

Quarterly Activities Report

FOR THE PERIOD ENDED 30 JUNE 2023

Bannerman Energy Ltd (ASX:BMN, OTCQX:BNNLF, NSX:BMN) (**Bannerman** or **the Company**) is pleased to report on a quarter in which it continued to progress Front End Engineering and Design for the 8Mtpa development¹ of its flagship Etango Uranium Project in Namibia (**Etango**), whilst maintaining fiscal discipline and strategic patience as uranium sector dynamics continue to build.

HIGHLIGHTS

- **Etango Project:**
 - *Front End Engineering and Design (FEED) progressing to schedule.*
 - *Mining Licence (ML) application advancing with grant expected during current quarter.*
 - *Targeted positive Final Investment Decision (FID) during H1 CY2024.*
- **Appointment of highly accomplished nuclear industry executive, Ms Olga Skorlyakova, as VP Market Strategy.**
 - *Establishment of this role forms an integral part of building Bannerman's long term uranium marketing program, and further enhancing broader organisational readiness and capability.*
- **Substantial cash balance of A\$42.6M at quarter end and zero debt.**
- **Uranium spot prices rose during the period, finishing the quarter above US\$56/lb.**
- **Sector fundamentals continue to strengthen, with utilities prioritising enrichment/conversion services contracting during H1 2023. Term contracting of U₃O₈ is expected to accelerate during the current half.**

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

"I am delighted to welcome Olga to the Bannerman team. As we continue to advance Etango towards targeted development and uranium production, Olga's expertise deepens our nuclear industry profile and further builds our capability on the uranium marketing front.

"The FEED work on Etango is progressing well and has presented multiple opportunities for further project de-risking and optimisation. We continue to advance FEED and other key workstreams on Etango, while maintaining strong balance sheet liquidity and strategic patience with respect to progressive satisfaction of key external factors – including the anticipated near-term grant of the Etango ML and strengthening uranium term contract liquidity and pricing dynamics."

¹ Bannerman advised of the completion of a Definitive Feasibility Study (DFS) for an 8Mtpa development of its flagship Etango Uranium Project in Namibia in an ASX announcement dated 6 December 2022. 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 DFS production plan, 100% are classified as Measured or Indicated. Bannerman confirms that there are no Inferred Resources included in the DFS production schedule.

Etango Uranium Project (Bannerman 95%)

All key workstreams advancing

Front End Engineering and Design (FEED) work on the Etango Project is on schedule. Additional metallurgical testing was done during April 2023 to confirm some of the metallurgical parameters for the design work. The mine design is complete and the Request For Quotations (RFQs) for the mining contract will be finalised in Q3 2023. The 3D modelling of the plant is progressing on schedule, with focus on the front-end crushing circuits. The design and tender process of temporary power and water supply, as well as the access road to the mine site, is complete. The design of the permanent water supply line and electrical transmission line are on schedule.

All Environmental Clearance Certificates and National Heritage consents have now been received and the Etango Project is fully permitted in this regard. The Etango Mining Licence (ML) application was submitted to the Ministry of Mines and Energy (MME) in August 2022. Following submission of the DFS in December 2022, Bannerman has been working with the MME towards targeted grant of the ML.

Parallel uranium marketing and project finance workstreams for Etango are also in progress, as previously announced.

Targeted FID

As noted above, Bannerman is progressing all critical workstreams with respect to the development of the Etango Project. Key external factors that remain subject to satisfaction for a positive Final Investment Decision (FID) are grant of the Etango ML and uranium term contract market fundamentals/pricing strengthening further.

Bannerman has been working constructively with the MME and understands that it is in an advanced stage of consideration of the Etango ML application. Grant of the ML is anticipated during the current quarter and will represent satisfaction of the final non-market prerequisite to proceed with comprehensive offtake contracting and project financing activities.

While underlying uranium market dynamics continue to firm, utilities have demonstrated a greater focus on contract enrichment and conversion activities through 2023. Against that backdrop, yellowcake term contract liquidity and pricing has also improved, but remains restrained in comparison.

Bannerman's well-established position with respect to offtake marketing is that the company will not diminish the long-term underlying value of Etango by committing to contracting of its planned uranium output on price (and other terms) that it considers unrepresentative of long-term market fundamentals and producer opportunity.

As such, Bannerman's strategy remains unchanged – advancing FEED and other key workstreams on Etango to deliver currency of quotation and overall development shovel-readiness, while maintaining strong balance sheet liquidity and strategic patience with respect to satisfaction of key external factors.

This approach is advancing Etango towards, uranium market permitting, a targeted positive Final Investment Decision during H1 CY2024. Construction of the Etango Project is expected to take approximately 34 months (including detailed design).

