

## Quarterly Activities Report

### FOR THE PERIOD ENDED 31 DECEMBER 2021

Bannerman Energy Ltd (ASX:BMN, OTCQB:BNLNF, NSX:BMN) (**Bannerman or the Company**) is pleased to report on a quarter in which Bannerman progressed the Definitive Feasibility Study (DFS) for the 8Mtpa development<sup>1</sup> of its flagship Etango Uranium Project in Namibia (**Etango-8**).

---

### HIGHLIGHTS

- **Etango-8 DFS progressing to plan, in-line with original timeframe and budget**
- **Feasibility and engineering undertaken by best-in-class consultants**
  - **Wood plc engaged as DFS lead study manager**
  - **Ensures continuity from Etango-8 Pre-Feasibility Study and previous study work**
- **World-class Technical Steering Committee chaired by Norman Green**
  - **Providing technical oversight of DFS process and support to owner's team**
- **Environmental Clearance for the proposed Etango Uranium Mine renewed**
- **Appointment of Chief Financial Officer, Mr Steve Herlihy**
  - **Highly credentialed finance executive who strengthens Bannerman's team across capital markets, mergers & acquisitions and project finance**
- **Cash balance of A\$9.2M at quarter end**
  - **A\$837,000 received on exercise of options**
- **Uranium market fundamentals continue to strengthen**
  - **COP26 delivered significant positive outcomes for nuclear power**
  - **Major nuclear programmes announced by China, US, France and UK**
  - **Improved EU Support for nuclear in context of energy crisis**
  - **UNECE report confirms nuclear as lowest CO<sub>2</sub> emissions of any power source**
  - **Sprott Physical Uranium Trust uranium holding surpassed 40 Mlbs U<sub>3</sub>O<sub>8</sub>**

---

#### **Bannerman Managing Director and Chief Executive Officer, Brandon Munro, said:**

*"Bannerman's Etango-8 DFS progressed well during the quarter, staying on-time, on-budget and delivering pleasing initial outcomes. The DFS process benefits from the vast body of previous technical work completed at Etango, enhanced by the continuity and expertise within our owner's team, the Technical Steering Committee, the lead study manager (Wood) and our other best-in-class consultants. The uranium sector is also expected to continue strengthening as we complete the DFS."*

*Bannerman advised of the completion of a Pre-Feasibility Study (PFS) for an 8Mtpa development of its flagship Etango Uranium Project in Namibia in an ASX announcement dated 2 August 2021. Bannerman is not aware of any new information or data that materially affects the information included in this ASX release, and Bannerman confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in this release continue to apply and have not materially changed. Of the Mineral Resources scheduled for extraction and recovery in the PFS production plan, 100% are classified as Measured or Indicated. Bannerman confirms that there are no Inferred Resources included in the PFS production schedule.*

## Etango-8 Uranium Project (Bannerman 95%)

### Etango-8 DFS progressing to plan

During the quarter, the Etango-8 Definitive Feasibility Study (DFS) progressed to plan across all key workstreams. Process flow sheet design and process plant geotechnical field work is now complete. The DFS remains on schedule to the original timetable, with targeted completion in 3Q CY2022. The DFS also remains on budget (total estimated DFS cost of approximately A\$4M, excluding internal costs).

Although Etango-8 is a large-scale project, and its projected production rate is amongst the largest uranium projects in prospective development globally, the DFS is being undertaken on an accelerated timeframe for a relatively modest budget. This is because the DFS benefits from a vast body of previous technical work undertaken since 2007 at Etango, with extensive resource drilling, geotechnical, metallurgical and environmental work already complete.

### Wood plc appointed as lead study manager

Bannerman appointed Wood plc (**Wood**) as lead study manager with overall responsibility to manage DFS consultants and produce the Etango-8 DFS report. Wood is also undertaking process plan design and related infrastructure, plant capital and operating cost estimates.

