

ASX RELEASE

ASX:PSM

18 November 2014

**Molybdenum and Tungsten
Exploration – South Korea**

**Gold, Silver and Base Metal
Exploration – South Korea**

Exploration – Western Australia

Substantial Shareholders

Aurora Minerals Limited	40%
Goodfellow	8%
Indo Gold Limited	7%

Shares on Issue: 198M

www.peninsulamines.com.au

For further information on this
release and the Company please
contact:

Chris Rashleigh
Managing Director
Phone
+61 419 315 895
or
Ken Banks
Investor Relations
Phone
+61 402 079 999

EXPLORATION ACTIVITY AND FUNDING UPDATE

The Directors of Peninsula Mines Limited (“PSM” or the “Company”) are pleased to announce that Aurora Minerals, its major shareholder, will provide an unsecured loan of \$250,000 to the Company. The funds advanced will be applied principally to continuing exploration activities in Korea, business development opportunities and working capital.

Managing Director Chris Rashleigh noted: *“The Company is delighted with the support being afforded by Aurora. The 2014 drill programme at Daehwa will be completed within the next two weeks with assay results becoming available early in the New Year. The Company is anticipating further support in 2015 from the Korean Government entity, KORES, to continue our work at Daehwa. Additional funding sources are also being investigated for the gold-silver-base metals projects Jinan and Osu, and the loan funds afforded by Aurora will greatly supplement the Company’s work in taking these projects forward. Peninsula has already taken substantial steps to limit its outgoings. This includes the recently approved Salary Sacrifice Share Plan. In addition, the directors have agreed to forego any fees for the three months from November 2014 to January 2015, while senior management, employees and consultants have agreed to a 50% reduction in remuneration for the same period.”*

LOAN CONDITIONS

- The loan term is for 12 months or such other time as agreed between the Parties.
- The Loan will be made available for drawdown as a single tranche of the full amount of the Loan Amount on the Advance Date of the Loan Agreement to the bank account nominated by the Borrower.
- The interest rate will be BBSW plus 5%.
- The Parties agree that if PSM commences any capital raising which is due to be completed prior to the date which is 12 months after the Execution Date of the Loan Agreement then ARM will be invited to participate in the capital raising (subject to any restrictions at law) on the same terms as the other investors (unless the terms of the capital raising permit otherwise or the Parties otherwise agree).
- Subject to ARM subscribing for securities in the capital of PSM under the capital raising, the outstanding monies (if any) will be applied towards satisfying ARM’s obligations to pay for the subscribed entitlement.