

# Uranium: why the bear will mother a bull

Brandon Munro, CEO

Africa Down Under, 7 September 2017





## Technical disclosures and forward looking disclaimers

Certain disclosures in this report, including management's assessment of Bannerman's plans and projects, constitute forward looking statements that are subject to numerous risks, uncertainties and other factors relating to Bannerman's operation as a mineral development company that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Full descriptions of these risks can be found in Bannerman's various statutory reports, including its Annual Information Form available on the SEDAR website, [sedar.com](http://sedar.com). Readers are cautioned not to place undue reliance on forward-looking statements. Bannerman expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Mineral Resources include Ore Reserves (Mineral Reserves).

Mineral Resources which are not Ore Reserves (Mineral Reserves) do not have demonstrated economic viability.

## Competent person's statement

The information in this report relating to the Mineral Resources of the Etango Project is based on information prepared by Mr Ian Glacken, extracted from the Company's National Instrument 43-101 – Standards of Disclosure for Mineral Projects technical report entitled "Etango Uranium Project Optimisation Study", dated 24 December 2015 and the report entitled "Etango Uranium Project Optimisation Study November 2015" filed on 11 November 2015, which are available to view on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com), and website at [www.bannermanresources.com.au](http://www.bannermanresources.com.au) (the "Technical Reports"). Mr Glacken is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Glacken is a full-time employee of Optiro Pty Ltd. Mr Glacken has sufficient experience relevant to the style of mineralisation and types of deposits under consideration and to the activity which is being undertaken to qualify 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 Glacken consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report relating to the Ore Reserves of the Etango Project is based on information prepared by Mr Leon Fouché, extracted from the Technical Reports. Mr Fouché is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Fouché is a full-time employee of the Company. Mr Fouché has sufficient experience relevant to the style of mineralisation and types of deposits under consideration and to the activity which is being undertaken to qualify 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 Fouché consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

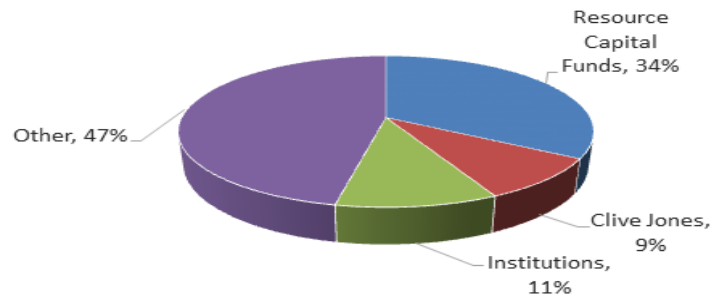
The information in this report pertaining to Mineral Resources and Ore Reserves for the Etango deposit is extracted from the Technical Reports. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, which all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

All material assumptions detailed in this report and underpinning the production target and forecast financial information in the DFS Optimisation Study (as previously announced on 11 November 2015 in compliance with Listing Rule 5.16 and 5.17) continue to apply and have not materially changed.

## Capital structure

ASX share price	A\$0.035
12 month share price range	A\$0.02 - 0.095
Shares on issue	849 million
Market capitalisation	A\$30M
Options and performance rights	95 million
Average daily volume (ASX)	1 million
Cash (30 June 2017)	A\$3.4M
Debt	A\$0M

## Share register



## Board

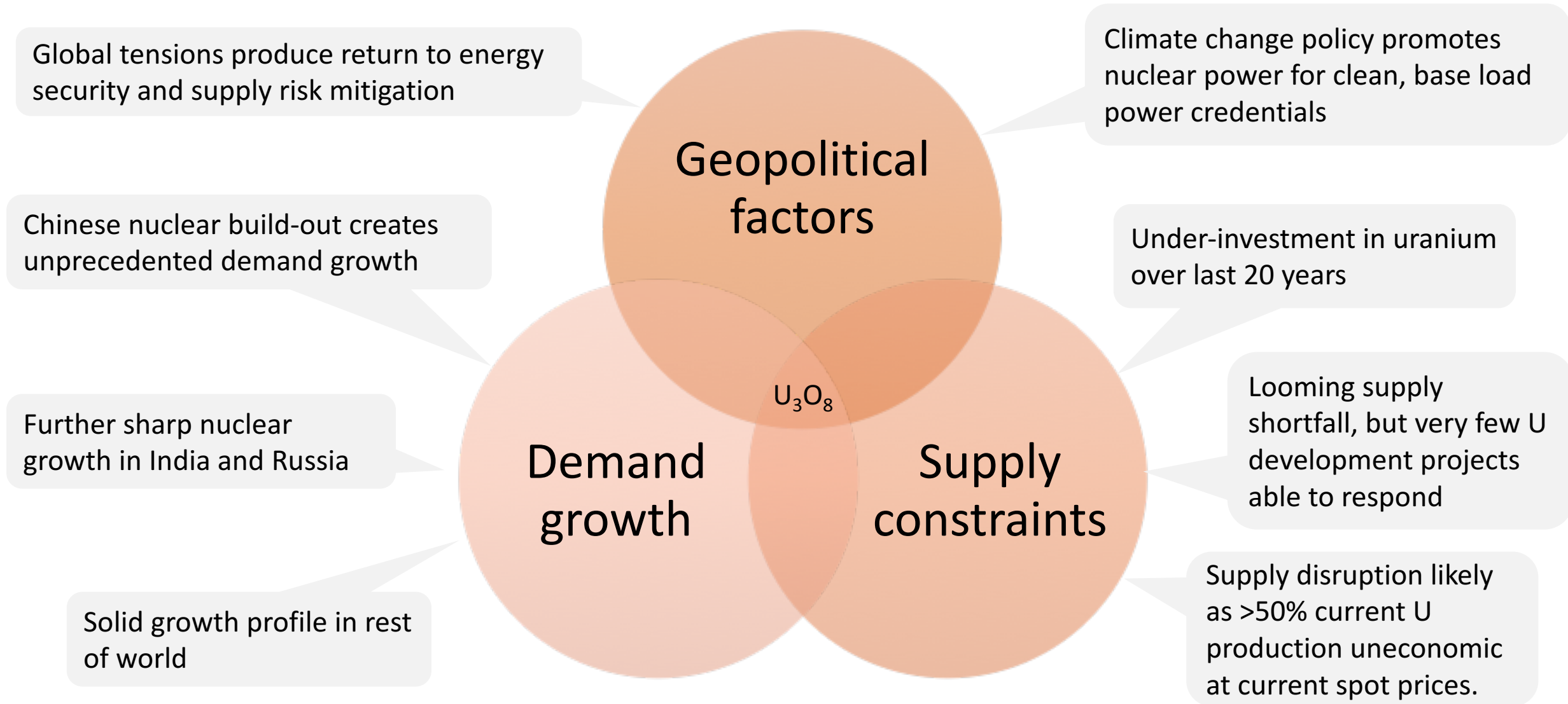
Independent Chairman	Ronnie Beevor
Chief Executive Officer/MD	Brandon Munro
Independent NED	Mike Leech
Independent NED	David Tucker
NED (RCF nominee)	Ian Burvill
NED	Clive Jones