Wood is a global leader in the delivery of project, engineering and technical services, with offices in all major resource centres including Perth and Johannesburg. Wood, through its legacy companies Amec and Amec Foster Wheeler, has been involved with the Etango Project since 2009, including the original Etango Definitive Feasibility Study based on a 20 Mtpa mine and heap leach process throughput (2012), as well as a DFS Optimisation Study (2015), a Processing Options Study (2017) and the Etango-8 Pre-Feasibility Study (2021). In addition to the value of this continuity and context, Wood has ensured that the key technical experts involved in that work, who are all leaders in their respective fields, are engaged during the DFS.

Bannerman engaged Qubeka Mining Consultants CC (**Qubeka**) to complete the geological review, pit inventory estimates and mine planning. Qubeka is a specialist mining engineering firm with deep experience in deposits similar to Etango. Qubeka was also engaged to complete these workstreams for the Etango-8 Scoping Study (2020) and PFS (2021).

A. Speiser Environmental Consultants has overall responsibility for the environmental and social impacts and management and are providing oversight on community and stakeholder liaison, supported by Urban Green (powerline environmental assessment) and Namisun Environmental Projects (mine closure planning).

The DFS is further supported by Addiza Power (external electricity supply), Genis Business Consulting and Lund Consulting Engineers (external water infrastructure), and Fivemark Partners (commercial and strategic advisory).

The high degree of continuity of key consultants has seen initial workstreams undertaken efficiently and with strong outcomes.

### World-class Technical Steering Committee appointed

During the quarter Bannerman appointed a Technical Steering Committee to oversee and support the owner's team management of the Etango-8 DFS. The Committee is chaired by Norman Green and comprised of experts in their respective fields: John Turney, Mike Leech and Bannerman Chief Executive Officer, Brandon Munro.

Norman Green is an engineer with more than 35 years' experience including considerable expertise commissioning mines in Southern Africa. Most relevantly, he led the feasibility, environmental and construction phases of the large-scale Husab uranium mine in Namibia as CEO of Swakop Uranium,

a subsidiary of Extract Resources Ltd, before handing over to CGN following their takeover of Extract in 2012. Amongst numerous other resources projects in Africa, he led the construction and commissioning of the Skorpion Zinc mine and refinery project in Namibia and consulted to NamDeb on operational improvements at the Elizabeth Bay diamond mine, also in Namibia. Mr Green's deep project development experience, extensive networks, detailed knowledge of the Namibian operating environment and direct experience developing a Namibian uranium mine provide ideal oversight and input for the Etango-8 DFS process and subsequent development pathway. Mr Green has lived in Namibia since 2009.

John Turney is an engineer with more than 40 years' resources industry experience including extensive experience in project development, mineral processing and mining operations. As Bannerman's Project Director from 2008-2015, Mr Turney oversaw the original Etango PFS (2009), DFS (2012) and DFS Optimisation Study (2015). Mr Turney's executive experience prior to Bannerman included an extensive role as Vice President, Capital Projects (Global) for Barrick, which saw him build deep expertise in the feasibility, development and commissioning of mining projects in Africa and elsewhere.

Mike Leech is a respected statesman of the Namibian mining industry and offers a deep understanding of the Namibian operating, political and social-environmental landscape. He is a past President of the Namibian Chamber of Mines and past Chairman of the Namibian Uranium Association. Mr Leech was Managing Director of Rossing Uranium Ltd, then the largest uranium mine in the world, until he retired in 2011. Mr Leech commenced working in the uranium sector in 1982 and is currently Chairman of Bannerman Mining Resources (Namibia) and a non-executive director of Bannerman.

The Technical Steering Committee meets weekly with Bannerman's owner's team lead, Werner Ewald and Wood's lead project manager, together with other invited consultants as required.

### **Etango Uranium Mine environmental approval renewed**

The Company advised during the quarter that the Namibian Ministry of Environment, Forestry and Tourism has renewed the Environmental Clearance for the proposed Etango Uranium Mine. Bannerman commenced baseline environmental studies in 2008 and has continued baseline monitoring of groundwater and air quality over subsequent years. In 2009 the Etango Environmental and Social Impact Assessment (**ESIA**) and Environmental and Social Management Plan (**ESMP**) were prepared to high international standards and subjected to peer review.