Corporate

Vice President Market Strategy appointment – Ms Olga Skorlyakova

On 29 June 2023, the Company announced the appointment of Ms Olga Skorlyakova to the role of Vice President Market Strategy, responsible for the Company's nuclear industry marketing strategy and uranium sales. The establishment of this role, and the appointment of an executive with Olga's professional background and expertise, forms an integral part of the build and roll-out of Bannerman's long term uranium marketing program for Etango.

Olga is a highly accomplished nuclear industry executive with a deep professional experience base ranging from business development in the nuclear fuel sector to sale of enrichment services. Her breadth of sector understanding is coupled with an extensive network of relationships formulated over

her 15 years working within the nuclear and uranium industries.

For the past six years Olga has been the Senior Project Manager at the London-based peak industry body, World Nuclear Association (WNA). This role saw her lead the WNA Fuel Report Working Group and publish the WNA's seminal biennial industry publication, The Nuclear Fuel Report: Global Scenarios for Demand and Supply Availability.

Prior to this Olga was Head of Business Development, Americas, for TENEX, which is one of the world's major suppliers of enriched uranium products. Prior to that, she held the role of Deputy Chief Representative for French integrated nuclear power group, AREVA (now Orano), across business development and marketing activities in Russia and CIS.

Olga is a UK citizen based in London. She holds a Master of Arts (English) and an Executive MBA (Antwerp Management School).

Strong quarter end cash balance of A\$42.6 million

Bannerman's cash balance at 30 June 2023 was A\$42.6 million (31 March 2023: A\$45.3 million). The Company has no debt (other than typical creditor balances) or convertible instruments.

Total exploration and development expenditure for the quarter was A\$2.2 million, which included Front End Engineering and Design (FEED) work on the Etango Project.

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\$218,030) 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 cancelled or issued:

151,500 unlisted Zero Exercise Price Options (**ZEPO**) were issued in accordance with the EIP and NEDSIP as approved by shareholders on 16 November 2022.

Issued securities

At the date of this report, the Company has on issue 150,510,660 fully paid ordinary shares, 2,779,118 performance rights and 1,735,166 unlisted options. The performance rights and options are subject to various performance targets and continuous employment periods.

Uranium Market

Uranium spot prices rose through the quarter, opening at US\$50.75/lb and gaining 10.7% by the end of the quarter. In the second week of June, prices peaked at US\$57.75/lb, reaching their highest level since April 2022, when prices declined following the Russian invasion of Ukraine. Despite slight easing over the remainder of June, spot prices remained above US\$56.00/lb by the end of the quarter, closing at US\$56.20/lb.

Underpinned by increasing concerns about the long-term security of nuclear fuel supply, current tight primary supply capacities, and anticipated demand growth, uranium prices are expected by most commentators to continue rising. This positive trend is in stark contrast to broader commodity markets, which have generally declined over the quarter, reflecting increased global interest rates and slowing economic growth around the world.

At the end of May, a published Bloomberg news article suggested that Namibia was considering greater nationalised ownership of mineral and petroleum projects. With Namibia containing one of the richest uranium reserves in the world, supply of uranium from the country forms an integral part of the global nuclear fuel cycle. Following publication of the article, the Namibian Ministry of Mines and Energy clarified that the government has no intention of seeking any additional ownership stake from existing mineral or petroleum license holders, and remains committed to upholding the sanctity of contract. The Namibian Minister of Mines and Energy, Hon Tom Alweendo, reiterated this stance during his speech at the African Energy Forum in Paris in early June.

The quarter has seen continued public policy shift towards the incorporation of nuclear energy as a key baseload energy source of the future, with governments worldwide implementing policies to develop new reactors, extend the life of existing reactors, and incentivise investment in emerging technologies, such as Small Modular Reactors (SMRs).

In Japan, parliament passed a bill allowing ageing nuclear reactors to operate beyond the 60-year limit, resulting in two more reactor restarts at Takahama Nuclear Power Plant by Kansai Electric Power Company. In South Korea, a construction restart of Shin Hanul Nuclear Power Plant units 3&4 was announced following the administration's strategy to ensure "restoration of the country's nuclear power plant ecosystem".

Construction is underway on a total of 59 reactors worldwide. In Indonesia, Norway, the Philippines, and Sri Lanka, plans are currently being considered to introduce nuclear power plants, including both conventional and SMRs, into their national energy mixes.

