

Quarterly Activities Report

FOR THE PERIOD ENDED 31 MARCH 2022

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 development¹ of its flagship Etango Uranium Project in Namibia (**Etango-8**).

HIGHLIGHTS

- **Successful completion of A\$40.7 million equity placement at A\$0.22 per share.**
 - Strongly supported by several specialist uranium investment funds and a broad array of high-quality Australian and international institutional investors.
 - Funds to be directed towards completion of the current Etango-8 Definitive Feasibility Study (Q3 CY22), Front-End Engineering and Design (FEED) and detailed design, product marketing and project financing activities, new opportunities, and general working capital.
- **Subsequent to the quarter end, SPP for all eligible existing shareholders raised an additional A\$15 million (at A\$0.22 per share, equal to the Placement price).**
- **Etango-8 DFS progressing to plan, in-line with original timeframe and budget.**
 - Feasibility and engineering undertaken by best-in-class consultants with Wood plc engaged as DFS lead study manager and continuity from Etango-8 Pre-Feasibility Study and previous study work.
 - World-class Technical Steering Committee chaired by Norman Green.
- **Appointment of CFO, Mr Steve Herlihy, a highly credentialed finance executive strengthening Bannerman team across capital markets, M&A and project finance.**
- **Cash balance of A\$46.0M at quarter end, with additional funds of A\$15M received from the SPP completed after quarter end.**
- **Uranium price improvement as sector focus returns to supply security; Ukraine war and resultant geopolitical risk disrupting nuclear fuel markets.**

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

“In a busy quarter that witnessed tremendous upheaval in nuclear fuel markets, Bannerman’s team remained focused on our Etango-8 DFS, keeping the process on-time and on-budget. Our capital raising, consisting of an institutional placement and share purchase plan, produced outstanding outcomes and positions the Company extremely well to progress Etango-8. I am grateful to existing shareholders for their support and delighted to welcome many new high-quality institutional investors to the register.”

¹ 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

The Company announced during the quarter that its Etango-8 Definitive Feasibility Study (DFS) continues to progress to plan across all key workstreams. 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.

Bannerman has 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 plant design and related infrastructure, along with 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 has engaged Qubeka Mining Consultants CC (**Qubeka**) to complete the geological review, pit inventory estimates and mine planning.

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.

During the quarter Bannerman announced the appointment of 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.

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.

Corporate

Placement

During the quarter the Company successfully completed a single tranche placement of approximately 185 million new fully paid ordinary shares to new and existing institutional and sophisticated investors at an issue price of A\$0.22 per New Share to raise approximately A\$40.7 million (**Placement**).

Bannerman was pleased with the strong participation in the raising from several specialist uranium funds, as well as a broad range of institutional investors from Australia and abroad. The Company believes the robust participation demonstrates a solid validation for the Company's Etango-8 development pathway and the approach taken to stewarding the Etango asset into the rapidly strengthening uranium market environment.

Proceeds from the Placement, in conjunction with existing cash on hand, are intended to be utilised for the following purposes:

- Completion of the Etango-8 DFS, which remains on-budget and on track for completion in Q3 CY22;
- Front-End Engineering and Design (FEED) and detailed design in respect of the planned Etango-8 uranium mine;
- Product marketing and project financing activities;
- New opportunities; and
- General working capital purposes.

Share Purchase Plan (SPP)

In addition to the Placement, the Company offered eligible existing shareholders the opportunity to apply for new Bannerman shares via a Share Purchase Plan (**SPP**).

The SPP was strongly supported by eligible shareholders and as a consequence was substantially oversubscribed beyond the A\$5 million the Company had sought to raise. Bannerman received over 1,850 valid applications totalling approximately A\$30.0 million at the issue price of A\$0.22 per share, being the same issue price as the successful A\$40.7 million institutional placement announced on 24 March 2022.

Given the outstanding response to the SPP, Bannerman's Board of Directors (**Board**) exercised its discretion under the terms of the SPP to increase the size of the SPP from A\$5 million to A\$15 million. The Board took this decision in recognition of the long-term support of its retail investors and to reduce the impact of scale-backs on shareholders.

