

Regulatory Story

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Company	Peninsular Gold Limited
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Headline	Drilling at Raub hits 280 g/t intercept
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Peninsular Gold Limited ("The Company")

Drilling at Raub hits 280 g/t intercept

Highlights:

- **High grade gold intersected below the historic Raub mine site oxides**
- **Intersection of 5.9m @ 99.60 g/t Au includes 2.1 m @ 280 g/t**
- **Intersection concludes a successful six-hole drilling programme**
- **Exploration programme to continue with further drilling before year end and target to indentify at least one million ounces of gold within the old underground mine envelope**

The Directors of Peninsular Gold Limited are pleased to announce that the first phase of the diamond drilling programme being undertaken by the Company's wholly-owned subsidiary, Raub Australian Gold Mining Sdn. Bhd. ("RAGM") has concluded with the intersection of very high grade mineralisation.

The BKDDH-5 hole intersected mineralisation of **5.9m @ 99.6 g/t Au** including **2.1m @ 280 g/t Au**. The drilled intercept includes a zone of coarse visible gold in a previously unexplored cross-reef setting.

The intersection has headlined a successful six-hole drilling programme, highlighting the potential for a significant mining project at Raub, 120 kilometres north of Kuala Lumpur, where the Company is already operating a profitable gold treatment plant.

Peninsular Director and geologist Dr. Yves Cheze, said that these latest results justified the Company's confidence in our Raub Project.

"This is a great result for our Company," he said.

"The drilling results appear to confirm the presence of significant high-grade mineralisation beneath the historic workings of the former Raub Gold Mine

"We now know that we have an extension of the oxide mineralisation into the primary ore and untouched high-grade zones within the original mine site envelope.

"We are planning a new round of intensive drilling and resource evaluation to provide a sound platform for the development of what we believe may become a world class mine again.

The first phase drilling programme was focused on the Raub Lode structure below an oxide zone resource containing a previously announced JORC-compliant 218,000 ounces (3rd June 2008).

Key details of the drill programme are listed below:

- BKDDH-5 is part of an exploration programme comprising a total of 1,304 metres in six holes, all of which have now been completed
- Five holes tested the deeper exploration potential along the historic Raub mineralised structure and one hole tested beneath the main valley holding current tailings reserves
- The average distance between the exploration holes was about 120 metres except between holes DDH2 and DDH3 where the distance was about 400 metres
- The BKDDH-5 hole was inclined -50 degrees and west facing
- The hole depth was 238.6 metres
- Drill core has been logged, split and sampled, with samples prepared at the commercial Raub mine-site laboratory
- Gold determinations were completed by fire assay using a 50g charge and an AAS finish at the Intertek laboratory in Jakarta, Indonesia

Highlights of the BKDDH-5 results include the following selections:

Hole Reference	Width (m)	Grade (g/t)	Depth (m downhole)		Notes
			From	To	
BKDDH-5	10.60	0.87	43.30	53.90	Incl 1.8m @ 4.62 g/t
	5.90	99.6	63.20	69.10	Incl 2.1m @ 280 g/t Incl 0.5m @ 1,160 g/t
	11.40	0.96	163.40	174.80	

Earlier results from this drilling programme were reported on August 23, 2010.

The next phase of the exploration and development strategy is aimed at identifying at least a million ounces of gold for a major new mining operation and significant expansion of the Company's processing operations. The first phase drilling results will assist in the targeting for a further diamond drilling campaign which is expected to commence before the year end.

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Independent Adviser's Declaration

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves for the Raub area is based on information compiled by Bryan (Mort) Cowan who is a Member of the Australasian Institute of Mining and Metallurgy. Mort Cowan is an independent consultant geologist to the Company. The Directors of the Company are satisfied that he

has sufficient experience that 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 2004 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves" as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia. Mort Cowan is qualified as a qualified person as defined in the March 2006 Edition of the AIM Note for Mining, Oil and Gas Companies. Mort Cowan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

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