In conjunction with reactor development and extension plans, the June quarter has also seen policymakers place particular focus on the security of the long-term nuclear fuel supply. To this end, the West is looking to re-examine Russia's role as one of the world's top energy exporters, with several significant public policy announcements made during the quarter, including:

- The United States (U.S.), France, Japan, Canada, and the United Kingdom formed the Nuclear Fuel Alliance, with a particular focus on dislodging Russian influence over the international nuclear energy market.
- The U.S. Senate Environment and Public Works Committee passed the bipartisan Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy (ADVANCE) Act, prohibiting the possession or ownership of enriched uranium owned, controlled, or organized by Russia or China (unless the Nuclear Regulatory Commission specifically authorises it). Note, this legislation must be passed by the House and Senate and approved by President Biden to be implemented.

These developments, and the intensification of security concerns regarding long-term nuclear fuel supply, has resulted in utilities reviewing their inventory policies and stock-building, in an effort to ensure operational sustainability and reliability. Whilst no further actions have been taken yet, and a ban on nuclear fuel imports transited through Russia was not included in the European Union's 11th Package of Russian Sanctions (following the invasion of Ukraine), utilities continue to assess risks to the supply of nuclear fuel in the current geopolitical environment.

For U₃O₈ contracting, 2022 was the highest uranium contracting year in a decade. Despite this, the first half of 2023 has seen some inertia, as utilities look to secure enrichment/conversion services first before progressing uranium contracts. As a result, U₃O₈ contracting is anticipated to accelerate in the next 6-12 months.

According to the Energy Information Administration's 2022 Uranium Marketing Annual Report, the maximum anticipated market requirements for the US civilian owner/operators at the end of 2022 is 402 Mlbs U₃O₈e over the next 10 years. Nearly 45% of these requirements (179 Mlbs U₃O₈e) remain unfilled.

In line with shifting public policy, further improvement in public sentiment towards the adoption of nuclear energy is being witnessed around the world. In the U.S., a recent national survey found that 76% of respondents favour nuclear energy due to its affordability, reliability, efficiency, and environmental benefits, and 71% of respondents agreed that more nuclear power plants should be built in the future. In Finland, 68% of the population supports nuclear power, citing climate change as the predominant reason, whilst in Estonia, 75% of the population is reported to support the construction of a nuclear power plant.

Overall, these developments indicate that long-term uranium market fundamentals remain strong.

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

Brandon Munro, Managing Director and Chief Executive Officer

28 July 2023

Contact

Investors:

Brandon Munro
CEO and Managing Director
T: +61 8 9831 1436
info@bmnenergy.com

Media:

Michael Vaughan
Fivemark Partners
T: +61 422 602 720
michael.vaughan@fivemark.com.au

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.

² Preliminary Economic Assessment on the Lofdal Rare Earths Project Namibia dated October 1, 2014 authored by David S. Dodd, B. Sc (Hon) FSAIMM - The MDM Group, South Africa, Patrick J.F. Hannon, M.A.Sc., P.Eng. and William Douglas Roy, M.A.Sc., P.Eng. - MineTech International Limited, Canada, Peter Roy Siegfried, MAusIMM (CP Geology) and Michael R. Hall, B.Sc (Hons), MBA, MAusIMM, Pr.Sci.Nat, MGSSA - The MSA Group, South Africa. The PEA should not be considered to be a pre-feasibility or feasibility study, as the economics and technical viability of the Project has not been demonstrated at this time. The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves. Furthermore, there is no certainty that the PEA will be realised.

³ A NI 43-101 compliant report entitled Preliminary Economic Assessment on the Lofdal Heavy Rare Earths 2B-4 Project, Namibia ("the Report") will be filed by NMI on SEDAR within 45 days of NMI's announcement of 3 October 2022. SGS Canada Inc. is the principal author under the supervision of Michael Archer who is a Qualified Person in accordance with NI 43-101 – Standards of Disclosure for Mineral Projects. Sections of the Report dealing with property description and location, accessibility, climate, local resources, infrastructure and physiography, history, geological setting and mineralisation, deposit types, exploration, drilling, sample preparation, analyses and security and data verification were completed by The MSA Group under the supervision of Jeremy Witley, (BSc Hons, MSc (Eng.)) and Swinden Geoscience Consultants under the supervision of Scott Swinden, (Ph.D P.Geo), who are Qualified Persons in accordance with NI 43-101 – standards of disclosure for mineral projects. The section of the Report dealing with mineral resource estimates was completed by The MSA Group under the supervision of Jeremy Witley, (BSc Hons, MSc (Eng.)) Sections of the Report, dealing with mining methods and mine capital and operating costs were completed by SGS Canada under the supervision of Bill van Breugel (BaSc Hons, P.Eng.) who is a Qualified Person in accordance with NI 43-101 – Standards of Disclosure for Mineral Projects. Sections of the Report, dealing with mining design and schedules were completed by BBMC RSA under the supervision of Johann Hager (BEng Hons, MEng Mining, P.Eng.) who is a Qualified Person in accordance with NI 43-101 – Standards of Disclosure for Mineral Projects. Each of Michael Archer, Jeremy Witley, Scott Swinden, Johann Hager and Bill van Breugel reviewed and approved the technical disclosure of the NMI press release dated 3 October 2022. Rainer Ellmies, PhD, MScGeol, EurGeol, AusIMM and Vice President of Namibia Critical Metals Inc., is the Company's Qualified Person and has reviewed and approved the geological data in that press release.