The strong demand from eligible shareholders in the SPP necessitated a scale-back of valid applications. The scale-back methodology was described in detail in the Company's announcement dated 22 April 2022. Through the application of that methodology, the Company estimates that approximately 44% of valid applications were allocated their full application amount.

All Bannerman Directors applied for the maximum of A\$30,000 under the SPP, other than Mr Mike Leech who is resident in Namibia and is therefore an ineligible shareholder. However, in light of the necessity to scale-back other shareholders, the Board took the decision to allocate zero shares to Directors.

A total of 68,180,913 new fully-paid ordinary shares were issued under the SPP. Allotment of new shares under the SPP, was completed Wednesday 27 April 2022.

Appointment of Chief Financial Officer

During the quarter the Company appointed Mr Steve Herlihy as Chief Financial Officer and Company Secretary.

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 replaced Mr Rob Orr, who served as Chief Financial Officer and Company Secretary for the preceding two years.

Strong quarter end cash balance of A\$46 million (excludes Share Purchase Plan proceeds)

Bannerman's cash balance at 31 March 2022 was A\$46.0 million (31 December 2021: A\$9.2 million). The Company has no debt (other than typical creditor balances) or convertible instruments.

Cash inflows for the quarter were predominantly the A\$40.7 million capital raising. Total exploration and development expenditure for the quarter was A\$1,028,000, which included project works on the DFS.

Management continues to maintain a focus on prudent cost control and project timeliness. 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.

Cancellation and issue of securities during the quarter

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

- 2,739,588 fully paid ordinary shares were issued upon vesting of unlisted employee performance rights in accordance with the terms of the Employee Incentive Plan (EIP).

Subsequent to the end of the quarter 185,000,000 shares were issued to sophisticated professional investors pursuant to the placement allotment and 68,180,913 shares were issued pursuant to the SPP.

Issued securities

At the date of this report, the Company has on issue 1,487,682,104 fully paid ordinary shares (including the 1 April 2022 issue of Placement shares and 27 April 2022 issue of SPP shares), 34,610,068

performance share rights and 11,285,800 unlisted options. The share rights and options are subject to various performance targets and continuous employment periods.

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.

Uranium market

Since the start of 2022, the nuclear fuel sector has undergone significant geopolitical disruption. In January, civil unrest in Kazakhstan presented challenges for the world's largest uranium producing nation. Subsequently, the tragic invasion of Ukraine has had an immediate effect on nuclear fuel markets and is likely to profoundly influence the nuclear fuel sector into the long term.

The Ukraine war has reminded government, policy makers and industry of the vital role of energy security, a consideration that was relegated in importance for more than a decade. The superior energy security attributes of nuclear power, both commercial and geopolitical, have come into sharp contrast with anti-nuclear ideology in Germany and other parts of Europe.

The increased emphasis on geopolitical security and power price resilience enhances the superior climate attributes of nuclear power that have been emphasised by various governmental and multi-lateral organisations following COP26 in 2021. As a result, during the quarter several governments made bold and pragmatic policy announcements in favour of nuclear power, most notably in United Kingdom, United States, Belgium, Japan and South Korea.

The Ukraine war, and resultant sanctions and collective corporate activism, have had an effect on all energy markets, including nuclear power. The prospect of sanctions on Russian nuclear giant Rosatom, together with pressure on Western nuclear utilities to reduce or eliminate nuclear fuel trade with Russia, is disrupting nuclear fuel markets, in particular those of enrichment, conversion and transportation. Supply security has therefore resumed its traditional prominence in the minds of market participants.

Financial markets have become increasingly attuned to the consequently attractive dynamics in the uranium sector, with Sprott Physical Uranium Trust continuing to build its holdings of uranium, via acquisition on the spot market in competition with end-users. As a result of these factors, uranium spot prices increased over the quarter to their highest level since 2011.

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

Brandon Munro, Managing Director and Chief Executive Officer

28 April 2022

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Important Notices

This announcement contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are considered reasonable. Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by law or the ASX listing rules. The information contained in this announcement does not constitute investment or financial product advice (nor taxation, accounting or legal advice), is not a recommendation to acquire Bannerman shares and is not intended to be used or relied upon as the basis for making an investment decision. This announcement has been prepared without taking into account the investment objectives, financial situation or needs of any individuals. Before making any investment decisions, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and should seek legal, accounting and taxation advice appropriate to their jurisdiction. Bannerman is not licensed to provide investment or financial product advice in respect of Bannerman shares. Cooling off rights do not apply to the acquisition of Bannerman shares pursuant to the Placement or the SPP.

