



ASX Announcement

Letter to Shareholders

6 February 2020

Manager
ASX Market Announcements
Australian Securities Exchange
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir or Madam,

Re: Letter to Shareholders

Please find following a copy of a letter from the Company to its shareholders.

Authorised by:

The Board.

For further information please contact:

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6 February 2020

Dear Shareholder,

Following a standout year in 2019, your Company is pleased to provide you with a summary of milestones achieved over the past year and an outlook on activities to be undertaken in 2020. We thank you for your support to date and look forward to your continued support as we progress through an exciting growth period.

During 2019, the Company achieved the following milestones:

- Six exploration prospecting leases ("EPL") were granted in Namibia, which significantly increased our strategic tenement position.
- Drilling was undertaken on EPL 6987 ("Koppies") with the best hole in the Koppies 1 palaeochannel intersecting 2 m at 4,504 ppm U_3O_8 within a broader interval of 13 m at 905 ppm U_3O_8 (see announcement of 7 November 2019).
- Exploration programs identified a new paleochannel called Koppies 2, with an intersection of 2 m at 1,974 ppm U_3O_8 within a broader interval of 10 m at 687 ppm U_3O_8 . Koppies 2, currently measures an area of 3.6 km by 1.2 km (see announcement of 5 December 2019).
- Acquisition of 48 million pounds of high-grade uranium resources in Australia, at an average grade of 859 ppm U_3O_8 , which more than doubled the Company's uranium resources.

Marenica commenced the 2020 year with the following assets:

- EPL's which cover the largest area for nuclear fuels (uranium) in Namibia, totalling 1,966 km² (See Figure 1).
- The Marenica Uranium Project in Namibia, which has a uranium mineral resource of 61 Mlb U_3O_8 .
- Significant exploration upside in the Namib area, which the Company will continue to explore in 2020.
- In Australia, the Angela, Thatcher Soak and Oobagooma uranium projects, and joint venture holdings in the Bigrlyi, Malawiri, Walbiri and Areva joint ventures (See Figure 2), which collectively contain 48 million pounds of high-grade uranium mineral resources at an average grade of 859 ppm U_3O_8 .
- Marenica's patented uranium beneficiation process, **U-pgrade™**, which was developed to reduce the processing cost of secondary uranium deposits, which generally speaking, applies to the majority of the tenements and resources mentioned above.

Marenica has a geographically diverse portfolio of tenements and resources, in the uranium friendly jurisdictions of Namibia and Australia. These are quality assets in their own right, which could be enhanced by the potential application of Marenica's **U-pgrade™** beneficiation process which would significantly reduce capital and operating costs, thereby improving their economics. The foregoing characteristics of the Company's assets distinguish Marenica from its peers.

In Australia, the strategy is to value add the mineral resources acquired in December 2019, by assessing the ability of **U-pgrade™** to improve the economics of those mineral resources. Exploration activities in Namibia are low cost by Australian standards and studying the application of **U-pgrade™** to mineral resources in Australia will not require large expenditure, big things can be achieved with prudent expenditure.

Demand for uranium has exceeded supply for the past few years and forecasters predict it will remain in deficit. Nuclear electricity generation, fuelled by uranium, produces the lowest carbon emissions and reliable base load power. Demand will continue to grow in a world that is increasingly conscious of the need to reduce carbon emissions, whilst demanding substantially more electricity. The expectation amongst the uranium and nuclear industry is that the uranium price will rise over coming years, which will coincide with the development of the Company's asset portfolio.

In summary, 2019 was a milestone year for Marenica, with the outcomes achieved significantly adding to Marenica's assets. We have grown our asset base and developed a geographically diversified uranium portfolio and are in an ideal position to benefit from the anticipated rise in the uranium price. Marenica will continue to add value to its existing assets through a number of initiatives as mentioned above and we look forward to a successful 2020. Your continued support is appreciated.