Focused on 95% owned Etango uranium project in Namibia  
Sector leading valuation leverage to uranium price increases  
Largest advanced, unaligned uranium project in the world  
Simple bulk tonnage open-pit, technically de-risked



Etango Project Heap Leach Demonstration Plant

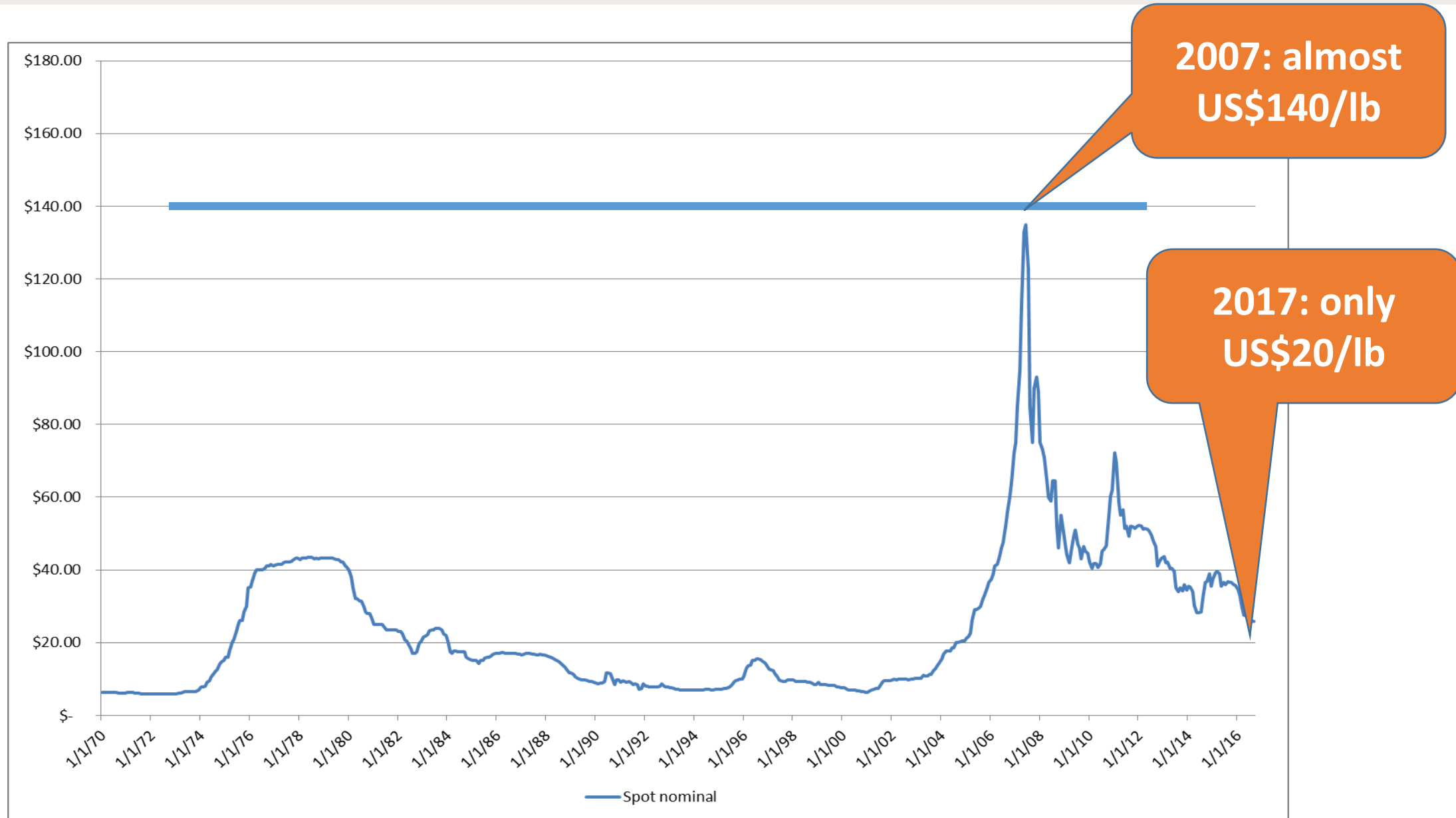




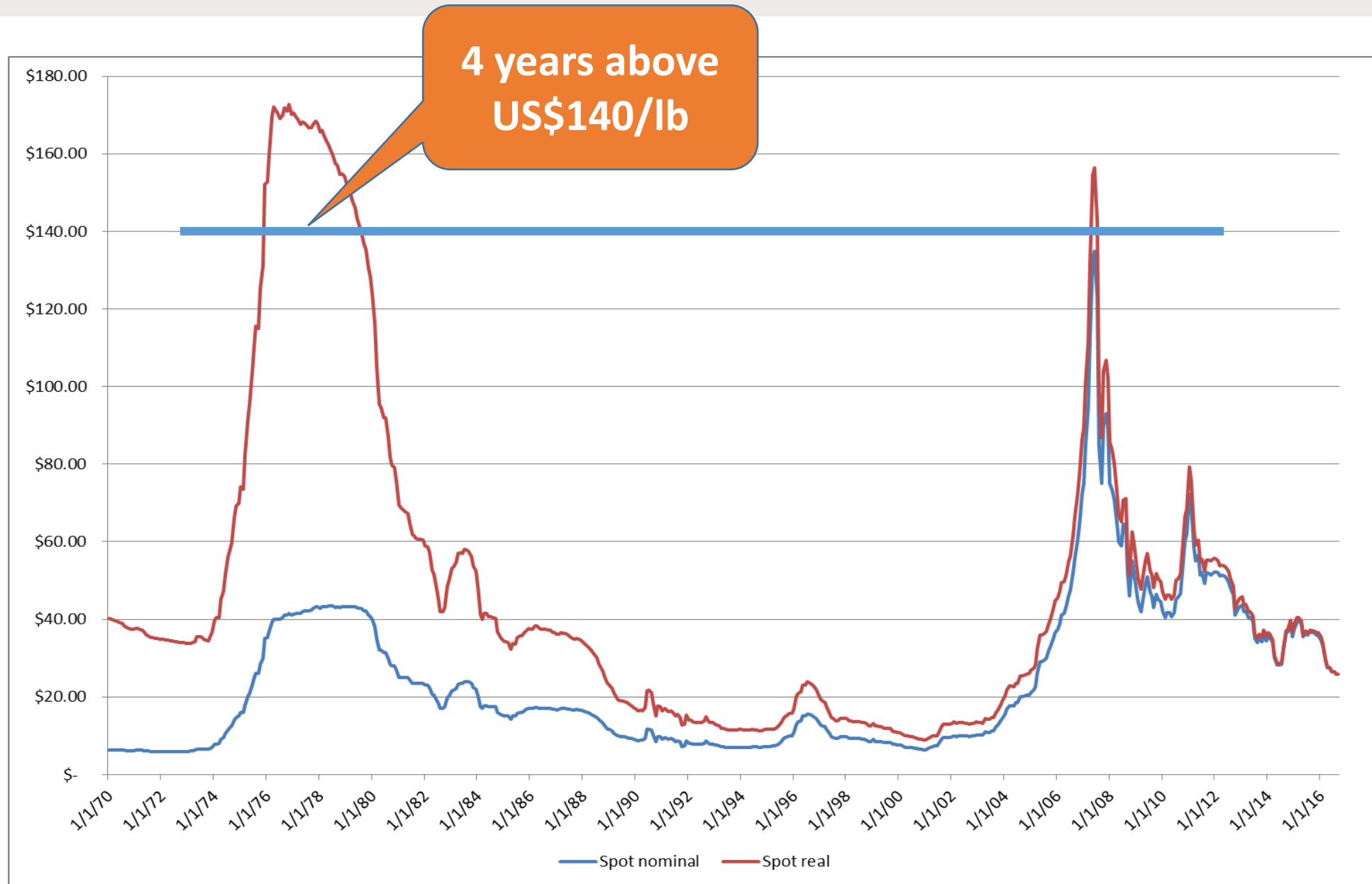
**Current decade-low prices unsustainable. Now is a compelling time in the cycle for high growth investment**