ABOUT BANNERMAN ENERGY (ASX:BMN, NSX:BMN, OTCQX:BNNLF)

BannerMan Energy Ltd is a uranium development company listed on the Australian and Namibian stock exchanges and traded on the OTCQX Market in the US. 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.

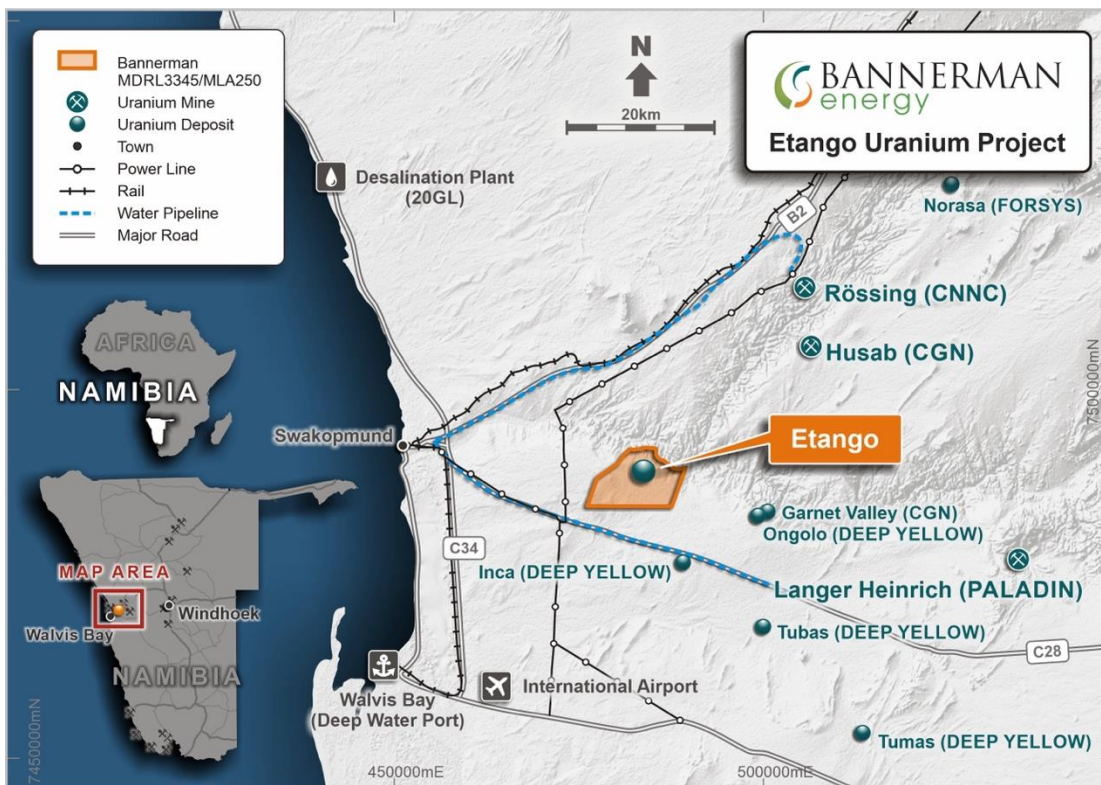
Etango has benefited from extensive exploration and feasibility activity over the past 15 years. The Etango tenement possesses a globally large-scale uranium mineral resource¹. In December 2022, a Definitive Feasibility Study (DFS)² was completed on the Etango Project, confirming to a definitive-level the strong technical and economic viability of conventional open pit mining and heap leach processing of the Etango deposit at 8Mtpa throughput. BannerMan previously completed advanced studies on an alternative, larger development pathway - a 20Mtpa development at Etango was the subject of a DFS completed in 2012 and a DFS Optimisation Study completed in 2015³.

Etango's advanced credentials are further highlighted by the construction and multi-year operation of the Etango Heap Leach Demonstration Plant, which comprehensively de-risked the conventional 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 third 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 leader within Namibia on social development and community engagement and exercises best-practice governance in all aspects of its business.

The BannerMan team has ample direct experience in the development, construction and operation of uranium projects in Namibia, as well as extensive links into the downstream nuclear power industry.



1 and 2. Refer to BannerMan's ASX release dated 6 December 2022, *Etango-8 Definitive 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.

3. 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%	-
----------------------	---	---------	-----	---