

## Quarterly Activities Report

FOR THE PERIOD ENDED 31 MARCH 2024

Bannerman Energy Ltd (ASX: BMN, OTCQX: BNNLF, NSX: BMN) (Bannerman or the Company) is pleased to report on strong progress during the quarter, as it advances preparedness for the targeted development phase of the Etango Uranium Project (**Etango Project** or **Etango**) and demonstrated Etango's superior leverage to, and scalability with, higher uranium price outlooks through delivery of the Etango-XP/XT Scoping Study.

### HIGHLIGHTS

- **Etango-XP/XT Scoping Study completed, evaluating two future phase options to each produce 95.2 Mlbs U<sub>3</sub>O<sub>8</sub> over life of mine**
  - **Etango-XP: expansion in throughput capacity to 16 Mtpa post construction and ramp-up of base-case Etango-8 mine, to increase average annual production from 3.5 Mlbs (Etango-8) to 6.7 Mlbs U<sub>3</sub>O<sub>8</sub> post expansion.**
  - **Etango-XT: extension of operating life from 15 years (Etango-8) to 27 years without any expansion in throughput capacity.**
  - **Focus to remain on Etango-8 development, which is a highly attractive stand-alone project.**
  - **Ability to enact the XP or XT plans, post-delivery of the initial Etango-8 development, affords substantial real option value across price outcomes.**
- **Key Etango Project workstreams**
  - **Front End Engineering and Design (FEED) highly advanced and on target to complete during Q2 2024.**
  - **Early works program progressing and detailed design commenced.**
  - **Offtake marketing and financing programs advancing steadily.**
- **Key executive and Board changes enacted, positioning for development**
  - **Proven project builder, Gavin Chamberlain, appointed as CEO (previously COO) and Brandon Munro moved to Executive Chairman (focussed on corporate affairs and capital/investor markets interface).**
  - **Alison Terry appointed Lead Independent Director with Ronnie Beevor retiring from the Board.**
- **Bannerman admitted to S&P/ASX 300, effective 18 March 2024.**
- **Substantial cash balance of A\$31.7M at quarter end and zero debt.**
- **Long-term uranium price reached a 15-year high of US\$80/lb during the quarter, reflecting an ongoing positive market outlook for uranium in 2024.**

#### Bannerman Executive Chairman, Brandon Munro, said:

*"The strong progression in project workstreams during the quarter steadily advanced the fully-permitted Etango project towards construction, in parallel with financing and offtake marketing workstreams, as we drive towards being in a position to take a positive Final Investment Decision. We were particularly pleased to demonstrate, via the Etango-XP/XT Scoping Study, the long-term optionality afforded by our large-scale Etango resource and a clear pathway towards becoming a 6.7 Mlbs pa producer."*

## Etango Uranium Project (Bannerman 95%)

### Etango-8 FEED Activities

FEED continued to progress on schedule and budget and is expected to be completed in Q2 2024. The detailed engineering design activities have commenced to position the Etango so that execution can commence as soon as a positive Final Investment Decision (**FID**) is taken.

**Process Engineering:** All heap leach and ion exchange test work is complete, and improvements are being included in the process design. The Dry Plant process simulation was finalised, and vendor information was included for the main mechanical equipment. The mass and water balance, and piping and instrument diagrams for the dry plant have been completed, with good progress being made on the Wet Plant section.

**Mechanical Engineering:** Mechanical packages have all been received back from the market, and adjudications of the structural, mechanical, and piping packages have been completed. Mechanical equipment sizing and detailing of layouts based on certified vendor information is on track.

**Electrical, Instrumentation and Control:** The single-line diagrams are complete and the load lists have been updated with the latest equipment loads. Optimisation of the operational technology selection and system architecture is proceeding.

**Civil, Infrastructure and Earthworks:** Packages for bulk earthworks and bulk concrete have been adjudicated and the final recommendation has been made for award. The ripios dump design optimisation is on track to incorporate the selected vendor conveyor solution. A surface water management study was commissioned to review the current design and ensure any potential flood mitigation measures are effective.