Yours sincerely,

Murray Hill

Managing Director

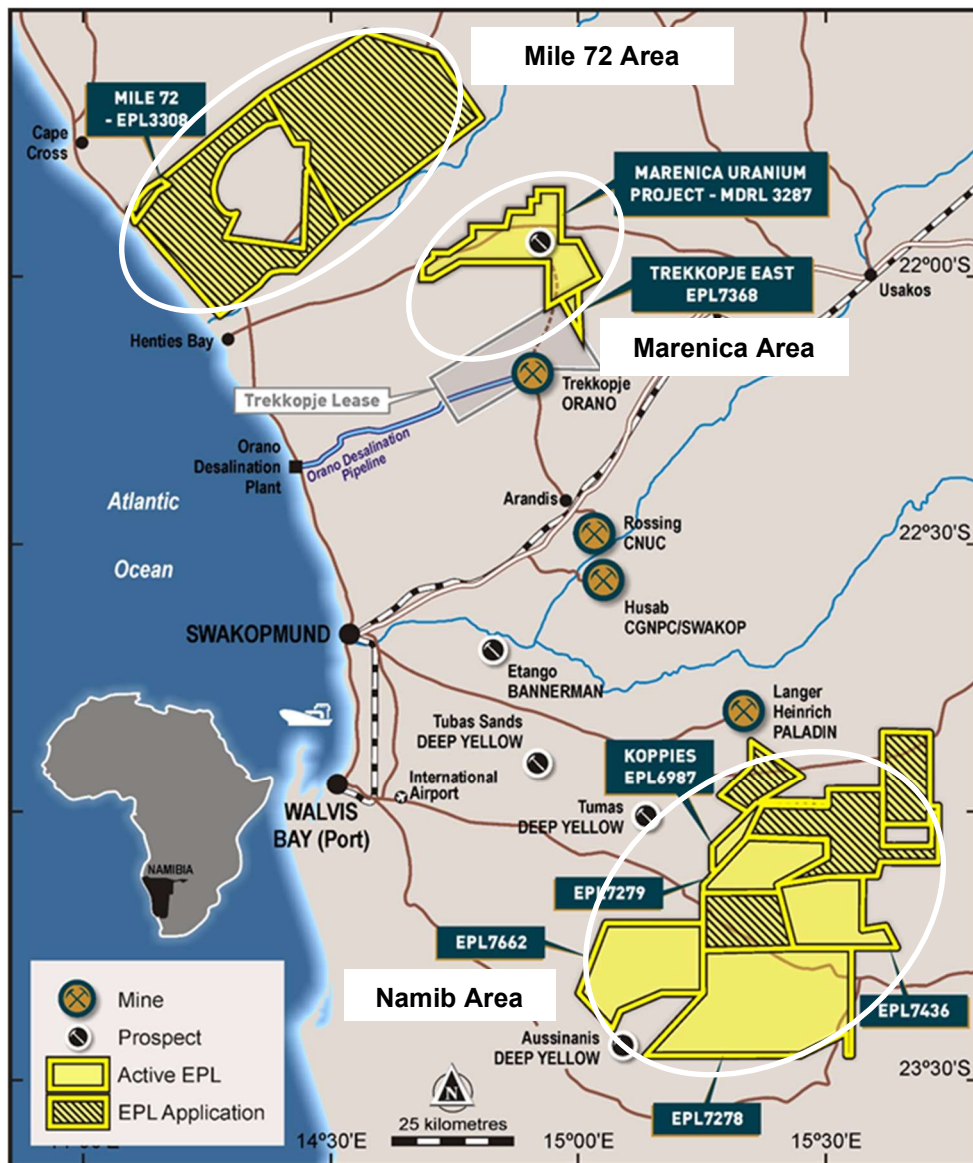


Figure 1 – Location of Namibian Uranium Assets



Figure 2 – Location of Australian Uranium Assets

Mineral Resource Table

Deposit	Category	Cut-off (ppm U ₃ O ₈)	Total Resource					Marenica Share						
			Tonnes (M)	U ₃ O ₈ (ppm)	U ₃ O ₈ (Mlb)	V ₂ O ₅ (ppm)	V ₂ O ₅ (Mlb)	Marenica Holding	Tonnes (M)	U ₃ O ₈ (ppm)	U ₃ O ₈ (Mlb)	V ₂ O ₅ (ppm)	V ₂ O ₅ (Mlb)	
Australia - 100% Holding														
Angela Pamela	JORC 2004	Inferred	300	10.7	1,310	30.8			100%	10.7	1,310	30.8		
Thatcher Soak	JORC 2012	Inferred	150	11.6	425	10.9			100%	11.6	425	10.9		
100% Held Resource Total				22.3	850	41.7			100%	22.3	850	41.7		
Australia - Joint Venture Holding														
Bigirlyi Deposit														
		Indicated	500	4.7	1,366	14.0	1,303	13.4					1,303	2.8
		Inferred	500	2.8	1,144	7.1	1,022	6.3					1,022	1.3
Bigirlyi Total	JORC 2004	Total	500	7.5	1,283	21.1	1,197	19.7	20.82%	1.55	1,283	4.39	1,197	4.1
Walbiri Joint Venture														
Joint Venture		Inferred	200	5.1	636	7.1			22.88%	1.16	636	1.63		
100% EME		Inferred	200	5.9	646	8.4								
Walbiri Total	JORC 2012	Total	200	11.0	641	15.5								
Bigirlyi Joint Venture														
Sundberg	JORC 2012	Inferred	200	1.01	259	0.57			20.82%	0.21	259	0.12		
Hill One Joint Venture	JORC 2012	Inferred	200	0.26	281	0.16			20.82%	0.05	281	0.03		
Hill One EME	JORC 2012	Inferred	200	0.24	371	0.19								
Karins	JORC 2012	Inferred	200	1.24	556	1.52			20.82%	0.26	556	0.32		
Malawiri Joint Venture	JORC 2012	Inferred	100	0.42	1,288	1.20			23.97%	0.10	1,288	0.29		
Joint Venture Resource Total				21.6	847	40.2	1,197	19.7		3.34	923	6.77	1,197	4.1
Australia Total				43.9	848	81.9	1,197	19.7		25.6	859	48.4	1,197	4.1
Namibia														
Marenica	JORC 2004	Indicated	50	26.5	110	6.4			75%	19.9	110	4.8		
		Inferred	50	249.6	92	50.9			75%	187.2	92	38.2		
MA7	JORC 2004	Inferred	50	22.8	81	4.0			75%	17.1	81	3.0		
Namibia Total				298.9	93	61.3				224.2	93	46.0		