# Uranium history – spot price (nominal)

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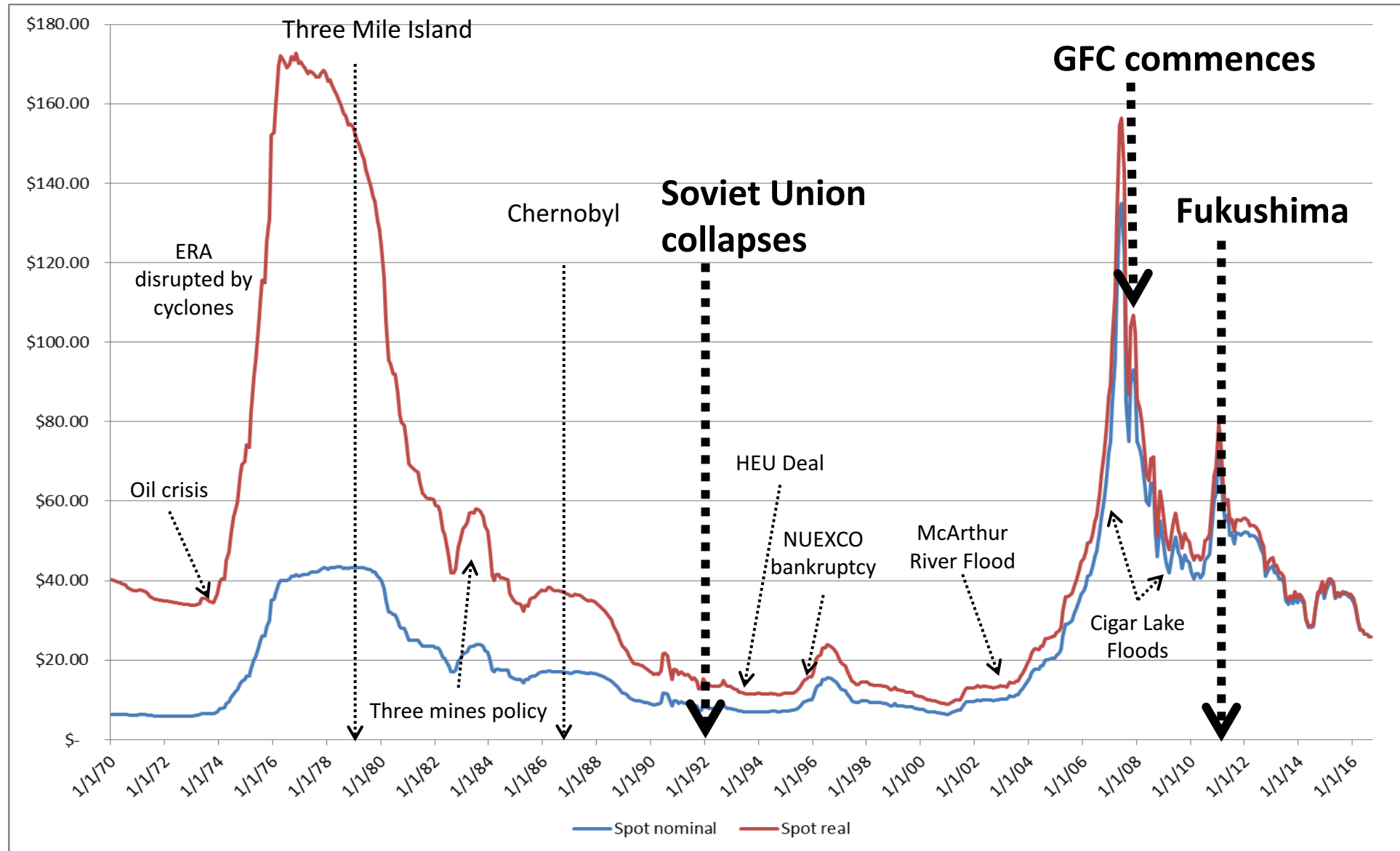


