Company”) (ASX: PEN, OTCQB: PENMF) provides the following operational update regarding the ramp-up of low-pH ISR operations at its Lance Uranium Project in Wyoming, USA (“Lance” or “the Project”).

Production Guidance Update

During the first half of CY2026, the Company continued the advancement of Lance’s low-pH ISR operations while progressing the development of MU-4, the Project’s primary production area in CY2026 and CY2027.

Although meaningful operational progress has been achieved, the production ramp-up has progressed more slowly than originally anticipated and, as a result, the Company’s previously announced CY2026 production guidance of 400,000 to 500,000 pounds of U_3O_8 will not be achieved and is therefore withdrawn.

When CY2026 production guidance was established, the Company expected the successful development and commissioning of MU-4 to offset lower-than-expected production from MU-3, consistent with previous market updates.

At the time of reiterating CY2026 production guidance, early acidification results from within MU-4 were encouraging, additional header houses were advancing on schedule, gassing issues experienced in the wellfields were being resolved and management expected production rates to progressively increase as new production areas were brought online.

However, the Company continues to encounter a number of operational challenges, including resolution of gas generation within sections of the wellfield taking longer than expected, resulting in lower-than-expected solution flow rates, and the ongoing optimisation of wellfield chemistry.

These factors have extended the time required to achieve stable production but have also provided valuable operational experience that is now being incorporated into future mine development. As the effect of wellfield chemistry changes are best assessed at the commencement of acidification of each new header house, it takes a period of time to assess the impact of changes and determine which changes are the most effective moving forward.

Importantly, management’s view is that these challenges are **operational rather than fundamental** in nature. They relate primarily to wellfield hydraulics, solution flow management and chemistry optimisation, rather than the quality of the Lance uranium resource or the effectiveness of the low-pH ISR recovery process that is clearly demonstrating significantly higher head grades than the prior alkaline leach method.

While the timing of the production ramp-up has changed, the Company’s view of the fundamental value and long-term potential of the Lance Project has not changed. Strong uranium head grades from HH14 under low-pH operations, the progress being achieved with the ongoing acidification success, ongoing training of personnel, and expected operating cost improvements stemming from the implementation of an owner-operator drilling strategy continue to support the Company’s confidence in the project’s future production profile and economics.

Lance represents the first commercial-scale application of the industry-leading low-pH (acid leach) ISR uranium recovery in the United States. Unlike conventional alkaline ISR operations, there has been minimal domestic operating experience, established workforce capability or industry knowledge on which to draw.

Compounding the effect of a lack of skilled personnel has been the decade long slowdown of uranium ISR projects across the United States until market conditions materially improved over the past 2 to 3 years.

As a result, the transition involved a steeper operational learning curve than originally anticipated as the Company continues to refine operating practices, develop specialised technical capability and optimise wellfield performance under commercial production conditions.

Through commissioning and early production, the Company has gained a substantially improved understanding of wellfield hydraulics, acidification practices, chemistry management and production optimisation. Management believes these learnings will support improved production performance, stronger operational execution and reduced ramp-up risk moving forward.

The operational experience gained during the first half of 2026 has resulted in a number of important changes to future development plans, including revised acidification strategies, improved wellfield design, optimisation of hydrogen peroxide management (oxidant added to improve the rate of uranium extraction), enhanced flow recovery programs and modifications to future header house development and commissioning activities. These learnings are now being incorporated into HH15 through HH19 and are expected to support improved production outcomes moving forward.

Operational Update

Encouragingly, the uranium grade response observed to date supports management's confidence in the underlying Lance uranium resource and low-pH extraction methodology.

Header House 14 (HH14) achieved average uranium concentrations of approximately **50-60 mg/L U_3O_8** during May and June 2026 (corresponding to Pore Volumes 5 to 6), with multiple individual patterns reporting grades between **154-374 mg/L U_3O_8** and peak grade within an individual well of **476 mg/L U_3O_8** .