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

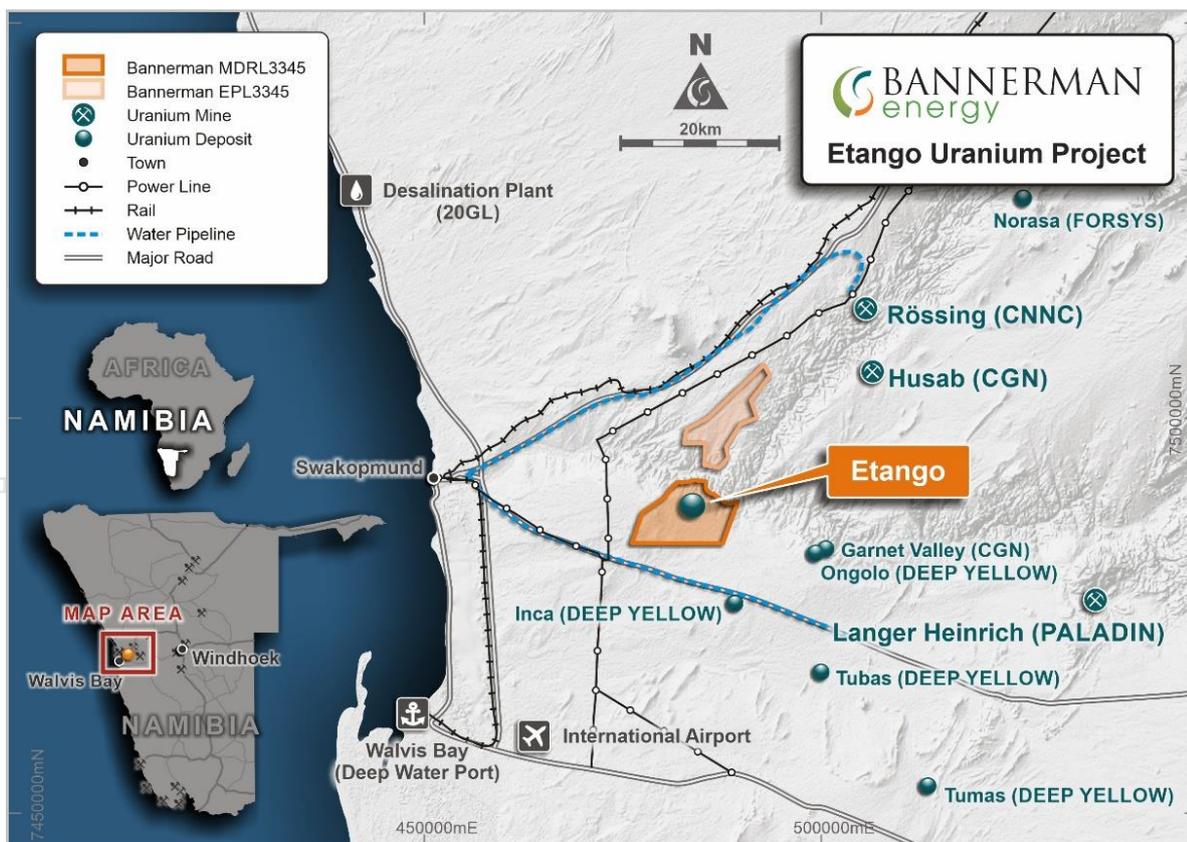
Bannerman Energy Ltd is a uranium development company listed on the Australian, OTC Markets and Namibian stock exchanges. Its flagship asset is the advanced Etango Uranium Project located in the Erongo Region of Namibia. Bannerman has long established itself as an Environmental, Social and Governance (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 resource¹. A 20Mtpa development at Etango was the subject of a Definitive Feasibility Study (DFS) completed in 2012 and a DFS Optimisation Study completed in 2015². 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%	-