The Environmental Clearance for the proposed Etango Uranium Mine was granted in 2012 and has been renewed on two previous occasions. This renewal is valid for a further 3-year period to September 2024.

## Corporate

### **Cash balance of A\$9.2 million and continued focus on prudent cost control**

Bannerman's cash balance at 31 December 2021 was A\$9.2 million (30 September 2021: A\$9.6 million). The Company has no debt (other than typical creditor balances) or convertible instruments.

Cash inflows for the quarter benefitted from A\$837,000 received on exercise of options. Total exploration and development expenditure for the quarter was A\$684,000, which included work on the DFS.

Management continues to maintain a focus on prudent cost control. For the purpose of item 6.1 of the Appendix 5B, the aggregate payments during the quarter to related parties (totalling A\$188,000) were comprised of directors' fees and salary.

### **Appointment of Chief Financial Officer and change of Company Secretary**

Subsequent to the end of the quarter, the Company advised that Mr Steve Herlihy commenced as Chief Financial Officer and Company Secretary with effect from 24 January 2022. Mr Herlihy is a Chartered Accountant with over 30 years' professional experience. His extensive background in the resources sector includes several roles within BHP Limited, commencing as global Financial Controller for BHP Iron Ore before progressing to special project roles. As part of BHP's Strategy and Innovation leadership team, Mr Herlihy led a team of analysis and improvements specialists that focussed on operational and supply chain effectiveness. Prior to joining BHP, Mr Herlihy held senior commercial, finance and business development roles within tier one global resources businesses including Newmont Corporation, Newcrest Mining, Normandy Mining, WMC Resources and Placer Dome/Barrick Gold.

More recently, Mr Herlihy was a partner of a national accounting and advisory firm that was part of a top-ten global accounting network. As leader of their Consulting and Corporate Finance Advisory Practice, he specialised in investment evaluation, strategic planning, business transformation, corporate governance, risk management and compliance advisory to a range of listed and unlisted clients.

Mr Herlihy has deep, hands-on experience in project finance and M&A activities. His broad transactional experience ranges from negotiating small joint venture agreements through to lead commercial roles on large-scale multinational transactions.

Mr Herlihy holds a Bachelor of Business (Accounting) from Curtin University, a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australia and a Masters of Business Administration (MBA) from Deakin University.

Mr Herlihy replaces Mr Rob Orr, who served as Company Secretary and Chief Financial Officer for two years.

### **No disruption to Bannerman operations from COVID-19**

The Company has not experienced any significant disruption to its business or operations as a result of measures taken to date in either Namibia or Australia in response to the COVID-19 pandemic. Bannerman continues to implement various measures to protect Bannerman employees, their families and the broader community from transmission of the COVID-19 virus.

### **Cancellation and issue of securities during the quarter**

The Company advised during the quarter that the following securities in Bannerman were cancelled or issued:

- 12,597,400 unlisted options were exercised with cash of A\$837,000 received on exercise.
- 2,204,517 unlisted employee performance rights have, pursuant to the terms of the Employee Incentive Plan (**EIP**), been forfeited and cancelled following non-satisfaction of the relevant performance criteria.
- 14,346,425 fully paid ordinary shares were issued upon vesting of unlisted employee performance rights in accordance with the terms of the EIP and Non-Executive Director Share Incentive Plan (**NEDSIP**).
- 4,673,500 unlisted performance rights and 1,387,800 unlisted options were granted in accordance with the EIP and NEDSIP as approved by shareholders on 22 November 2019 and 19 November 2021.

### **Block trade completed**

The Company announced on 19 October 2021 that a total of 75 million Bannerman shares were sold to two institutional investors via a block trade undertaken at A\$0.34 per share. The transacted shares were held by Bannerman major shareholder and Non-Executive Director, Mr Clive Jones, Managing Director, Mr Brandon Munro, and Non-Executive Chairman, Mr Ronnie Beevor.