These results compare favourably with historical alkaline ISR operations at Lance, which only achieved an average grade of 22 mg/L U_3O_8 , demonstrating that uranium mobilisation under low-pH recovery is performing strongly.

While production volumes have been impacted by hydraulic performance and wellfield optimisation challenges, the grade response achieved to date indicates that the primary issues encountered during ramp-up relate to the efficient movement and management of solutions through the orebody rather than the quality of the resource itself.

Management believes the operational experience gained during this period has significantly enhanced its understanding of wellfield behaviour and positions the Company to achieve better production performance as improvement initiatives continue across the project. Ongoing wellfield maintenance practices are an example of this where treatment methods continue to be refined for wells that have seen flow rates decrease from the rates at the time of initial operation.

Factors that have impacted production during the year included:

- Timing and rate of hydrogen peroxide addition as they relate to gas generation mechanisms and the impact on uranium head grades, noting that hydrogen peroxide addition was halted for extended portions of the ramp-up period to help manage the gassing issue.
- Operational complexities associated with co-mingled acidification and production activities between adjacent header houses, particularly during the early stages of MU-4 operation.
- Lower-than-expected production flow rates across parts of the developing production footprint despite extensive maintenance and optimisation efforts.

- Gas generation within portions of the operating wellfield, which reduced recovery performance, injection performance and overall flow rates.

Since that time, Peninsula has increased its production footprint and accumulated substantially more operating data across multiple production areas.

While acidification performance has largely progressed in line with expectations and the Company continues to gain confidence in the suitability of the orebody for low-pH ISR mining, operational performance during ramp-up has been impacted by several factors which were not fully understood when guidance was most recently reiterated.

Production Outlook

Although the Company has withdrawn CY2026 production guidance, the table below provides a range of production outcomes for CY2026 based on various ranges of flow rates and grades. Due to the current wellfield matters being progressed, the Company believes that the provision of the table below, rather than a specific production guidance range, is a more pragmatic means of outlining a range of projected production outcomes to investors.

CY2026 EXPECTED PRODUCTION (lbs)						
Ave Net Head Grade		Average Flow Rate (GPM)				
		1,700	1,900	2,100	2,300	2,500
Average Net Head Grade (IX Columns) (mg/L U ₃ O ₈)	40	150,000	160,000	170,000	190,000	200,000
	45	160,000	180,000	190,000	210,000	230,000
	50	180,000	190,000	210,000	230,000	250,000
	55	190,000	210,000	230,000	250,000	270,000
	60	210,000	230,000	250,000	270,000	290,000

Rounded to the nearest 10,000 lbs

Average Net Head Grade is the assumed captured on resin grade (i.e. gross head grade less tails re-injection grade)

While wellfield maintenance will be scaled down in MU-1 and MU-3, the Company expects total flow rates of 600-850 gallons per minute (GPM) from these mine units during the second half of CY2026. Detailed targeted flow rates for each header-house within MU-4 have been provided further down in the announcement. These numbers combined provide underlying data to support the table above.

Production guidance for CY2027 remains unchanged at 500,000 to 600,000 lbs U₃O₈. While there are various ranges of flow rates and head grades that would result in achieving this guidance range, by way of example, an average flow rate of approximately 3,000 GPM at an average net head grade of approximately 45mg/L U₃O₈ would result in production of approximately 600,000 lbs U₃O₈.

The Company also notes that the CY2027 production guidance excludes any production from Mine Unit 5 (MU-5). De-risking activities including increased delineation drilling, wellfield pump tests and carbonate content testing are nearing completion. Peninsula expects to make a final investment decision on the development of MU-5 in September 2026.

Prioritising Mine Unit 4

Following a review of operating performance across the Lance Project, Peninsula has elected to scale down production support within MU-1 (good flow rate with low head grade yielding low uranium) and MU-3 (low flow rate impacted head grade yielding low uranium) to prioritise operational and technical resources to MU-4. This decision is expected to:

- Simplify operations.
- Lower overall operating costs including acid costs.
- Improve deployment of personnel and equipment.
- Accelerate the improvement in wellfield performance of MU-4.
- Enhance the Company's ability to deliver sustainable long-term production growth.

