

Quarterly Activities Report

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

Bannerman Energy Ltd (ASX: BMN, OTCQX: BNNLF, NSX: BMN) (Bannerman or the Company) is pleased to report its progress during the quarter, which saw a sharp rise in the U_3O_8 spot price and a positive flow-on effect into capital markets. With this backdrop, the Company continued to advance the Front-End Engineering and Design for its flagship Etango Uranium Project¹ in Namibia (**Etango**) while focusing on prudent cost control and project timeliness.

HIGHLIGHTS

- **Etango Project:**
 - *Front End Engineering and Design (FEED) is progressing to schedule.*
 - *Mining Licence (ML) application advancing with grant expected H2 CY2023.*
 - *Targeting positive Final Investment Decision (FID) during H1 CY2024.*
- **Inaugural 2023 Sustainability Report:**
 - *ESG credentials and sustainability performance for the fiscal year ended 30 June 2023.*
 - *Future Sustainability Plans and Commitments.*
 - *Three Core Pillars: People, Planet and Performance.*
- **Substantial cash balance of A\$39.9M at quarter end and zero debt.**
- **Uranium spot price continued its rise during the period, finishing the quarter above US\$73/lb.**
- **Global investment in new and extended life reactors continues to strengthen sector fundamentals as utilities pursue long-term, multi-year supply contracts that emphasise the importance of a secure supply and the need for uranium deliveries from stable jurisdictions free from geopolitical conflicts.**

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

“It has been an exciting quarter as we report continued progress on the Etango FEED against the backdrop of a significant rise in the U_3O_8 spot price. This momentum continues to reflect favourable uranium market fundamentals, which have also been broadly mirrored in uranium capital markets. These dynamics continue to move in our favour as we advance discussions with prospective offtake customers and evaluate the range of project finance options potentially available to us in this environment.

“In September, we published our inaugural Sustainability Report for the 2023 financial year. This report demonstrates our organisation-wide commitment to People, Planet and Performance.”

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

Overall FEED activities for the Etango Project are progressing to plan and budget. Updates on key workstreams during the quarter include:

- *Process Engineering:* Process Flow Diagrams for the heap leach, ion exchange (IX), precipitation, product drying and packaging, and reagents have been developed and reviewed. Process design criteria for the comminution circuit and agglomeration were completed. Process information input to mechanical data sheets for front-end vendor packages have also been completed.
- *Mechanical Engineering:* Data sheets for all priority vendor packages were developed and reviewed, and the primary crusher RFQ issued to market.
- *Electrical, Instrumentation and Control:* Administrative and process telecommunications network architecture was developed, including network routing and integration of external and fixed plant networks. Reviews were held on conveyor instrumentation design and further green initiatives under investigation.
- *Civil, Infrastructure and Earthworks:* Bulk earth works calculations and material take-offs for compilation of bill of quantities are now predominantly complete. Layout and general arrangement drawings for bulk earth works and plant infrastructure have also been developed and reviewed.
- *Greenhouse Gas Emissions:* Calculation of the DFS design greenhouse gas emissions was completed and an additional study to identify options to further reduce emissions has been completed. These options are now being evaluated in the FEED designs. A climate change risk assessment, including both physical and transitional risks, has also been completed.
- *Long Lead Items:* All early works contracts (temporary power, temporary water and access road) are now ready for award, pending grant of the Etango Mining Licence.

Financing

As previously advised, Bannerman has commenced the early phases of the financing process for Etango. In targeting the optimal financing mix for Etango, this process includes evaluating and progressing a range of funding sources, including conventional project debt, as well as potential offtake and joint venture opportunities with strategic counterparties.

Azure Capital and Vermilion Partners (both affiliates of the French financial services institution Natixis) have been appointed to advise Bannerman on this process.

Offtake marketing

Bannerman's product marketing strategy is centred on a detailed understanding of utility requirements and preferences. The Company's appointment of highly experienced nuclear executive, Ms Olga Skorlyakova, to the role of Vice President, Market Strategy (refer to Bannerman ASX release dated 29 June 2023, *Uranium Marketing and Nuclear Fuel Strategy Appointment*), coincided with an escalating level of engagement from utilities. This is consistent with the observed uranium market tightening over the last two months and the meaningful rise of the spot price to over US\$70/lb by quarter end.