# Uranium history – spot price (real)



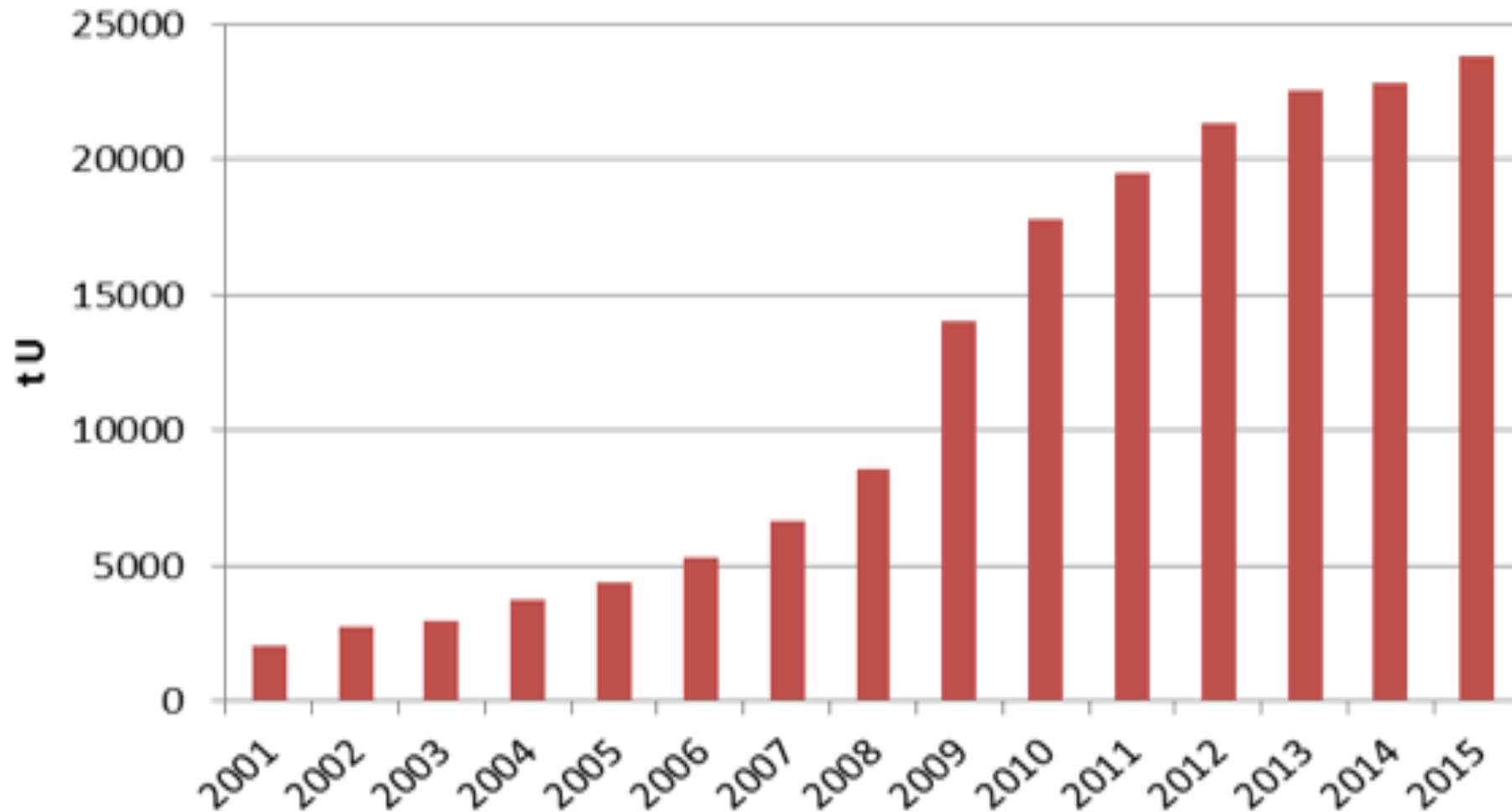
# Uranium history – long term cycle with catalysts

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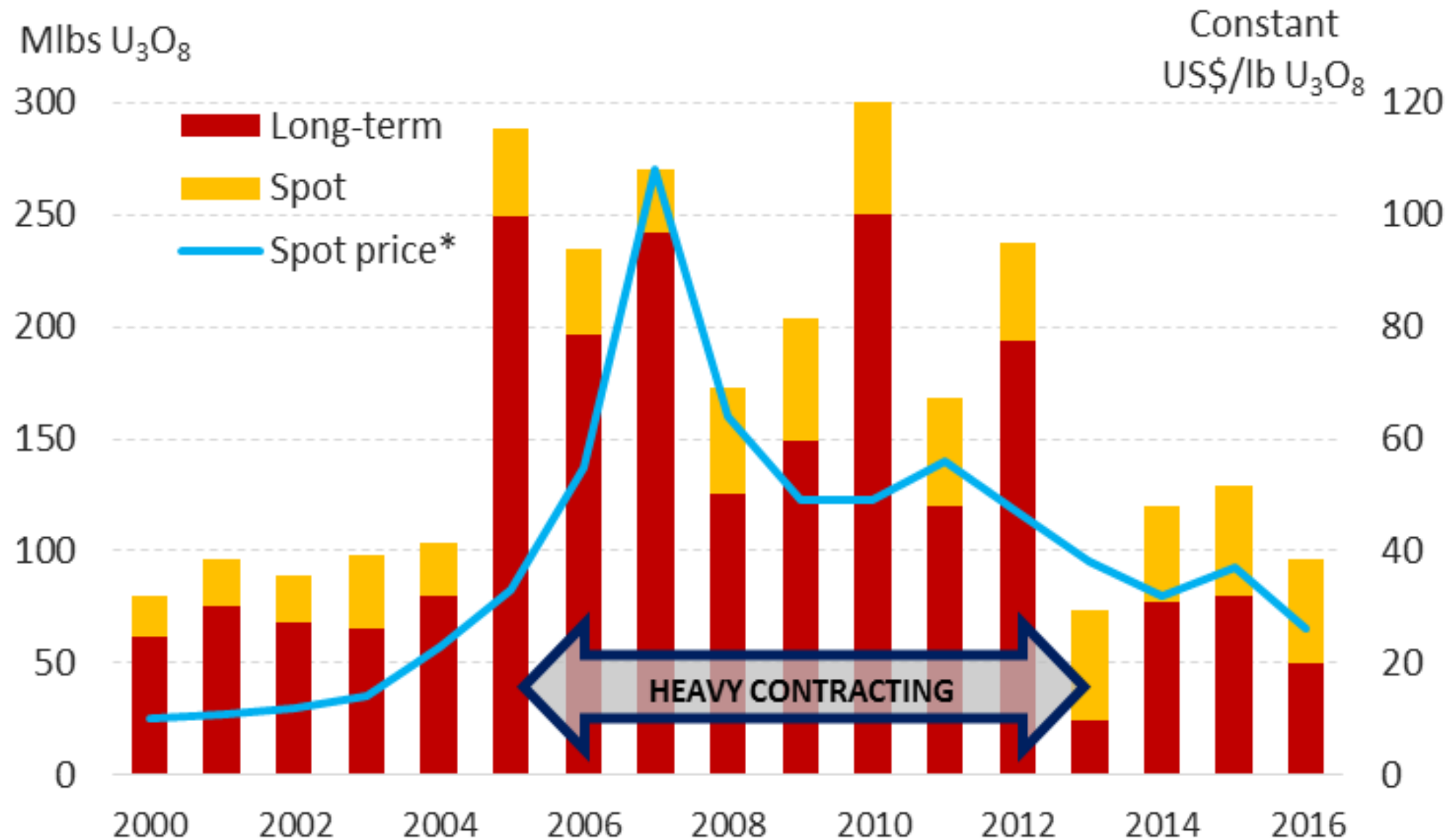
## Kazakh uranium production 2001-2015