While a range of optimisation opportunities were evaluated, management concluded that future capital and operating expenditures would generate superior returns if focused on the continued development and optimisation of MU-4.

Management considers MU-4 to represent the greatest opportunity to create value and establish the foundation for future production growth.

Unlike the earlier mining units, MU-4 incorporates revised wellfield designs, updated development methodologies and operating learnings generated during the Company's transition to low-pH ISR mining. Management believes these improvements provide a stronger foundation for future production growth, lower operating costs and improved long-term project economics.

MU-1 and MU-3 still host significant uranium resources; however, the decision to scale down production support in these areas should not be interpreted as a reduction in the Company's long-term resource base or production potential of the Lance Project.

Rather, the decision reflects a disciplined resource allocation approach focused on prioritising the production areas with the strongest pathway to sustainable growth and improved returns.

MU-1 and MU-3 were developed under earlier operating regimes and currently require a disproportionate level of maintenance and operational attention relative to expected near-term production outcomes. Management believes shareholder value is best maximised by concentrating resources on MU-4, where development activities are ongoing and opportunities exist to materially improve production performance, operating efficiency and project economics.

MU-4 Development and Improvement Program

MU-4 remains core to Peninsula's near-term production and will provide strategic guidance for the development of future mining areas. MU-4 comprises six header houses and accounted for approximately 60% of forecast production under the Company's reset plan.

The Company is implementing targeted optimisation initiatives across each header house designed to improve flow performance, uranium recovery and operational efficiency.

Header house	Current status	Positioning	Actions underway
HH14	Commenced Production – 25 March 2026 Pore Volume – 6 Avg Head Grade – 52.3 mg/L U_3O_8 Current average flow rate of 10 GPM per operating well (17 of 31 wells currently offline for 5-10 days for well treatment). Targeting total flow rate of 375 GPM (12 GPM per well) by end of July 2026.	Impacted by gassing issues and flow performance. Has provided majority of operating data associated with low-pH ISR operations to-date.	Flow rate optimisation; hydrogen peroxide management improvements; wellfield chemistry optimisation; hydraulic balancing; targeted maintenance and wellfield enhancement work.
HH15	Commenced Acidification – 23 June 2026 Pore Volume – < 0.3 Targeting total production flow rate of 400 GPM by September 2026	Progressing through late-stage development before production ramp-up activities commence.	Apply lessons learned from HH14; enhanced flow monitoring; improved production balancing; accelerated transition toward stable production; change in timing of hydrogen peroxide injection; improved acid injection using dual manifolds.
HH16	Commenced Production – 20 June 2026 Pore Volume – 4 Head Grade – 23 mg/L U_3O_8 hydrogen peroxide injection turned off during pore volume 2 & 3 Current average flow rate of 9 GPM per operating well (17 of 30 wells offline for 5 to 10 days well treatment) Targeting total flow rate of 330 GPM (11 GPM per well) by end of July 2026	Experienced challenges associated with co-mingling activities and flow performance during ramp-up.	Production pattern rebalancing; wellfield infrastructure modifications; gas management improvements; flow enhancement; recovery optimisation.
HH17	Targeting commencement of acidification – end of July 2026 Targeting total production flow rate of 450 GPM by October 2026	Designed to incorporate operational learnings from earlier development phases.	Enhanced header-house infrastructure design; refined operating procedures; greater field monitoring capability.

HH18	Targeting completion of construction and commencement of acidification – August 2026 Targeting total production flow rate of 650 GPM by November 2026	Incorporates a revised development methodology aimed at improving performance and reducing future maintenance requirements.	
HH19	Targeting completion of construction and commencement of acidification – November 2026 Targeting total production flow rate of 550 GPM by February 2027	Represents the culmination of development learnings generated across the broader MU-4 expansion.	Increased wellfield spacing to 70 feet; trailing line drives.