**Early Construction Works:** The early works contracts for the construction water supply and the mine access road are on schedule to achieve the planned completion date of July 2024.

### Financing

During the quarter, Bannerman advanced its financing activities for the Etango Project.

The Company is evaluating and progressing various funding sources, including conventional project debt, as well as potential offtake and joint venture opportunities with strategic counterparties who can add value to the Etango Project.

As previously advised, Bannerman has appointed Azure Capital and Vermilion Partners (both global affiliates of French financial services institution Natixis) to advise on and assist with the execution of the optimal funding mix for Etango.

Bannerman remains committed to establishing a highly robust financial base for the Etango Project. The Company's focus is on closely aligning its strategic financial planning with its development and operational goals, thereby ensuring the long-term success and sustainability of Etango.

### Offtake Marketing

During the quarter, Bannerman advanced its product marketing initiatives, including further meetings with target offtake counterparties and nuclear industry participants. The Company's overarching product marketing strategy continues to be centred on, and driven by, a detailed understanding of utility requirements and preferences.

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. With yellowcake term contract liquidity and pricing continuing to build momentum during the quarter in line with tightening uranium market fundamentals, the threshold for undertaking such contracting activities is now significantly closer to being reached.

## Etango-XP and Etango-XT Scoping Study

On 13 March 2024, Bannerman announced the completion of a Scoping Study evaluating future higher throughput and operating life cases for the Etango Project. Two future phase options were evaluated: a post ramp-up expansion in throughput capacity to 16 Mtpa (**Etango-XP**) or an extension of operating life to 27 years (**Etango-XT**).

Bannerman remains fully committed to the timely development of its base-case 8 Mtpa Etango development (Etango-8), which was the subject of a Definitive Feasibility Study (**DFS**) (refer Bannerman ASX release dated 6 December 2022, *Etango-8 Definitive Feasibility Study*) and subsequent FEED workstreams. The Etango-8 Project is a highly attractive standalone project.

The Scoping Study evaluation of the Etango-XP and Etango-XT cases was undertaken to demonstrate the ready technical and economic viability of subsequent expansion and/or life extension options for Etango post successful construction and ramp-up of the base-case Etango-8 Project.

Key outcomes include:

### Etango-XP (mine and plant throughput expanded to 16 Mtpa from operational Year 5):

- Life of Mine (**LOM**) U<sub>3</sub>O<sub>8</sub> output of 95.2 Mlbs over 16 years (Etango-8 DFS: 52.6 Mlbs over 15 years)
- Annual average U<sub>3</sub>O<sub>8</sub> output (post plant expansion) of 6.7 Mlbs (Etango-8: 3.5 Mlbs)
- Expansion phase capex of US\$325M (Etango-8: zero)
- LOM average all-in-sustaining cash cost (**AISC**) of US\$42.5/lb U<sub>3</sub>O<sub>8</sub> (Etango-8: US\$38.1/lb)

### Etango-XT (life extension with mine and plant throughput maintained at 8 Mtpa):

- LOM U<sub>3</sub>O<sub>8</sub> output of 95.2 Mlbs over 27 years (Etango-8 DFS: 52.6 Mlbs over 15 years)
- Annual average U<sub>3</sub>O<sub>8</sub> output of 3.5 Mlbs (Etango-8: 3.5 Mlbs)
- No expansion phase capex (Etango-8: zero)
- LOM average AISC of US\$45.3/lb U<sub>3</sub>O<sub>8</sub> (Etango-8: US\$38.1/lb)