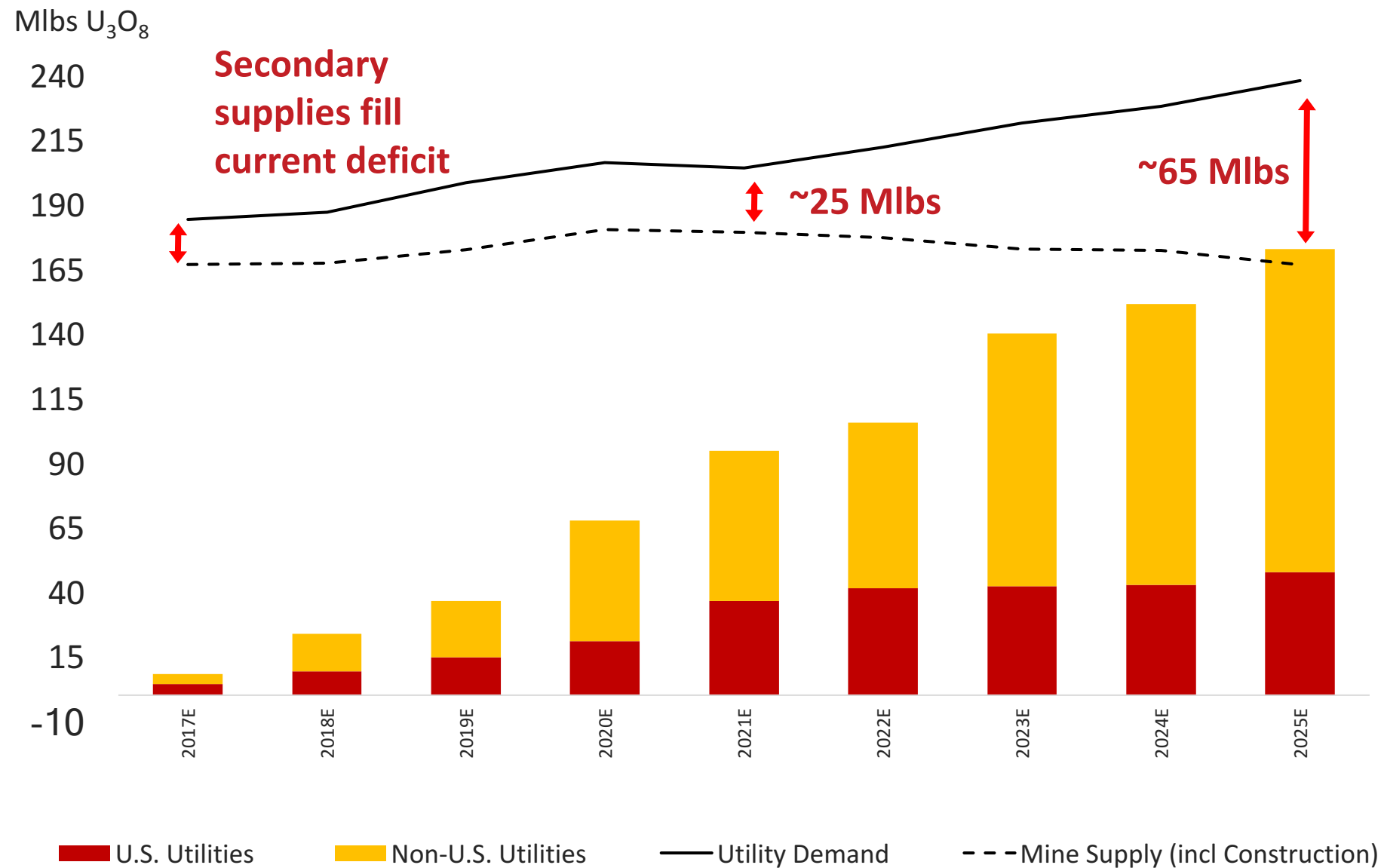
# Why are spot and term prices in the doldrums?

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\* Industry average price (UxC and TradeTech)  
Source: UxC, Cameco

# The market is set to tighten



**2017**

**Structural deficit  
balanced by secondary  
supply**

**2019**

**Structural deficit  
widening**

**2020**

**Secondary supply  
tapering**

**2021**

**Utilities exposed to  
supply crunch**

## ...with potential short term catalysts

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### Uranium sector price catalysts