### **Issued securities**

At the date of this report, the Company has on issue 1,231,761,603 fully paid ordinary shares, 35,715,159 performance share rights and 11,285,800 unlisted options. The share rights and options are subject to various performance targets and continuous employment periods.

### **Annual General Meeting**

The Company held its Annual General Meeting (AGM) on 19 November 2021. As previously announced, the proposed Resolution 4 (Approval of 10% Placement Facility) was withdrawn due to the Company's market capitalisation exceeding A\$300 million and as such making the Company an ineligible entity under the ASX Listing Rule 7.1A. All resolutions put to the meeting were passed by poll.

## **Uranium market**

The outlook for nuclear power strengthened further during the quarter, with COP26 in Glasgow providing a platform to highlight nuclear power's crucial contribution to climate mitigation, energy security and a just energy transition in the developing world. A number of important announcements were made during and after the conference, including:

- China announced a plan to build at least 150 nuclear reactors in the next 15 years, at an estimated cost of up to US\$440 billion. In early 2021, China singled out nuclear power as the only energy source with specific targets in its 14<sup>th</sup> Five Year Plan, indicating the importance of nuclear power to China's goal of carbon neutrality by 2060.
- The US Congress passed the Bipartisan Infrastructure Deal, which included more than US\$62 billion for the US Department of Energy (DOE), including US\$6 billion for the Civilian Nuclear Credit program to prevent premature retirement of existing nuclear power plants and US\$2.5 billion for advanced nuclear reactors.
- The UK continued its clean energy transition towards nuclear power, with Minister for Energy, Clean Growth and Climate Change, Greg Hands telling the Nuclear2021 conference in London

that the UK government is on “a mission for fission”. Mr Hands said “the world is waking up to the role nuclear will play in tackling climate change. And the UK is taking a central role in rousing the globe from its slumber.”

- After announcing the France 2030 plan for re-industrialisation, including a programme to demonstrate SMR technology and mass production of hydrogen from nuclear this decade, French President Macron announced that France will build new conventional reactors to aid the nation's goals to lower its dependence on foreign energy supplies, meet carbon emissions targets, and keep prices under control. President Macron said “We are going, for the first time in decades, to relaunch the construction of nuclear reactors in our country and continue to develop renewable energies.”

The uranium sector’s appeal to generalist investors continued to grow during the quarter, with several important developments:

- Sprott Physical Uranium Trust (SPUT) upsized its At-The-Market (ATM) capital raising facility to US\$3.5 billion. By quarter end, SPUT had raised approximately US\$1 billion since the ATM became operational on 18 August 2021. SPUT had increased its total uranium holdings to 42.3 Mlbs U<sub>3</sub>O<sub>8</sub> by 31 December 2021.
- Yellow Cake plc raised US\$150M to fund the acquisition of 3 Mlbs U<sub>3</sub>O<sub>8</sub>, taking Yellow Cake’s total uranium holdings to almost 19 Mlbs U<sub>3</sub>O<sub>8</sub>.
- Sprott Asset Management signalled further commitment to the uranium sector by agreeing to purchase the North Shore Indices Pure-Play uranium ETF, URNM. Settlement is expected in the first quarter of 2022, once all conditions have been met. The ETF will then be re-branded as the Sprott Uranium Miners ETF.
- A new physical uranium investment vehicle, ANU Energy OEIC Limited, commenced operations. ANU Energy was formed by Kazatomprom and the National Investment Corporation of the Bank of Kazakhstan with initial joint investments of US\$50 million ahead of a US\$500M raising to be undertaken by manager, Genchi Global Limited.

Nuclear Energy was confirmed as having the lowest lifecycle carbon emissions of any energy source (including renewables) by the United Nations Economic Commission for Europe (UNECE) in its report, *Lifecycle Assessment of Electricity Generation Options*, published during the quarter.