### Key Physical Parameters: Etango-8, -XP and -XT Projects

Key Physical Parameters	Unit	Etango-8	Etango-XP	Etango-XT
Life of mine (LOM)	years	15	16	27
Long-term mine and process throughput	Mtpa	8	16	8
Total ore mined and processed	Mt	113.5	210.2	210.2
Total waste mined	Mt	253.3	670.3	670.3
Average strip ratio	x	2.2	3.2	3.2
Average uranium head grade	ppm U <sub>3</sub> O <sub>8</sub>	240	234	234
Forecast uranium recovery	%	87.8%	87.8%	87.8%
LOM uranium production	Mlbs U <sub>3</sub> O <sub>8</sub>	52.6	95.2	95.2
Average annual uranium production	Mlbs U <sub>3</sub> O <sub>8</sub> pa	3.5	5.9 / 6.7 <sup>^</sup>	3.5
Peak annual uranium production	Mlbs U <sub>3</sub> O <sub>8</sub> pa	4.1	7.8	4.8

<sup>^</sup> 5.9 Mlbs pa is LOM average Etango-XP output and 6.7 Mlbs pa is average Etango-XP output post expansion completion

### Key Financial Outcomes: Etango-8, -XP and -XT Projects

Key Financial Metrics	Etango-8	Etango-XP			Etango-XT		
Uranium price (US\$/lbs U <sub>3</sub> O <sub>8</sub> )	65	65	80	95	65	80	95
Free cashflow (post-tax) (US\$M)	695	939	1,804	2,669	984	1,847	2,711
Pre-tax IRR (%)	21.0	20.8	32.2	41.3	22.8	33.5	42.4
Post-tax IRR (%)	17.0	16.9	26.6	34.0	18.6	27.4	34.4
Pre-tax NPV <sub>8</sub> from base FID (US\$M)	369	445	1,017	1,590	411	862	1,314
Post-tax NPV <sub>8</sub> from base FID (US\$M)	209	250	615	974	241	526	809

All Etango-8 cost estimates (including pre-production capex of approx. US\$320M) remained materially unchanged for the purposes of the Etango-XP/XT Scoping Study. The increased opex estimates associated with Etango-XP/XT are predominantly driven by the higher requisite strip ratio.

The Etango-XP/XT Scoping Study has categorically demonstrated second-phase growth optionality under the base case Etango-8 approach to initial project development. This highlights the significant underlying value residing in Etango's large-scale uranium resource in terms of its substantial in-ground leverage to, and scalability with, higher uranium price outlooks. The ability to enact either the XP or XT plans, post-delivery of the base case Etango-8 development, affords Bannerman substantial real option value across a range of long-term uranium price outcomes.

Future feasibility work on the Etango-XP and Etango-XT options is capable of ready fast-tracking (at the relevant point in time) given all resource drilling, geotechnical, metallurgical, process and environmental workstreams have already been completed as part of previous DFS-level project evaluation.

## Corporate

### Key executive and Board changes

On 31 January 2024, Bannerman announced changes to its Board and key executive roles, effective from early March 2024, in further preparation for planned development of Etango. These changes further build senior executive capacity as the Company approaches the targeted construction and long-term operation of a world-class uranium mine at Etango.

After nearly 15 years of service, Mr Ronnie Beevor retired from his role as Non-Executive Chairman. As Non-Executive Chairman, Ronnie was instrumental in guiding the Company through critical industry challenges to a position of financial strength and shovel-readiness for Etango.

Mr Brandon Munro, previously Managing Director and CEO, transitioned to the role of Executive Chairman. In his new capacity, he continues to lead the financing workstream for Etango alongside general corporate affairs and capital/investor market interface.

Ms Alison Terry was appointed as Lead Independent Director. Alison joined the board in October 2022 and brings extensive expertise in senior resource management and corporate affairs, enriched by a deep understanding of sustainability, ESG dynamics, legal and corporate affairs, and the complexities of major operations.

Mr Gavin Chamberlain, formerly Bannerman's Chief Operating Officer, assumed the role of Chief Executive Officer. He is a deeply experienced minerals sector leader and project builder, with a substantial and successful track record in construction, engineering and project management, most particularly within the southern African mining industry. His professional experience includes being the responsible Project Director for the development of the US\$2 billion Husab Uranium Mine in Namibia, now one of the world's largest operating uranium mines.