Step Change in Wellfield Development Costs

In parallel with operational improvements, Peninsula has commenced several initiatives designed to improve safety, project economics, reduce dependency on contractors and lower cash costs.

The most significant initiative is the proposed transition of drilling activities to an owner-operated model. Once fully implemented, management expects this initiative to reduce drilling costs significantly. The Company has engaged the services of Mr Kent Swick, founder and former Managing Director of Swick Mining Services to review drilling operations and provide a strategic plan for drilling going forward. The Company's first owner-operated drill rig (pictured below) was delivered on Monday 20 July.



Following a trial period of about one month to confirm the expected operational performance and cost benefits, the Company aims to roll out this model for its entire drilling program.

The in-house drilling model is expected to provide:

- Modern high-capacity drilling equipment.
- Greater scheduling flexibility.
- Improved equipment utilisation.
- Reduced contractor reliance.

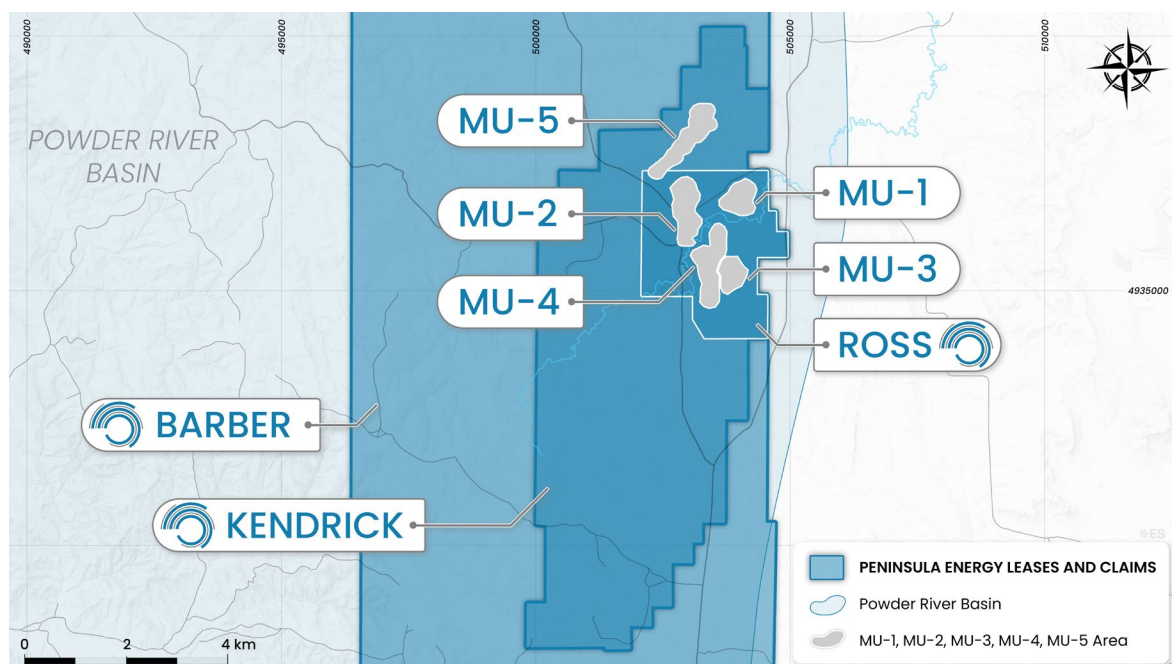
The Company is also advancing a broader cost improvement program focused on wellfield infrastructure optimisation, reagent consumption improvements, field maintenance efficiency, automation opportunities and production system reliability improvements. These initiatives are expected to lower the project's operating cost base while supporting future production growth.

MU-5 Development

Development of MU-5 continues to track well with completion of monitoring wells expected in the September 2026 quarter. Work is underway to complete technical de-risking and finalise a business case for internal approval for the development of the full mine unit.