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 its planned uranium output on price (and other terms) that it considers unrepresentative of long-term market fundamentals and producer opportunity. However, with yellowcake term contract liquidity and pricing building momentum in line with tightening uranium market fundamentals, the threshold for undertaking such contracting activities is becoming closer to being reached.

Key Bannerman representatives attended the World Nuclear Symposium 2023, held in London from 6 - 8 September. This provided a further forum for more extensive face-to-face engagement with key

nuclear utility representatives and leaders.

Permitting and Targeted FID

All Environmental Clearance Certificates and National Heritage consents have 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 the submission of the DFS in December 2022, Bannerman has been working with the MME towards grant of the ML.

While the MME has advised that it has seen a significant uplift in mineral licence applications during this period, it is Bannerman's understanding that the Etango ML application is now in an advanced stage of consideration. Grant of the ML, expected during H2 CY2023, will represent satisfaction of the final non-market prerequisite to proceed with comprehensive offtake contracting and project financing activities.

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

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

2023 Sustainability Report

Bannerman's inaugural 2023 Sustainability Report, published on 29 September 2023, provides a comprehensive account of our ESG credentials and sustainability performance for the fiscal year ending 30 June 2023, together with future sustainability plans and commitments.

The report presents Bannerman's sustainability strategy; highlighting our approach to environmental, social and governance (ESG) factors, which include the health, safety and well-being of our employees, our commitment to the communities in which we work and the financial sustainability of our business. Each element of our strategy and responsibility to stakeholders is presented in the context of three core pillars: People, Planet and Performance.

Corporate

Strong quarter-end cash balance of A\$39.9 million

Bannerman's cash balance at 30 September 2023 was A\$39.9 million (30 June 2023: A\$42.6 million). The Company has no debt (other than typical creditor balances) or convertible instruments.

Total exploration and development expenditure for the quarter was A\$2.3 million, which included 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 Appendix 5B, the aggregate payments during the quarter to related parties (totalling A\$224,833) were comprised of directors' fees and salary.

Cancellation and issue of securities during the quarter

There were no Bannerman securities cancelled or issued during the September Quarter.

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

The quarter saw U₃O₈ spot prices increase by almost 23% compared to the previous quarter, rising from US\$56.00/lb to close at US\$73.15/lb, the highest level observed since pre-Fukushima in 2011. Increased utility demand, low inventories, and supply threats drove this price surge. The supply of primary uranium remained tight due to supply constraints caused by the Russian invasion of Ukraine political instability in Niger and reductions in production guidance by large producers.

China remains the largest single growth market, with 24 new reactors in construction, increasing its current fleet of 55 reactors. Nuclear energy accounts for 5% of China's electricity, which is set to increase to 10% by 2035 and 18% by 2060. The State Council approved the construction of six new reactor units on July 31st, including the Ningde, Shidaowan, and Xudabao plants. China aims to generate 400 GWe by 2060, 7.5 times more than the current capacity of 53.3 GWe.

New reactors are being pursued in many European countries, in particular France, which has plans to construct six new EPR2 reactors, with an option for an additional eight. Countries such as Sweden, Bulgaria, Slovenia, Romania, Czech Republic, and Hungary are either considering expanding their nuclear programs or progressing towards building new units. In Poland, Polish and US officials have signed an agreement to proceed with the construction of Poland's first nuclear power plant at the Lubiatowo-Kopalino site in the Pomerania region; under the contract, Westinghouse and Bechtel, in cooperation with PEJ, will complete a site-specific design for a plant that will include three AP1000 reactors.

In Japan, Unit 1 and Unit 2 of the Takahama NPP in Fukui Prefecture became the nation's 11th and 12th reactors to resume operations, after a shutdown of over 12 years.

South Korea authorised the operation of Unit 2 of the Shin Hanul Nuclear Power Plant and has announced its intention to resume the construction of Units 3 and 4. The Ministry of Trade, Industry, and Energy aims to increase power supply capacity and meet the growing demand from high-tech industries by building new nuclear power plants. The 11th Basic Plan for Long-term Electricity Supply and Demand (2024-2038) has set a goal of exporting ten nuclear power plants by 2030 and developing a small modular reactor (SMR) in Korea.

Vogtle 3, the USA's first newly constructed nuclear power plant in over 30 years, began commercial operation. The start-up of Vogtle 4 is expected in the first quarter of 2024.

