

Quarterly Activities Report

FOR THE PERIOD ENDED 31 MARCH 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-8**).

HIGHLIGHTS

- **Etango-8 Project:**
 - *Front End Engineering and Design (FEED), offtake and project finance processes progressing in parallel.*
 - *Mining Licence (ML) application advancing.*
- **Appointment of proven resources executive, Mr Gavin Chamberlain, as Chief Operating Officer in February 2023.**
- **Bannerman won African Mining Indaba's ESG award for Community Engagement.**
- **Cash balance of A\$45.3M at quarter end.**
- **Uranium sector fundamentals anticipated to remain resilient and strengthen further in 2023, underpinned by the widespread political and public sentiment shift towards the adoption of nuclear energy.**

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

"It has been a busy and highly productive quarter, both for Bannerman and our flagship Etango Project. FEED workstreams are progressing to plan, set alongside the offtake and project finance processes that were commenced last year. The business also continues to build-out capability in planned readiness for project development and operation. We are very pleased to have added further senior expertise and horsepower to the Bannerman operations and corporate teams across recent months."

"While recent global macroeconomic uncertainty has created greater equity market volatility, we continue to see a highly constructive market for uranium over coming months and years. The momentum towards fuller community and governmental understanding of nuclear's critical role in global decarbonisation initiatives continues to build. Against that backdrop, is a nuclear fuel market that is also progressively tightening with further reactor builds, restarts and life extensions."

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-8 Uranium Project (Bannerman 95%)

Advancing towards targeted FID

Front End Engineering and Design (**FEED**) work on Etango-8 is continuing steadily. Dynamic simulation of the process has been completed and the resultant trade-off studies have been finalised. The FEED engineering work is progressing to schedule and additional planned metallurgical test work identified in the DFS on the Ion-exchange circuit is taking place on site in April. The 3D modelling of the plant has commenced and is on schedule. The additional geotechnical investigation of the mining area has been completed and pit design optimisation is on track. The in-country infrastructure design is also on track with the tendering of access road construction ongoing and tender for temporary water to follow in April. The design of temporary power supply, permanent water supply line and finalisation of acid storage are also in progress.

Parallel contract offtake and project finance workstreams for Etango-8 are also in progress, as previously announced.

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 during mid-CY2023.

These activities are advancing Etango-8 towards, uranium market permitting, a targeted positive Final Investment Decision during H2 CY2023. Construction of the Etango-8 Project is expected to take approximately 34 months (including detailed design).

Exclusive Prospecting Licence (EPL 3345)

Bannerman reviewed the exploration work previously completed on Exclusive Prospecting License (EPL 3345) and has elected not to renew the EPL for lack of economic prospectivity. All rehabilitation work has been completed and this was audited in January 2023 by A. Speiser Environmental Consultants with no deviations observed.

Bannerman will continue to focus on the development of the Etango-8 Project, located on MDRL 3345 and for which a Mining Licence application (ML 250) has been submitted.

Corporate

Chief Operating Officer appointment – Mr Gavin Chamberlain

On 2 February 2023, the Company announced the appointment of proven resources executive, Mr Gavin Chamberlain, as Chief Operating Officer (COO).

Gavin is a deeply experienced minerals sector leader and project manager with over 30 years within the global mining industry. This includes a substantial and successful track record in construction, engineering and project management, most particularly within the southern African mining industry.

He was most recently the COO of Kore Potash Limited where he was responsible for advancing its large-scale potash projects in the Sintoukola district of Republic of Congo. This role saw him hold technical and commercial oversight of all internal and external project teams, as well as fostering key lender and equity investor relationships.

Prior to this, Gavin was the Regional Director, Mining and Minerals Africa of AMEC Foster Wheeler (now Wood plc). Within this role, he was also the responsible Project Director for the development of the US\$2 billion Husab Uranium Project in Namibia, now one of the world's largest operating uranium mines.

Gavin held several other project management and general civil construction roles earlier in his career. He has a Bachelor of Science (Civil Engineering) from the University of Natal and a Graduate Diploma in Engineering from the University of Witwatersrand.

Bannerman winner of African Mining Indaba's ESG award for Community Engagement

In February 2023, Bannerman won African Mining Indaba's ESG Forum Award for Community Engagement, in recognition of its Early Learner Assistance Program (ELA Program) in Namibia. Mining Indaba, in its 29th year, is the largest African Mining conference, ranking its ESG Forum Award as one of the most important Environment Social Governance (ESG) awards in the world.