**Kazatomprom supply discipline**

**Japanese restarts** (7-9 reactors by end 2017)

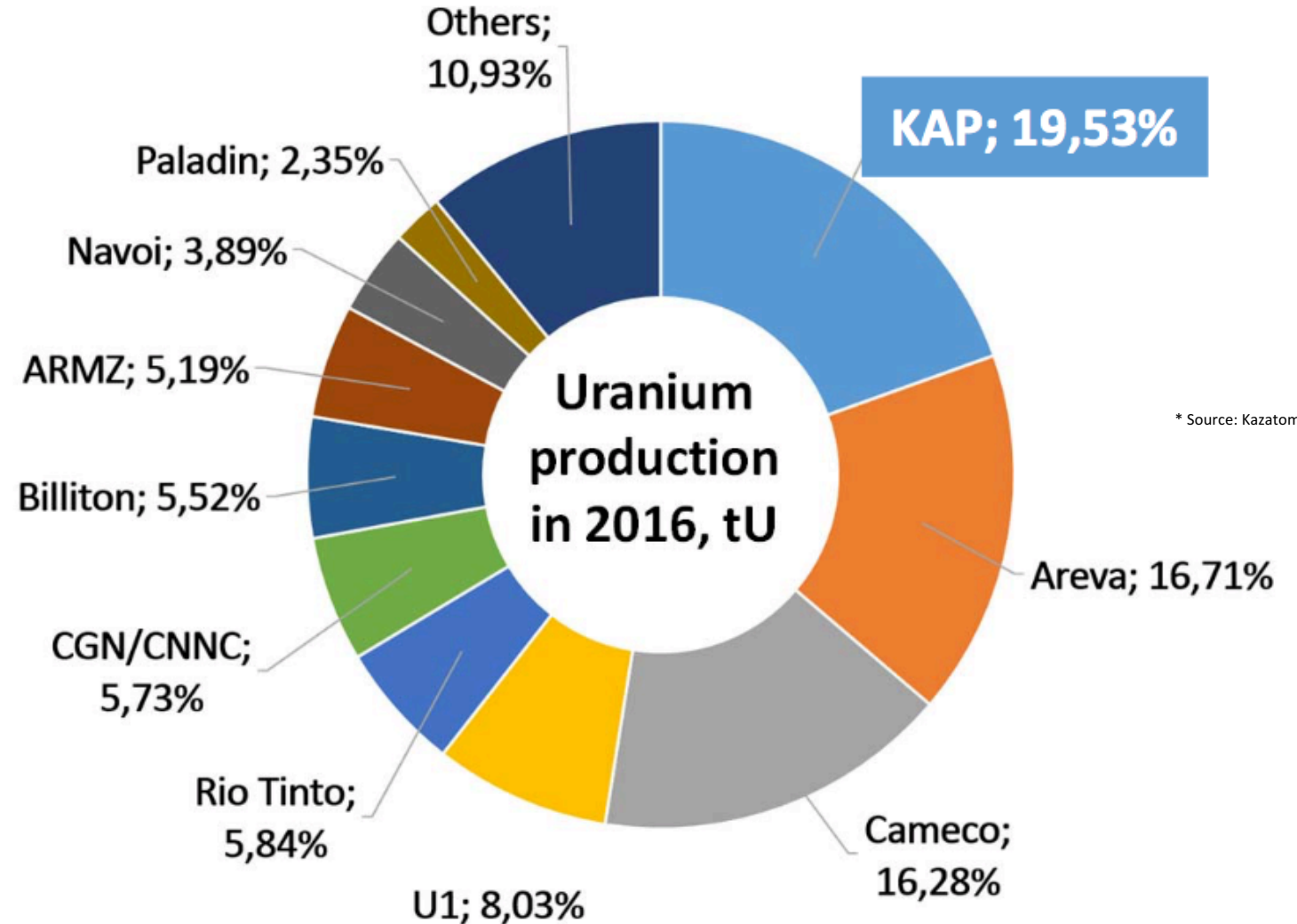
**Mine supply disruption**

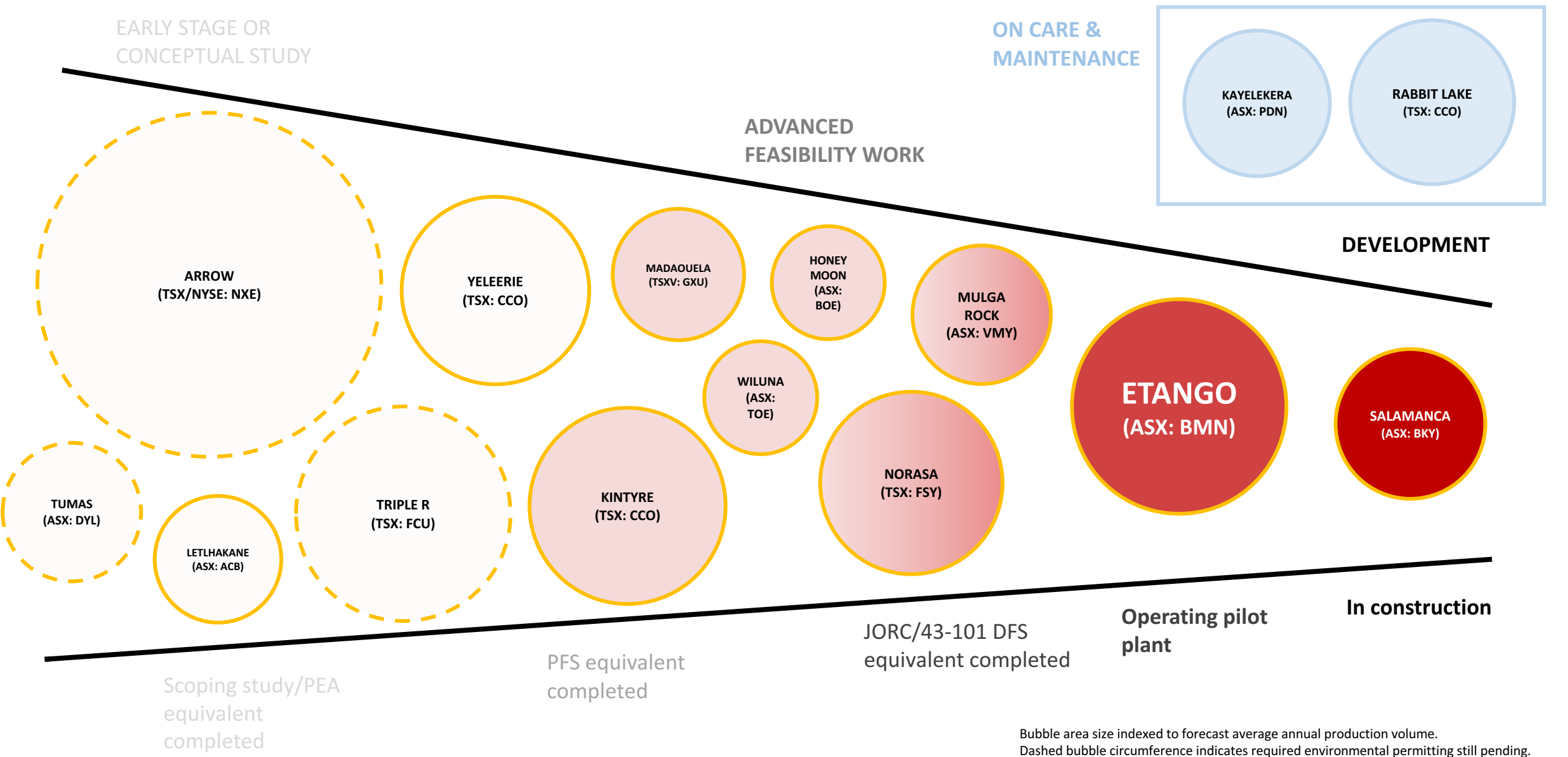
**Geopolitical disruption**

**Oil price increases**

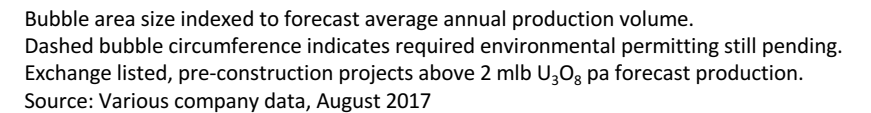
**Term contracting increases**

### Kazatomprom set to become price-maker



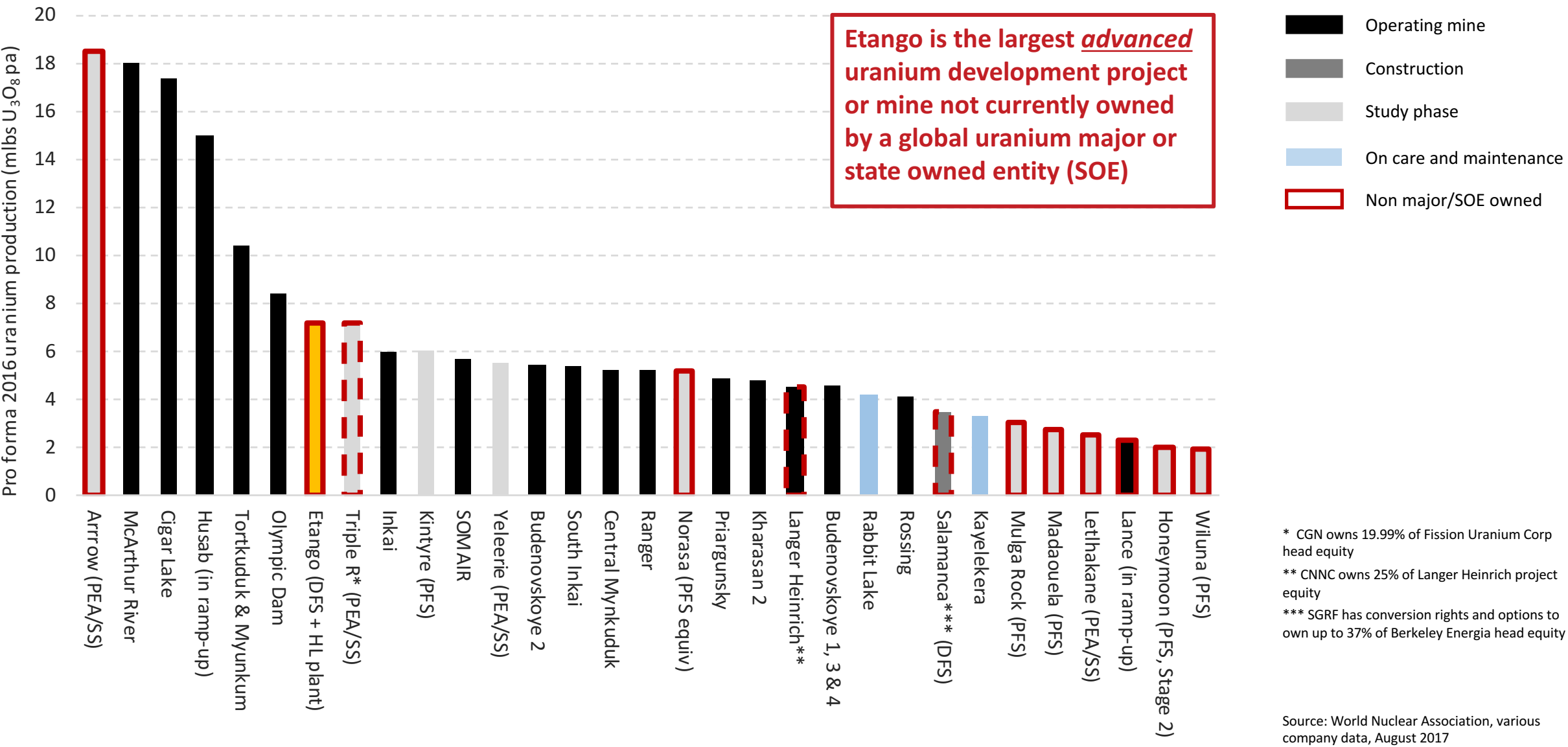


Bubble area size indexed to forecast average annual production volume.  
Dashed bubble circumference indicates required environmental permitting still pending.  
Exchange listed, pre-construction projects above 2 mlb U<sub>3</sub>O<sub>8</sub> pa forecast production.  
Source: Various company data, August 2017





# Limited supply side diversity in an unstable world



## No development roadblocks

DFS completed (NI 43-101)