The Bannerman Board will continue to evaluate and evolve its composition as appropriate as the business advances towards targeted FID and the construction of the Etango mine.

### Inclusion in the S&P/ASX 300

On 1 March 2024, the S&P Dow Jones Indices announced Bannerman's inclusion in the S&P/ASX 300 Index, effective 18 March 2024.

### Strong Quarter-end Cash Balance of A\$31.7 million

Bannerman's cash balance at 31 March 2024 was A\$31.7 million (31 December 2023: A\$35.2 million). The Company has no debt (other than typical creditor balances) or convertible instruments.

Total exploration and development expenditure for the quarter was A\$2.7 million, which included FEED work on the Etango Project. Property Plant and Equipment in relation to External Infrastructure was A\$0.2 million.

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\$199,630) were comprised of directors' fees and salary.

### Cancellation and Issue of Securities

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

- 432 623 Employee Unlisted Performance Rights were vested in accordance with the terms of the EIP.

### Issued Securities

At the date of this report, the Company has 152,840,770 fully paid ordinary shares, 2,150,781 unlisted performance rights, and 2,050,864 unlisted options on issue. The performance rights and options are subject to various performance targets and continuous employment periods.

## Uranium Market

The uranium sector saw significant volatility in the first quarter of 2024. TradeTech's Spot Price Indicator, which began the year at US\$91.00/lb  $U_3O_8$ , rose to US\$107.00/lb in early February before falling to US\$87.00 by the end of the quarter. TradeTech's Long-Term  $U_3O_8$  Price Indicator showed consistent monthly growth during the quarter, increasing by 17% from US\$68.00/lb to US\$80.00/lb at the end of March 2024. This brought the Long-Term Indicator to a 15-year high.

The fact that the long-term price has more than doubled since early 2020 supports the belief that the long-term supply gap is widening due to rising demand. This surge in demand comes from stronger support for the nuclear industry by governments, policymakers, and the public, who recognise its vital role in combating climate change. This support was even more evident this quarter.

At the inaugural IAEA's Nuclear Energy Summit held in Brussels in March, leaders and representatives from 32 countries emphasised the importance of nuclear power for energy security, climate goals, and sustainable development. Key points included the need for increased financing, workforce development, and support for countries new to nuclear energy. A joint statement committed to unlocking nuclear energy's potential, extending the lifespan of existing reactors, constructing new plants, and deploying advanced reactors while ensuring safety and security.

Another significant piece of news from this quarter is the US Department of Energy's decision to approve loans of up to US\$1.52 billion to Holtec International. This funding is intended for the reopening of the Palisades Nuclear Power Plant in Michigan, which was decommissioned in May 2022. If successful, this will mark a paradigm shift, as it would be the first time a nuclear plant has been returned to operation after starting the decommissioning process and will serve as a model for numerous similar reactors around the world.

During its 15 March 2024 earnings call, NAC Kazatomprom, the world's largest uranium producer, reiterated its 2024 production forecast of 21,000-22,500 tU (54.6-58.5 Mlbs  $U_3O_8$ ), roughly 20% below the levels agreed in the Subsoil Use Agreements and consistent with 2023 outputs. The company also confirmed it will not meet its initial target of 31,000 tU this year, highlighting a significant shortfall in primary uranium supply (i.e. from mining) compared to global reactor demands.

In summary, the uranium market remains strong, characterised by an increase in demand due to increasing global commitments to nuclear energy expansion. This demand compares to a tight short-term supply and ongoing concerns over medium and long-term supply response. Additionally, the market continues to attract interest from financial buyers. These factors collectively suggest an ongoing positive market outlook for uranium in 2024.



**This ASX release was authorised on behalf of the Bannerman Board by:**  
Brandon Munro, Executive Chairman

26 April 2024

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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.