Bannerman's ELA Program was conceived in 2011 with the goal of reducing the rate of children dropping out of primary school, an outcome that would typically embed children into the poverty cycle. The Ministry of Education, Arts & Culture in Namibia, with the assistance of school principals, nominate under-privileged students most at risk of dropping out. These students are then provided with uniforms and materials to encourage them to remain in school and support the student and their family.

To date, more than 3,300 learners have benefited from the program with the Bannerman team having logged nearly 15,000km travelling to remote schools to personally deliver the ELA packages. Employees also give presentations to learners that encourage them to stay at school and follow their dreams.

Bannerman has also sought to make the ELA program "open source" with the aim of encouraging other mining companies to adopt and improve the initiative within their own host communities. In 2022, Namibia Rare Earths became the next company to adopt the ELA Program, rolling it out into the Khorixas region in which it operates.

Plans are underway to grow the total number of students benefitted by the ELA program by 300 additional children in 2023.

Strong quarter end cash balance of A\$45.3 million

Bannerman's cash balance at 31 March 2023 was A\$45.3 million (31 December 2022: A\$47.6 million). The Company has no debt (other than typical creditor balances) or convertible instruments.

Total exploration and development expenditure for the quarter was A\$1.7 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\$218,096) 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:

- 44,710 fully paid ordinary shares were issued upon vesting of unlisted employee performance rights in accordance with the terms of the EIP and Non-Executive Director Share Incentive Plan.
- 7,155 Zero Exercise Price Options (**ZEPO**) were exercised 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, 2,779,116 performance rights and 1,583,666 unlisted options. The performance rights and options are subject to various performance targets and continuous employment periods.

Uranium Market

Uranium spot prices traded within a narrow range of US\$48/lb to US\$52/lb through the quarter, closing March at US\$50/lb. This represents a 3% gain on the previous quarter and 20% uplift on average 2021 spot pricing.

Amid global economic uncertainty, banking sector concerns, and rising global inflation, the stability of uranium spot prices marks a continuation of U₃O₈'s longer-term positive performance. This is in

contrast to broader equity, bond and commodity markets, which generally fell across February and March, as central banks increased interest rates to slow rising inflation.

The resilience of U_3O_8 commodity prices over the quarter continues to reflect favourable uranium market fundamentals, underpinned by increasing worldwide recognition from policy makers of nuclear energy's critical role to play in energy security, and the global transition towards sustainable, decarbonised energy sources.

One year on from Russia's invasion of Ukraine, the global energy crisis sparked by the war has forced many countries to reimagine their energy supply chains, with governments worldwide implementing policies to extend the life of existing reactors, embark on the development of new reactors, improve supply chain logistics and incentivise investment in new and evolving technology, including Small Modular Reactors (SMRs).

As renewable energy sources continue to suffer from intermittency and capacity concerns, the superior emissions, land-use and capacity credentials of nuclear energy over coal and natural gas, is set to support its further potential adoption by governments and utilities as the critical baseload energy source of the future.

In recognition of improving public sentiment and long-term security of nuclear energy, the March 2023 quarter saw a number of significant public policy announcements:

- In North America, the United States pledged greater cooperation with Canada to support the development of secure nuclear fuel supply chains and the implementation of SMRs in the region.
- In Europe, France announced the planned creation of a pro-nuclear alliance with 12 European Union (EU) countries to advocate for nuclear energy in EU politics, while the country's National Assembly voted in favour of a nuclear investment plan supporting the construction of six new nuclear reactors in the country.
- In the United Kingdom, Parliament committed to a programme of new nuclear projects, giving industry and investors' confidence to deliver projects at an accelerated pace.
- In Japan, the government adopted a plan to allow companies to operate nuclear reactors beyond the existing 60-year limit and to build next-generation nuclear reactors to replace decommissioned plants.
- Meanwhile, the State-owned China National Nuclear Power Co announced plans to invest CNY80.02 billion (USD11.69 billion) in nuclear energy in 2023, representing a 60% uplift on 2022, and the highest annual investment since listing.

With approximately 450 nuclear reactors operable worldwide, there are a further 60 reactors currently under construction, with 40 additional reactors planned, and another 300 under proposal.