The business case will incorporate learnings to date from development and operation of MU-4 and expected drilling efficiency benefits. The business case will also address key inputs including but not limited to pump flow tests, carbonate content, wellfield pattern design, infrastructure requirements, operational readiness and lixiviant management.

The map below illustrates the location of MU-5 which is immediately north of MU-1 and MU-2 which had high average flow rates of 14 GPM per recovery well during alkaline operations.



Outlook – CY2027 Remains on Track

While CY2026 has been characterised by operational learning, optimisation and refinement, management believes the foundations required for sustainable production growth are continuing to be established.

The development of MU-4, combined with ongoing improvements in wellfield design, chemistry management, hydraulic performance and operating practices, provides the basis for improved production outcomes moving forward.

Management continues to view CY2027 as the key inflection point for the Lance Project as additional header houses enter production, production volumes increase, cost reduction initiatives are realised, and operational learnings translate into improved performance.

Accordingly, management's confidence in the longer-term development profile of the project remains intact.

Following the recently secured US\$56m funding package, Peninsula remains in a strong financial position to continue the production ramp-up, supported by a cash balance of US\$47.1m as at 17 July 2026 (unaudited).

Strong Uranium Market Fundamentals

The long-term outlook for uranium remains compelling. Whilst spot uranium price has been steady at US\$85/lb, long-term contract prices are currently reported at US\$94 – US\$97/lb by UxC and TradeTech.

Demand for domestically produced US-origin uranium continues to strengthen as utilities, government agencies and strategic end-users increasingly seek secure and reliable domestic supply sources.

The strategic importance of US uranium production continues to grow as the United States seeks to rebuild domestic nuclear fuel capabilities and strengthen energy security through the development of a resilient domestic nuclear fuel cycle.

Against this backdrop, Lance remains one of the few fully permitted, operating uranium projects in the United States capable of delivering meaningful long-term production growth.

The project's extensive 58 million pounds of U₃O₈ resource base (refer Appendix 1), established processing infrastructure including a 2.0Mlb p.a. capacity CPP in place (fully paid for) and long operating life provide Peninsula with a unique platform from which to participate in what management believes will be a sustained period of increasing demand for domestic US-origin uranium. Projects in production at the time of a buoyant market for any commodity, including uranium, tend to perform best from a market valuation perspective.

Management Comment

Peninsula Energy Managing Director and CEO, George Bauk, said: *"While we are naturally disappointed that production has ramped up more slowly than originally anticipated and that we will not achieve CY2026 production guidance, the year has delivered valuable operating experience and important insights as we continue the transition of Lance into a large-scale low-pH ISR operation.*

"It is important to recognise that Lance represents the first commercial scale application of low-pH or acid leach ISR uranium recovery in the United States. While the transition has presented a steeper

operational learning curve than we originally anticipated, the challenges we have encountered relate primarily to the wellfield hydraulics, solution flow and chemistry optimisation – not the quality of the uranium resource or the effectiveness of the low-pH recovery process itself.

“The encouraging aspect is that the underlying fundamentals continue to validate our long-term strategy. Most importantly, we have continued to advance MU-4, which we believe will deliver operational results that support the future of the Lance Project. Uranium grades being achieved from Header House 14 in MU-4 have significantly exceeded those achieved historically under alkaline ISR operations, confirming the ability of the low-pH process to effectively mobilise uranium. Our focus is now on converting those encouraging grades into consistent production through improved wellfield performance, revised operating practices and the operational learnings we have gained during the ramp-up.

“The decision we have taken to scale down the poor performing MU-1 and MU-3 and focus our efforts on MU-4 reflects a disciplined allocation of resources towards the area of the project with the greatest long-term value creation potential.

“We have also identified the key operational challenges, implemented targeted improvement programs across each header house, commenced transitioning drilling operations in-house and launched several initiatives aimed at improving efficiency and reducing costs. We are confident these initiatives will strengthen the long-term economics of the project and reduce execution risk.