- ✓ Mining optimised 2015
- ✓ Processing optimised 2017
- ✓ DFS Update 2018

Heap leach demonstration plant program completed. Confirmed:

- ✓ High recovery (93%)
- ✓ Fast leaching (20 days)
- ✓ Low acid consumption
- ✓ No impurities

Environmental approval granted

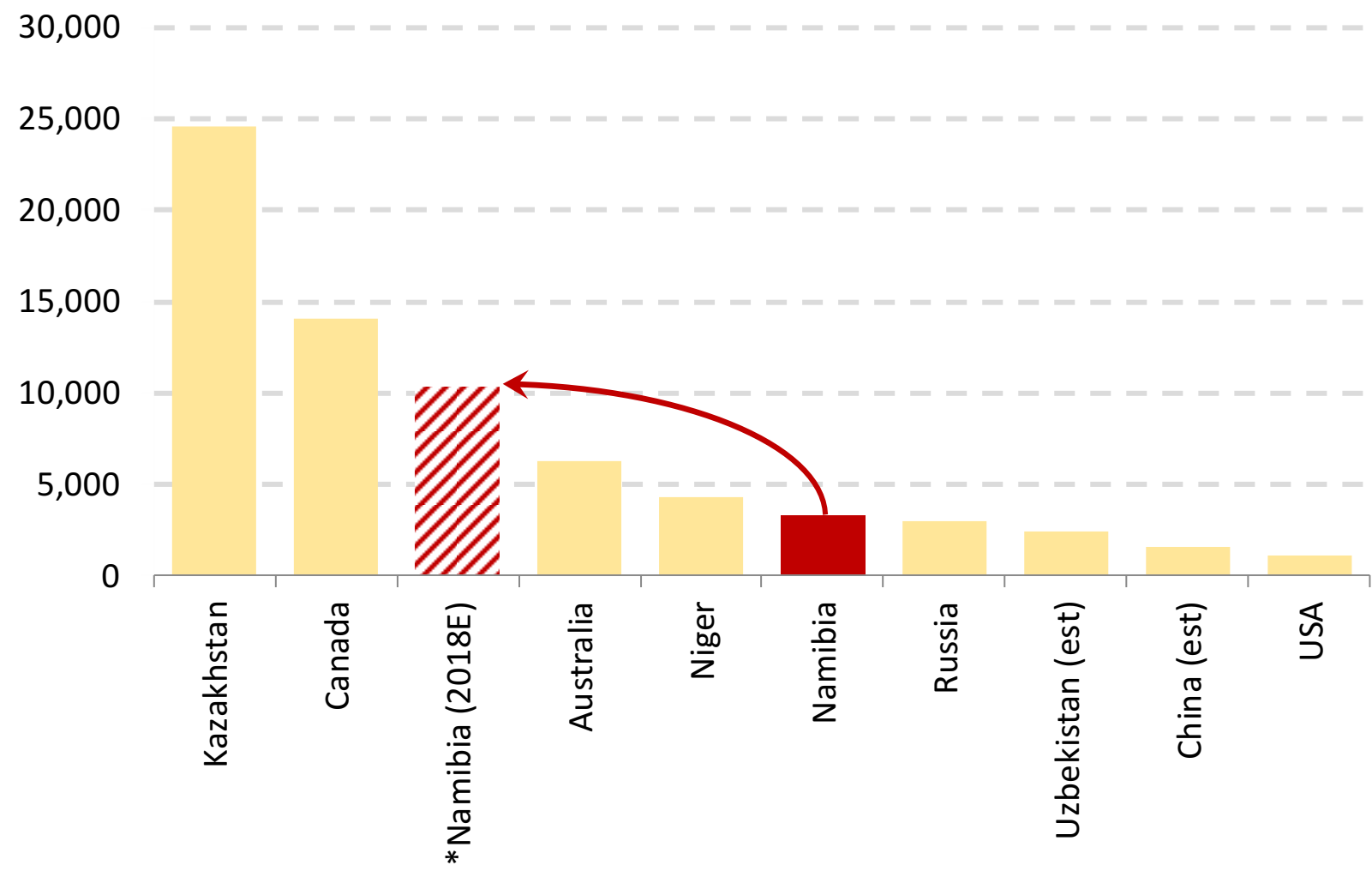
Infrastructure in place

Simple geology, geometry, mineralogy

Etango Project Heap Leach Demonstration Plant



Uranium mine production by country (2016)



Source: World Nuclear Association; \* Bannerman estimate

## Namibia's uranium credentials

### Effective uranium jurisdiction

- ✓ Rössing uranium mine in operation for 40+ years
- ✓ 3 new uranium mines developed in last 10 years
- ✓ Regulatory experience and sales framework