Marenica Uranium Project:

The Company confirms that the Mineral Resource Estimate for the Marenica Uranium Project has not changed since the annual review included in the 2019 Annual Report. The Company is not aware of any new information, or data, that effects the information in the 2019 Annual Report and confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Marenica Uranium Project Mineral Resources Estimate was reported by the Company on 13 December 2011.

Australian Uranium Projects:

The Company confirms that the Minerals Resource Estimates for Angela, Thatcher Soak, Bigirlyi, Sundberg, Hill One, Karins, Walbiri and Malawiri have not changed since the annual review included in the 2019 Annual Report. The Company is not aware of any new information, or data, that effects the information in the 2019 Annual Report and confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Mineral Resources Estimates for the Australian Uranium Projects were reported by the Company on 4 July 2019.

The Mineral Resource Estimate for the Angela and Bigirlyi deposits were prepared in accordance with the requirements of the JORC Code 2004. The Mineral Resource Estimate were prepared and first disclosed under the 2004 Edition of the Australian Code for the Reporting of Exploration Results, Minerals Resources and Ore Reserves (JORC Code 2004). They have not been updated since to comply with the 2012 Edition of the Australian Code for the Reporting of Exploration Results, Minerals Resources and Ore Reserves (JORC Code 2012) on the basis that the information has not materially changed since they were last reported. A Competent Person has not undertaken sufficient work to classify the estimate of the Mineral Resources in accordance with the JORC Code 2012; it is possible that following evaluation and/or further exploration work the currently reported estimates may materially change and hence will need to be reported afresh under and in accordance with the JORC Code 2012.