The strength of uranium market fundamentals is further evidenced by the number of significantly sized, long-term uranium supply contracts signed in the past quarter, with uranium prices generally increasing with the presence of higher caps and floors.

With financial market uncertainty, inflation concerns persisting, and interest rate rises likely to continue in the short-term, the uranium demand fundamentals are anticipated to remain resilient and strengthen further in 2023, underpinned by the widespread political and public sentiment shift towards the adoption of nuclear energy, catalysed by the need for greater energy security.

From an investor perspective, the low historical correlation between physical uranium and other major asset classes continues to demonstrate U_3O_8 's potential to provide portfolio diversification and expose investors to significant U_3O_8 upside price volatility.

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

Brandon Munro, Managing Director and Chief Executive Officer

26 April 2023

Contact

Investors:

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

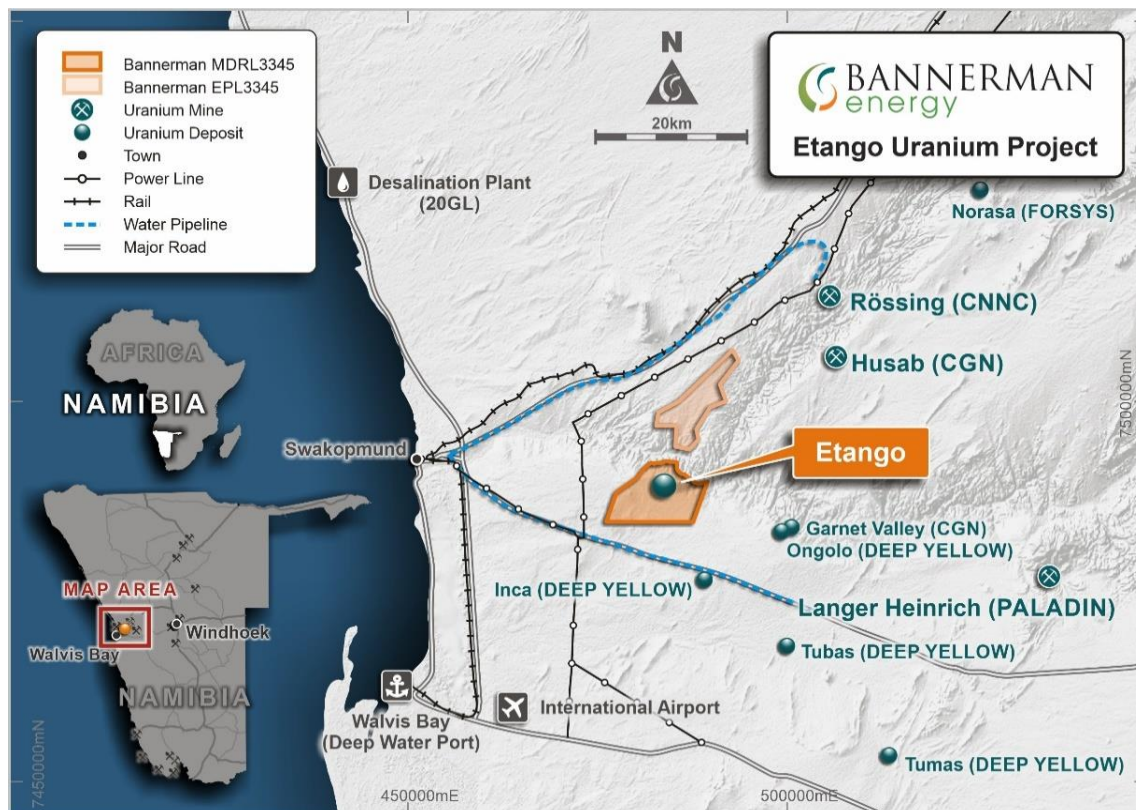
Etango has benefited from extensive exploration and feasibility activity over the past 15 years. The Etango tenements possess a globally large-scale uranium mineral resource¹. In December 2022, a Definitive Feasibility Study (DFS) was completed on the Etango-8 Project, confirming to a definitive-level the strong technical and economic viability of conventional open pit mining and heap leach processing of the Etango deposit at 8Mtpa throughput. 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 2015².

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
Etango	Mineral Deposit Retention Licence (MDRL) 3345	Namibia	95%	-
Etango	Exclusive Prospecting Licence (EPL) 3345 ¹	Namibia	95%	-

¹ EPL 3345 is no longer held as at the date of release.