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

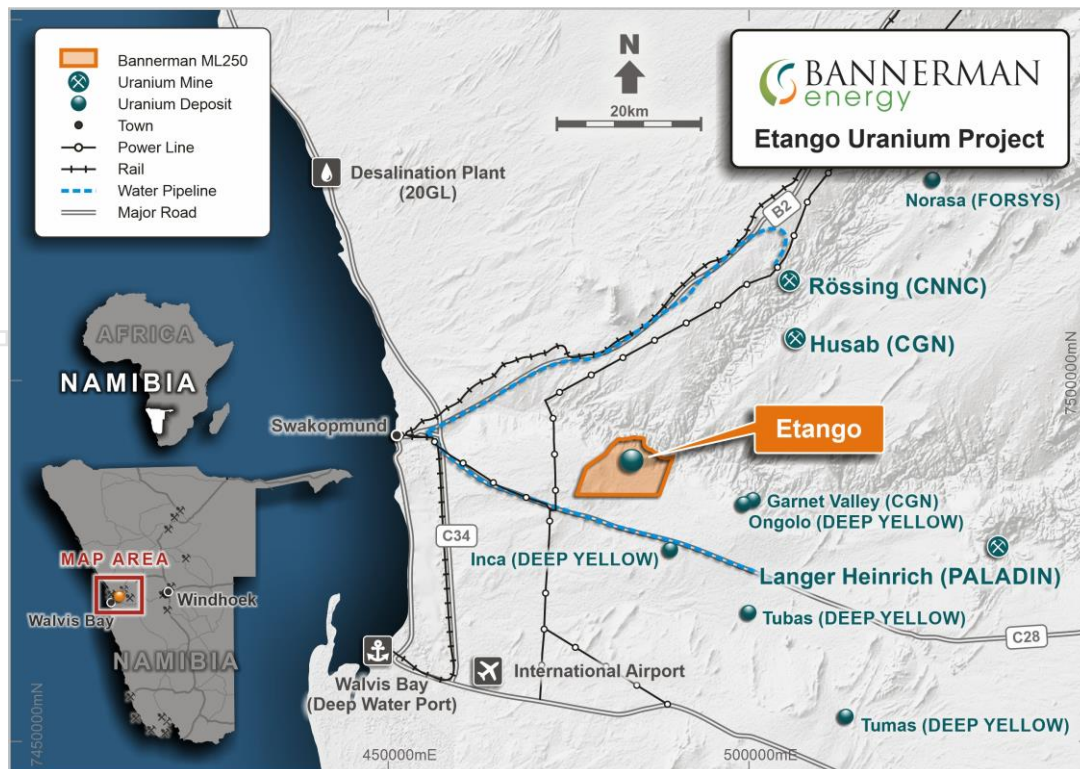
Bannerman Energy Ltd is a uranium development business listed on the Australian and Namibian stock exchanges and traded on the OTCQX Market in the US. Its flagship asset is the advanced Etango Uranium Project located in the Erongo Region of Namibia.

Etango has benefited from extensive exploration and feasibility activity over the past 15 years. The Etango tenement possesses a globally large-scale uranium mineral resource<sup>1</sup>. In December 2022, a Definitive Feasibility Study (DFS)<sup>2</sup> was completed on the Etango-8 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 (for average annual output of 3.5 Mlbs U<sub>3</sub>O<sub>8</sub>). Bannerman previously completed advanced studies on an alternative, larger development pathway – a 20Mtpa development at Etango.

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. All environmental approvals have been received for the proposed Etango mine and external mine infrastructure, based on a 12-year environmental baseline. Bannerman was awarded the Mining Licence for Etango in December 2023 and is progressing all key project workstreams towards a targeted positive Final Investment Decision (FID) in parallel with strengthening uranium market fundamentals.

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. 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.

Bannerman has long established itself as an Environmental, Social and Governance (ESG) leader in the uranium and nuclear energy sector. It is also a leader within Namibia on social development and community engagement and exercises best-practice governance in all aspects of its business. This was recently recognised with receipt of the 2023 African Mining Indaba's ESG Award for Community Engagement.



**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.

## 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

<b>Etango</b>	Mining Licence (ML) 250	Namibia	95%	-
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