**This ASX release was authorised on behalf of the Bannerman Board by:**

Brandon Munro, Managing Director and Chief Executive Officer

27 January 2022

---

**Investors**

**Brandon Munro**  
**Chief Executive**  
**Officer**

**+61 8 9381 1436**

**[info@bmnenergy.com](mailto:info@bmnenergy.com)**

**Media**

**Michael Vaughan**  
**Fivemark Partners**

**+61 422 602 720**

**[michael.vaughan@fivemark.com.au](mailto:michael.vaughan@fivemark.com.au)**

---



## ABOUT BANNERMAN ENERGY (ASX:BMN, OTCQB:BNNLF)

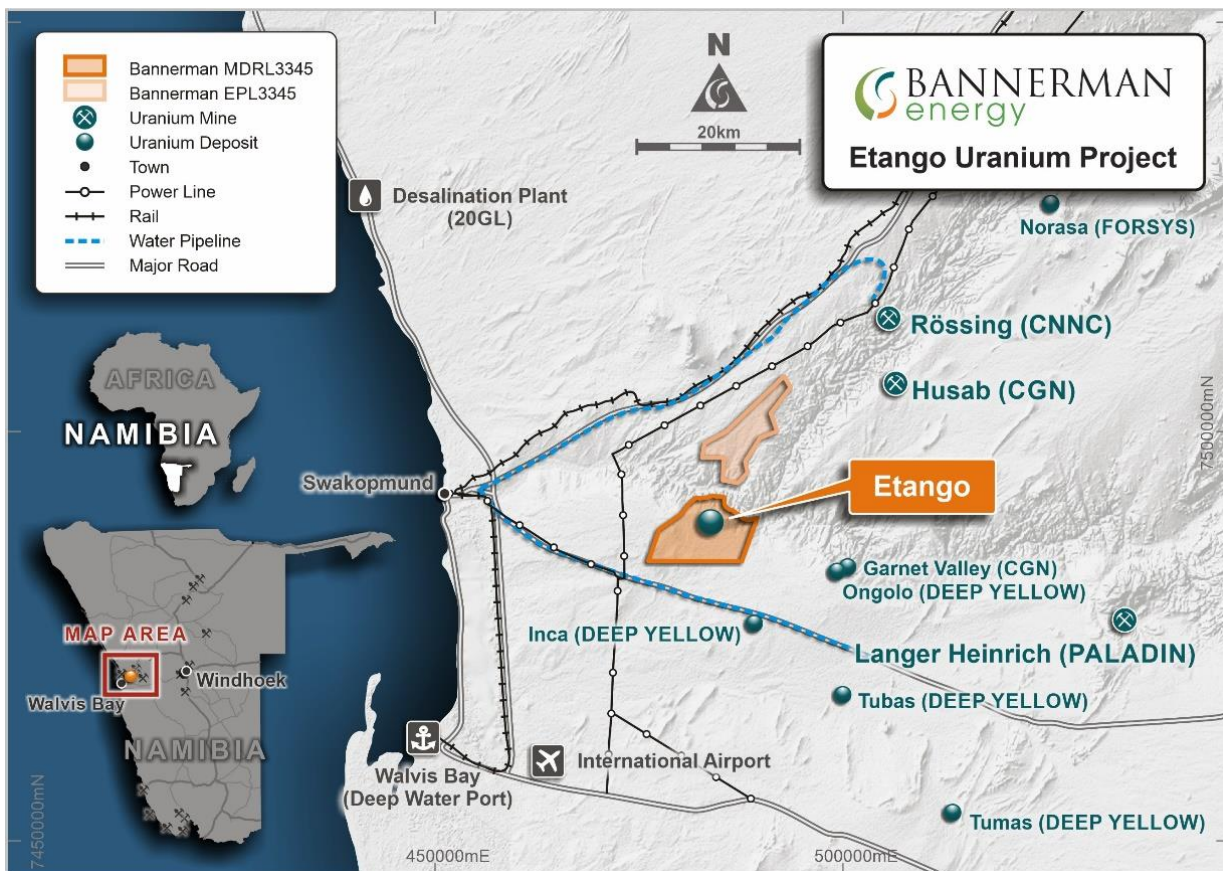
Bannerman Energy Ltd is a uranium development company listed on the Australian, OTC Markets and Namibian stock exchanges. Its flagship asset is the advanced Etango Uranium Project located in the Erongo Region of Namibia. Bannerman has long established itself as an Environmental, Social and Governance (ESG) leader in the uranium and nuclear energy sector.