“The Company has also been building up the workforce and technical capability required to support long-term production growth. Recruitment has continued across wellfield development, wellfield maintenance, wellfield operations and processing plant teams, with a strong focus on training and developing operational expertise.

“While additional technical skills, experience and training will continue to be added to the organisation, we expect that the knowledge gained during CY2026 has established a stronger foundation from which to improve performance and support future growth.”

“Lance remains one of the largest permitted ISR projects in the United States, with an established processing plant, a substantial resource base and significant expansion potential. At a time when the strategic importance of domestically produced US uranium has never been greater, we believe that establishing sustainable production from an asset of this quality and scale is well worth the effort. While the production ramp-up has taken longer than expected, our confidence in the long-term value of the Lance Project and its ability to create value for shareholders remains undiminished.”

Trading Halt

This is the announcement referred to in the trading halt request on 20 July 2026 to lift the trading halt.

– ENDS –

This release has been approved by Peninsula’s Board of Directors.

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ABOUT PENINSULA ENERGY LIMITED

Peninsula Energy Limited (ASX: PEN) is the only ASX-listed uranium company providing US production and direct market exposure. Its 100% owned Lance Project in Wyoming re-commenced uranium production on resin in December 2024 and in September 2025 commenced the production of dried yellowcake at the complete central processing plant.

Lance is one of the largest, independent near-term uranium development projects in the US. Once back in full production, Lance will establish Peninsula as a fully independent end-to-end producer of yellowcake, well-placed to become a key supplier of uranium and play an important role in a clean energy future.

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Forward Looking Statements

This announcement contains forward-looking statements concerning the Company, including statements regarding the Company's production guidance, estimates of resources and timing of MU-5 development.

Forward-looking statements can generally be identified by the use of words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “target”, “forecast”, “project”, “potential”, “continue”, “should”, “seek”, and similar expressions.

These statements are based on information available to the Company as at the date of this announcement and on assumptions and expectations that the Company considers to be reasonable as at that date. Forward-looking statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. Such risks include, but are not limited to, uranium price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. Actual results, performance or achievements may differ materially from those expressed or implied by the forward-looking statements. Investors should not place undue reliance on forward-looking statements.

Except as required by the ASX Listing Rules, the *Corporations Act 2001* (Cth) and applicable law, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

APPENDIX 1

¹Lance Project Classified JORC-Compliant Resource Estimate (U₃O₈) as at 31 December 2023

Classification	Tonnes (M)	U ₃ O ₈ (Mkg)	U ₃ O ₈ (Mlbs)	Grade (% U ₃ O ₈)	Location
Measured	3.3	1.7	3.8	0.051	Wyoming, USA
Indicated	11.0	5.5	12.4	0.051	Wyoming, USA
Inferred	38.3	18.9	41.7	0.049	Wyoming, USA
Total	52.6	26.3	58.0	0.050	

(i) Due to rounding, total values may not appear to equal the sum of estimated resource. The above tables are provided by an independent consultant outlined in the competent person statement below.

²Dagger Project Classified JORC-Compliant Resource Estimate (U₃O₈) as at 23 October 2023

Classification	Tonnes (M)	U ₃ O ₈ (Mkg)	U ₃ O ₈ (Mlbs)	Grade (% U ₃ O ₈)	Location
Inferred	3.0	3.1	6.9	0.104	Wyoming, USA
Total	3.0	3.1	6.9	0.104	

* Reported above a 0.02% eU₃O₈ grade and a 0.2 GT cut-off

¹JORC Table 1 included in an announcement to the ASX released on 14 November 2018: “Revised Lance Projects Resource Tables”, updated in the “Annual Report to Shareholders” released on 29 September 2023 and ASX Announcement released on 13 May 2024: “Mineral Resource Increases 19.6% within current Lance Life of Mine Area”. Peninsula confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.

²JORC Table 1 included in an announcement to the ASX released on 23 October 2023: “Peninsula Establishes Significant New Uranium Development Project”. Peninsula confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.