The increased market volatility clearly indicates the market's fragility, which leads to heightened tension and uncertainty. In response, utilities are refining their procurement plans, reassessing their portfolios, and seeking to diversify their sources of supply. They are also reevaluating their inventory policies and stock-building strategies to ensure operational sustainability and reliability.

To mitigate risk, utilities are increasingly pursuing long-term, multi-year supply contracts while emphasising the importance of a secure supply and the need for uranium deliveries from stable jurisdictions free from geopolitical conflicts.

The conflict between Russia and Ukraine has had some implications for uranium supplies from Kazakhstan, the largest producer of uranium. Furthermore, concerns about security of supply have intensified following a coup d'état in Niger in late July, raising questions about future uranium production in the country. Considering these factors, it is anticipated that U₃O₈ contracting will accelerate in the next 6-12 months.

Overall, the long-term outlook for the uranium market remains robust. The fundamentals continue to strengthen, indicating the strong potential for an ongoing positive trajectory for the industry.

This ASX release was authorised on behalf of the Bannerman Board by:
 Brandon Munro, Managing Director and Chief Executive Officer

23 October 2023

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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.

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.

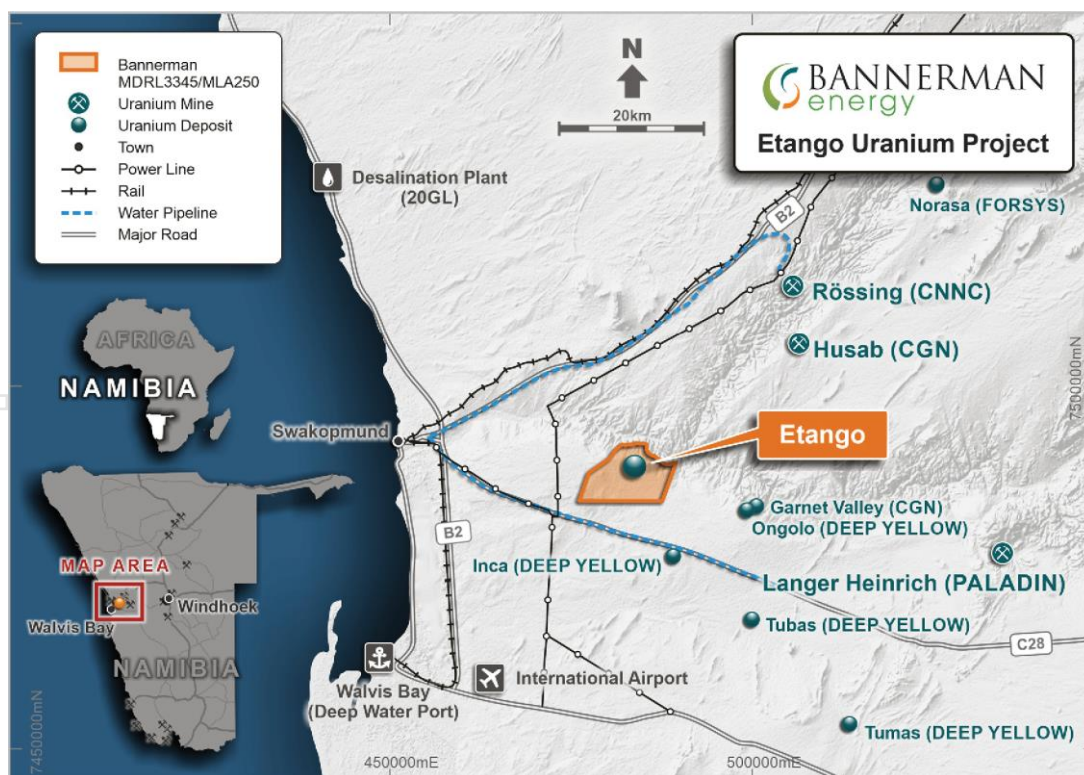
Etango has benefited from extensive exploration and feasibility activity over the past 15 years. The Etango tenement possesses a globally large-scale uranium mineral resource¹. In December 2022, a Definitive Feasibility Study (DFS)² was completed on the Etango Project, confirming to a definitive level 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- 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
Etango	Mineral Deposit Retention Licence (MDRL) 3345	Namibia	95%	-