Etango has benefited from extensive exploration and feasibility activity over the past 15 years. The Etango tenements possess a globally large-scale uranium mineral resource<sup>1</sup>. A 20Mtpa development at Etango was the subject of a Definitive Feasibility Study (DFS) completed in 2012 and a DFS Optimisation Study completed in 2015<sup>2</sup>. Bannerman constructed and operated a Heap Leach Demonstration Plant at Etango, which comprehensively de-risked the acid heap leach process to be utilised on the Etango ore.

Namibia is a premier uranium investment jurisdiction, with a 45-year history of uranium production and export, excellent infrastructure and support for uranium mining from both government and community. As the world's fourth largest producer of uranium, Namibia is an ideal development jurisdiction boasting political stability, security, a strong rule of law and an assertive development agenda.

Etango has environmental approvals for the proposed mine and external mine infrastructure, based on a 12-year environmental baseline. Bannerman is a CSR leader within Namibia and exercises best-practice governance in all aspects of its business.

In August 2021, a Pre-Feasibility Study (PFS) was completed on Etango-8. The PFS confirmed that this accelerated, streamlined project is strongly amenable to development – both technically and economically. A DFS on Etango-8 has commenced with expected completion in 3Q CY2022.



1 Refer to Section 3 of Bannerman's ASX release dated 2 August 2021, *Etango-8 Project Pre-Feasibility Study*. Bannerman confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning the estimates in that ASX release continue to apply and have not materially changed.

2 Refer to Bannerman's ASX release dated 11 November 2015, *Outstanding DFS Optimisation Study Results*.

## Forward Looking Statements

The information in this announcement is not intended to guide any investment decisions in Bannerman Energy Ltd. This material contains certain forecasts and forward-looking information, including possible or assumed future performance, costs, production levels or rates, reserves and resources, prices and valuations and industry growth and other trends. Such forecasts and information are not a guarantee of future performance and involve many risks and uncertainties, as well as other factors. Actual results and developments may differ materially from those implied or expressed by these statements and are dependent on a variety of factors. The Company believes that it has a reasonable basis for making the forward looking statements in the announcement, based on the information contained in this and previous ASX announcements.

Bannerman is not aware of any new information or data that materially affects the information included in this ASX release, and Bannerman confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in this release continue to apply and have not materially changed.

## Competent Person's Statement

The information in this announcement as it relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Mr Marthinus Prinsloo. Mr Prinsloo is a full time employee of Bannerman Energy Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Prinsloo has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activities, which he is undertaking. This qualifies Mr Prinsloo as a "Competent Person" as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and a Qualified Person as defined by Canadian National Instrument 43-101. Mr Prinsloo consents to the inclusion in this announcement in the form and context in which it appears. Mr Prinsloo holds shares and performance rights in Bannerman Energy Ltd.

## Listing Rule 5.3.3 tenement schedule:

BANNERMAN ENERGY LTD CONSOLIDATED BASIS				
SCHEDULE OF INTERESTS IN MINING TENEMENTS				
Project	Mining tenements held	Location of tenements	Beneficial % interest at end of the quarter	Change in the quarter
<i>Etango</i>	Mineral Deposit Retention Licence (MDRL) 3345	Namibia	95%	-
<i>Etango</i>	Exclusive Prospecting Licence (EPL) 3345	Namibia	95%	-