

Regulatory Announcement

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Company Peninsular Gold Limited
TIDM PGL
Headline Drilling Report
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Stock Exchange Announcement

13th July 2006

Peninsular Gold Limited
 (“Peninsular Gold” or “the Company”)

Inferred resource at Raub increased by 26% to 135,000 oz gold
Drilling results at Raub expand zone of mineralisation
Initial Tersang drilling results encouraging

Peninsular Gold (AIM: PGL) today announces an increase in the inferred resources at its Raub project to 2.8 million tonnes at 1.5 g/t gold containing 135,000 ounces gold using a 0.6 g/t cut-off grade.

This increase is based on 81% of the 15,700 metres drilled in the ongoing drilling campaign and thus is expected to increase further once all assay results are returned. Best assay results from five of the 474 holes drilled to date, at a maximum depth of 100m on an interval averaging 20m, included:

Length	Grade
32m	@ 4.0 g/t gold
46m	@ 1.4 g/t gold
2m	@ 16.4 g/t gold
1m	@ 29.3 g/t gold
6m	@ 4.5 g/t gold

Infill and extensional drilling is still underway at the Malacca South and Ward oxide zone resource areas within the Raub Project. This work has been rewarding with the recent discovery of surface and near surface mineralisation at Malacca South resulting in a 50% increase in the strike length of the resource zone to over 300m. Diamond drilling is currently underway at Malacca South testing for deeper, structurally controlled, mineralisation.

An extract of results available to date is set out below and further results will be released as the programme at Raub progresses.

At Tersang, detailed geological and structural mapping, trenching, and a first pass of 3,540m from 55 reverse circulation (RC) drilling holes has been completed to date along approximately half of the 2km known length of strike. Most holes are dipping 60 degrees and are orientated either north or south, with a depth varying from 27m to 104m. The drilling interval consists of east-west profiles every 100m across a north-south base line, each profile made of three drilling sites separated by 50m, with two holes on each site.

The recent surface work and the first RC assay results (about 60% of the total length drilled) show that the gold mineralisation at Tersang is hosted by several large sets of quartz stockwork oblique to the main intrusive, instead of being widespread along the main north-south structure as previously thought. The next phase of RC drilling will be adjusted accordingly.

Some of the best assay results from three of the 55 holes drilled to date include:

Length	Grade
1m	@ 105 g/t gold
6m	@ 11.65 g/t gold
33m	@ 0.87 g/t gold

An extract of results available to date is set out below and further results will be released as the programme at Tersang progresses.

The Company also wishes to announce that in line with its obligations (as stated in the Admission Document) to release the personal guarantees provided to Southern Bank Berhad (SBB) by Dato Andrew Kam Tai Yeow, Peninsular Gold's Chairman and Chief Executive, Raub Australian Gold Mining Sdn Bhd (RAGM), its wholly-owned subsidiary, has accepted an offer from SBB which will effectively reduce the personal guarantee provided by Dato Andrew Kam Tai Yeow by RM5 million to RM10 million via the placement of a fixed deposit of RM2.5 million by RAGM. All other terms and conditions of the credit facility from SBB shall remain unchanged.

Chairman and Chief Executive Andrew Kam said:

"I am pleased to report a further increase in the size of the inferred resource at Raub, as well as encouraging news from the initial drilling operations at Tersang. Not all of the Raub assay results are yet available and we look forward to informing the market of additional results in due course."

PENINSULAR GOLD Limited – update of RC drilling at RAUB

HOLE	Inclination (Deg.)	Direction (Deg.)	Depth		Length (m)	Grade Au (g/t)
			From (m)	To (m)		
368	-60	090	13	19	6 m @	2.28
372	-60	270	1	37	36 m @	1.29
373	-60	270	0	32	32 m @	3.99
374	-60	270	0	46	46 m @	1.35
383	-60	090	5	11	6 m @	4.53
402	-60	270	28	57	29 m @	1.39
404	-60	270	0	5	5 m @	3.33
405	-60	270	26	45	19 m @	1.28
405			54	61	7 m @	2.32
406	-60	270	0	11	11 m @	1.92
407	-60	270	0	8	8 m @	1.21
407			27	46	19 m @	1.91
411	-60	270	0	7	7 m @	1.45
413	-60	270	0	31	31 m @	2.27
	<i>Including</i>				1 m @	29.30
415	-60	270	4	13	9 m @	1.40
418	-60	090	0	6	6 m @	1.68

421	-60	270	0	32	32 m	@	1.01
423	-60	270	19	32	13 m	@	1.23
424	-60	270	0	38	38 m	@	2.72
	<i>Including</i>				2 m	@	16.37
425	-60	270	0	41	41 m	@	1.12
426	-60	270	0	6	6 m	@	1.83
			25	39	14 m	@	1.90
435	-60	270	0	40	40 m	@	1.07

PENINSULAR GOLD Limited – update of RC drilling at Tersang

HOLE	Inclination (Deg.)	Direction (Deg.)	Depth		Length (m)	Grade Au (g/t)	
			From (m)	To (m)			
001	-60	90	37	38	1 m	@	2.39
002	-60	180	15	21	6 m	@	11.65
“	<i>Including</i>		19	20	1 m	@	67.0
003	-60	360	14	51	37 m	@	0.81
“	<i>Including</i>		17	18	1 m	@	3.81
“	<i>Including</i>		45	46	1 m	@	4.11
“	<i>Including</i>		50	51	1 m	@	2.02
004	-60	360	5	38	33 m	@	0.87
“	<i>Including</i>		5	6	1 m	@	13.63
“	<i>Including</i>		31	32	1 m	@	3.52
005	-60	180	33	34	1 m	@	2.55
012	-60	300	16	17	1 m	@	105.00
021	-60	180	42	43	1 m	@	3.81
024	-60	360	48	54	6 m	@	1.63
	<i>Including</i>		53	54	1 m	@	5.49
025		180	5	6	1 m	@	4.33
026		360	23	24	1 m	@	5.73
	<i>And</i>		32	33	1 m	@	2.42
045	-60	180	6	7	1 m	@	6.22
047	-60	360	9	10	1 m	@	2.58

Independent Adviser's Declaration

The information in this report that relates to Exploration Results or Mineral Resources 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 mineralization 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 Guidance 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.

Qualified Person's Declaration

The information in this report that relates to Exploration Results or Mineral Resources for the Tersang area is based on information compiled by Remi Bosc who is a Member of the Union Française des Geologues (UFG). Remi Bosc, who is a consultant geologist appointed by the Company, has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a qualified person as defined in the March 2006 Edition of the AIM Guidance Note for Mining, Oil and Gas Companies. He 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.

-End-

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