### Excellent uranium infrastructure

- ✓ Uranium export port at Walvis Bay (47km from Etango)
- ✓ Domestic acid plant investment

### Industry expertise

- ✓ Namibian personnel with extensive uranium operating experience
- ✓ Rio Tinto, Paladin Energy, Areva, CGNPC, CNNC

### Social acceptance

- ✓ Job creation and local development
- ✓ Large contributor to economy

### Marketing acceptance

- ✓ Namibian uranium well accepted internationally
- ✓ Well regarded governance and social/environmental stewardship



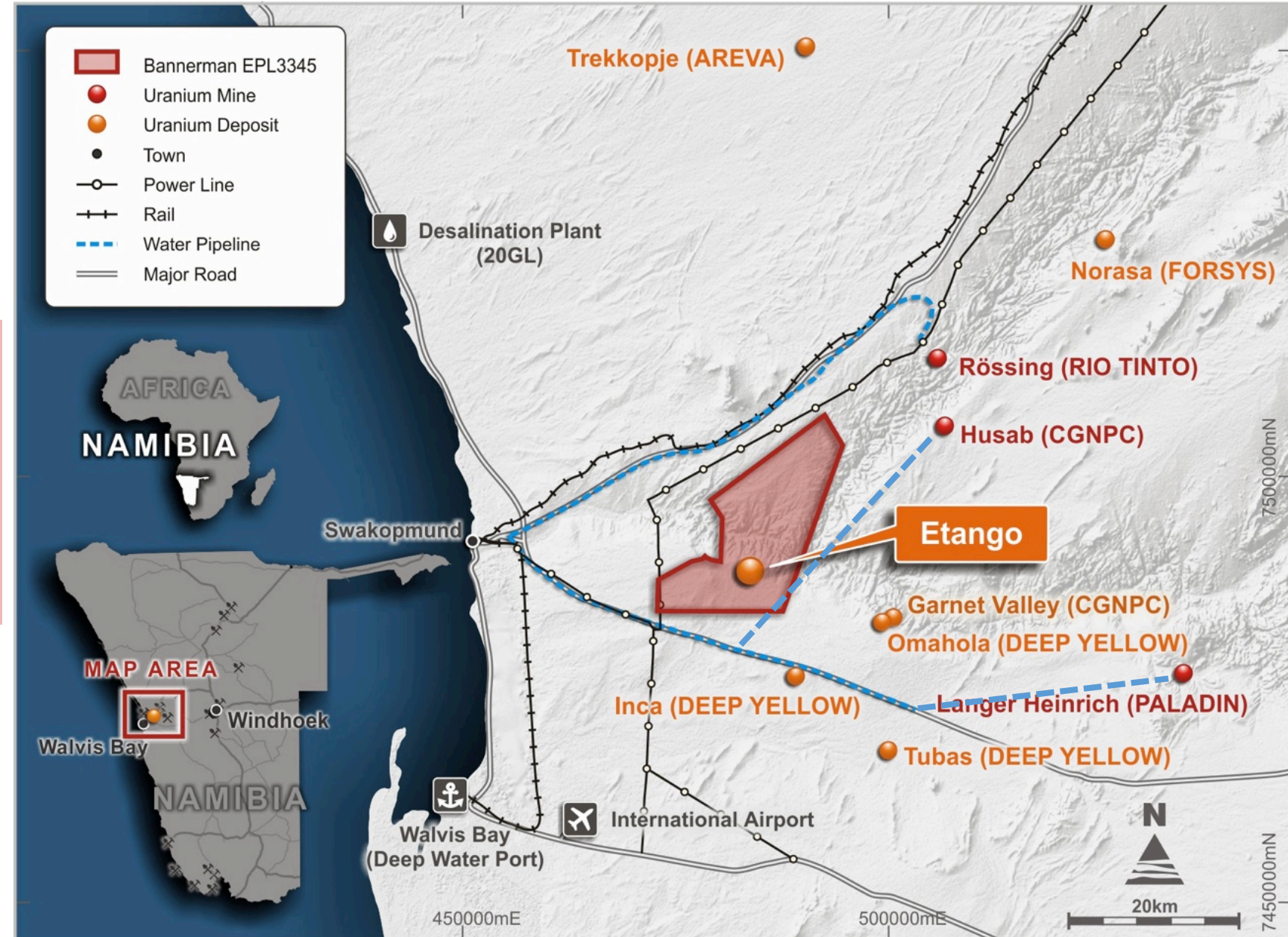
## ...and first class operating jurisdiction

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- ✓ Stable government and fiscal regime
- ✓ Strong rule of law
- ✓ Safe and secure
- ✓ Established and transparent mining legislation

- ✓ Excellent regional infrastructure
- ✓ Established supply chains
- ✓ Swakopmund town nearby
- ✓ Walvis Bay port and airport

- ✓ Excellent project infrastructure
- ✓ Well maintained road to site
- ✓ Proximate rail line
- ✓ Grid power
- ✓ Desalinated water



# The right team (deep Namibian uranium experience)



<b>Brandon Munro</b> (Chief Executive Officer & MD)	Lived in Namibia for 5+ years Prominent in Namibian mining and uranium sectors	Former M&A lawyer, last 10 years as mining executive Former GM of Bannerman, MD of Kunene Resources Ltd
<b>Mike Leech</b> (Chairman - Namibia)	Deep Namibian uranium operating experience Former roles include MD and CFO at Rössing	30+ years mining industry experience, Rio Tinto Former President of Namibian Chamber of Mines
<b>Werner Ewald</b> (Managing Director – Namibia)	Namibian born Electrical Engineer based in Swakopmund Prominent in Namibian mining sector	25+ years experience in uranium, diamond, coal mining Former Manager Mining at Rössing Uranium
<b>John Turney</b> (Project Adviser – Etango)	Uranium and development experience African experience, eg Tulawaka gold (Tanzania)	35+ years in major mining/engineering companies Former Project Director Bannerman and Cowal gold mine
<b>Dustin Garrow</b> (Strategic U Marketing Adviser)	Exceptional understanding of Namibian uranium 12 years marketing Namibian uranium for Paladin Energy	40+ years experience in the uranium and nuclear sector Respected international uranium marketing expert
<b>Twapewa Kadhikwa</b> (NED - Namibia)	High profile Namibian businesswoman Exceptionally good network and access	Successful entrepreneur and business mentor Speaker and advisor to government



## Advanced

- ✓ 2 year pilot plant program with outstanding results
- ✓ No development roadblocks
- ✓ Environmental clearance

## Leveraged

- ✓ Strong anticipated U price correction
- ✓ Sector leading valuation upside to U correction
- ✓ World class project scale

## Strategic

- ✓ In premier uranium mining jurisdiction: Namibia
- ✓ World's largest unaligned U project
- ✓ Infrastructure in place

Bannerman poised for strong re-rating as sustained uranium price recovery commences