

Bannerman Resources Limited (ASX:BMN, QTCQB:BNNLF, NSX:BMN) (“Bannerman” or “the Company”) is pleased to report on a disciplined quarter in which Bannerman has continued to cost-efficiently optimise its Etango uranium project.

## HIGHLIGHTS

- **Uranium market still awaiting final s232 resolution, despite long term positive indicators**
  - The Trump administration has provided a 30-day extension to the October 8, 2019 deadline by which the Nuclear Fuel Working Group was to complete a comprehensive review of the domestic nuclear supply chain and provide recommendations to address concerns regarding the production of domestic uranium.
  - China announced the construction approvals for three new nuclear power plants, for a total of 6 new reactors (7,400MWe).
  - Kazatomprom announced that the company would extend its 20% supply cuts of Kazakh uranium production, to at least the end of 2021.
- **Commenced trading on OTCQB Venture Market**
  - “QB” quotation significantly expands global access to investment in Bannerman shares.
  - U.S. and Canadian investors, in particular, now have simpler, live-market trading access to BNNLF ordinary shares.
- **Strong cash balance of A\$5.8m at quarter end**

Bannerman’s Chief Executive Officer, Mr Brandon Munro, said, *“The uranium market continues to trade lightly, particularly in light of a delay in the final resolution of the s232 trade investigation in the United States. However, the long term indicators continue to improve, from both supply and demand perspectives. The attributes that make Bannerman’s Etango project unique also continue to be as applicable as ever. The fact that our advanced project is in a premier jurisdiction – and complemented by a robust cash balance – enables us to withstand short term market uncertainty and focus on shareholder value realisation over the medium to long term.”*

## URANIUM MARKET

### Uranium market news

Notable uranium market news during the quarter included:

- Construction of two Hualong One reactors has commenced at Zhangzhou nuclear power plant in China's Fujian province by a CNNC-led partnership. The Zhangzhou plant was approved in 2014 for Westinghouse AP1000 reactors, but is now planned to consist of 6 Hualong One reactors of Chinese design. In late July 2019 China announced the construction approvals for three new nuclear power plants, for a total of 6 new reactors (7,400MWe). Construction of two CAP1400 reactors will commence at Ronhcheng and two Hualong One reactors at each of Zhangzou and Taipingling. This construction activity maintains China's stated goal of 6-8 new reactor starts per year.
- Kazatomprom announced to London Stock Exchange in late August 2019 that the company would extend 20% supply cuts of Kazakh uranium, to at least the end of 2021.
- The Trump administration has granted a 30-day extension to the s232 US Nuclear Fuel Working Group from the original deadline of 8 October. President Trump determined in July 2019 that no action be taken from the s232 trade investigation into uranium imports into the US, but he did initiate a review of the domestic nuclear supply chain (uranium production, conversion, enrichment and fabrication) in the context of the 2017 White House initiative to revive, revitalise and expand the nuclear energy sector and concerns regarding the production of domestic uranium. Recommendations from the Working Group are likely to produce positive outcomes for the uranium market as a whole, given the s232 powers to impose trade actions are now ended and the Working Group is enabled to find more holistic solutions to the challenges facing the US nuclear energy sector. The US nuclear fleet represents a quarter of uranium demand globally, so any steps the US government takes to revitalise and expand this sector is likely to be positive for uranium suppliers internationally.

The spot U<sub>3</sub>O<sub>8</sub> price closed the September quarter at US\$25.70/lb on low volumes. The term uranium market continued to be muted during the quarter.

## ETANGO PROJECT (Bannerman 95%)

### DFS Update

DFS Update work during the quarter included further capital cost optimisation work and continuing mine and process schedule optimisation. The work is being undertaken primarily utilising in-house resources, supported by consultants where appropriate.

## CORPORATE

### OTCQB Venture Market

During the quarter, the Company's ordinary shares were approved to commence trading in the OTCQB Venture Market.

The OTCQB is a U.S. trading platform operated by OTC Markets Group in New York. The OTCQB market, often referred to as a "QB" quotation, is structured to provide live-market trading during the North American business day in early-stage and developing companies that may hold primary listings in other markets. Eligibility for OTCQB quotation requires a company to undergo an annual verification and management certification process, meet minimum standards of financial reporting and transparency, and pass other tests relating to the company's capital structure and share price.

Bannerman had already established a degree of liquidity on OTC Markets through a Pinks quotation under the symbol "BNNLF". The decision to commence trading through the higher-profile OTCQB now enables Bannerman to engage a far greater network of North American investor, data and media partners, thereby significantly expanding the potential pool of investors in, and followers of, the Company from the U.S. and other jurisdictions.

### **Cash Position and Operating Expenditure**

Cash reserves at 30 September 2019 totaled A\$5.79 million (30 June 2019: A\$6.27 million).

Net operating cash outflow during the quarter totaled A\$0.476 million.

### **Issued Securities**

At the date of this report, the Company has on issue 1,041,587,214 ordinary shares, 41,652,934 performance and share rights and 41,926,800 unlisted share options. The share rights and share options are subject to various performance targets and continuous employment periods.

Brandon Munro  
**Chief Executive Officer**  
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**About Bannerman** - *Bannerman Resources Limited is an ASX and NSX listed exploration and development company with uranium interests in Namibia, a southern African country which is a premier uranium mining jurisdiction. Bannerman's principal asset is its 95%-owned Etango Project situated near CNNC's Rössing uranium mine, Paladin's Langer Heinrich uranium mine and CGNPC's Husab uranium mine. A definitive feasibility study has confirmed the viability of a large open pit and heap leach operation at one of the world's largest undeveloped uranium deposits. From 2015 to 2017, Bannerman conducted a large scale heap leach demonstration program to provide further assurance to financing parties, generate process information for the detailed engineering design phase and build and enhance internal capability. More information is available on Bannerman's website at [www.bannermanresources.com](http://www.bannermanresources.com).*

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