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ASX Announcement
9 November 2020

Etango-8 PFS on track

Bannerman Resources Limited (ASX:BMN, OTCQB:BNNLF, NSX:BMN) (**Bannerman** or **the Company**) is pleased to provide an update on the progress of its Pre-Feasibility Study (**PFS**) for the 8Mtpa development[1] of its flagship Etango Uranium Project in Namibia (**Etango-8**).

HIGHLIGHTS

- Etango-8 PFS workstreams proceeding to plan
  - Scoping Study demonstrated the strong technical and economic viability of conventional open pit mining and heap leach processing of the Etango deposit at 8Mtpa throughput[1]
  - Etango-8 provides an alternative, streamlined development model to the 20Mtpa development of Etango assessed to Definitive Feasibility Study level in 2015[2]
- High quality consultants engaged to complete the PFS including:
  - Wood plc appointed for processing plant design
  - Qubeka Mining Consultants appointed for mining studies
- PFS benefits from vast body of technical work previously undertaken at Etango to a definitive level; all resource drilling, geotechnical, metallurgical and environmental work already complete
- Completion of the PFS is expected during the June 2021 quarter
- Estimated PFS cost is approx. A$1.0M; fully funded from existing cash balance of A$3.7M (at 30 September 2020)

Bannerman Chief Executive Officer, Brandon Munro, said:

"The Bannerman team and our top tier consultants are making great progress moving Etango-8 through the feasibility process. After a detailed and thorough Scoping Study, we expect to publish a Pre-Feasibility Study next year that exemplifies Bannerman's tradition of high quality, robust technical work."

1. *Bannerman advised of the completion of a Scoping Study for an 8Mtpa development of its flagship Etango Uranium Project in Namibia in an ASX announcement dated 5 August 2020. 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.*

2. *See Bannerman's ASX announcement dated 11 November 2015 entitled "Outstanding DFS Optimisation Study Results".*

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Etango-8 Pre-Feasibility Study (PFS)

Background: Etango-8 Scoping Study

In 2019, Bannerman commenced an evaluation of various Etango Project scaling and scope opportunities under a range of potential development parameters and market conditions. Indicative outcomes of this work highlighted strong potential for a scaled-down initial development of the Etango Project. As a result, Bannerman commenced work on a scoping study into such a development (**Scoping Study**).

The completed Scoping Study provided an early stage assessment of the technical and commercial viability for development of the Etango Project at an 8Mtpa throughput rate (**Etango-8**). Importantly, much of this Scoping Study evaluation was heavily informed by the detailed study work undertaken across all relevant disciplines as part of the 2012 Definitive Feasibility Study (**DFS 2012**) and 2015 DFS Optimisation Study (**OS 2015**).

Developing the world-class Etango Project at an initial 8Mtpa throughput offers significant advantages. It sharply reduces the upfront capital and funding hurdle compared to that associated with the original 20Mtpa Etango development evaluated in the DFS 2012, and the OS 2015. It also enables the Company to predominantly mine shallower, higher-grade ore, which significantly reduces stripping and lifts the average feed grade to the processing facility. The combined result is that the upfront capital intensity of Etango-8 per pound of annual production capacity is substantially lower whilst maintaining robust project economics. The Etango-8 development also, critically, maintains the real option of modular expansion.

Full details of the Scoping Study can be found in Bannerman's ASX release dated 5 August 2020, titled "Etango-8 Project Scoping Study".

Etango-8 PFS

Bannerman commenced working on the Etango-8 PFS during the September 2020 quarter and all PFS workstreams are proceeding to plan. PFS completion is scheduled for the June 2021 quarter.

Appointment of PFS team

The Company has completed the process of appointing consultants after undertaking a competitive process. The consulting team comprises leading specialists with detailed and relevant knowledge of their specific subject matter, ensuring a robust process that will produce a high quality technical study.

The PFS team is led and managed by Bannerman personnel with the following key external contributors and consultants:

Wood plc	Process plant design and related infrastructure, plant capital cost estimate
Qubeka Mining Consultants	Geology review, pit inventory estimates, mine planning and financial analysis
A. Speiser Environmental Consultants	Environmental and social impacts and management; Community and stakeholder liaison
Genis Business Consulting	Water supply
Addiza Power Consultants	External electrical supply
Nuclear Fuel Associates LLC	Uranium marketing and advisory
Fivemark Partners	Commercial and strategic advisory

Wood plc (**Wood**) is a global leader in the delivery of project, engineering and technical services, with offices in all major resources centres including Perth and Johannesburg. Wood, through its legacy companies Amec and Amec Foster Wheeler, has been involved with the Etango Project since 2009, including the 2012 Etango Definitive Feasibility Study, the 2015 DFS Optimisation Study and the 2017 Processing Options Study. In addition to the value of this continuity and context, Wood has ensured that

the key technical experts involved in that work, who are all leaders in their respective fields, will be working on the Etango-8 PFS.

Qubeka Mining Consultants cc (**Qubeka**) are a specialist mining engineering firm with deep experience in deposits similar to Etango. Qubeka were engaged to complete the geology review, pit inventory estimates, mine planning and financial analysis for the Etango-8 Scoping Study.

Key work streams

The process of completing the PFS will benefit significantly from the fact that the Etango Project has already been the subject of a definitive level of feasibility study, at a larger scale, in recent years.

Bannerman is fortunate that the PFS will not require several workstreams that typically introduce significant expense, risk and time into the technical study process, namely:

- **Resource drilling.** No resource drilling required as the Etango-8 Scoping Study is based on a high level of resource confidence with life of mine production comprising 100% Measured and Indicated resources.
- **Metallurgical proof-of-concept.** The Etango Heap Leach Demonstration Plant has comprehensively de-risked the acid heap leach processing route to a definitive level, so no further proof-of-concept work is required.
- **Environmental impact assessments and approvals.** Bannerman has been granted environmental approvals for the originally proposed 20Mtpa Etango mine (approved in 2010) and all external infrastructure (approved 2012). These approvals remain valid and Bannerman is advised that the reduction in scale proposed by Etango-8 only requires lodgement of an amendment to the Environmental and Social Impact Assessment and Management Plan to reflect the reduced impacts of this approach.

Bannerman plans to update the market as progress is made on other workstreams.

Bannerman funded to beyond completion of PFS

Bannerman anticipates that the total cost of completing the PFS, based on quotes and estimates received from various consultants, is approximately A$1.0M (excluding sunk costs such as Bannerman personnel). Given Etango-8 is still a large-scale development project, this is an outstanding result that reflects the substantial investment already made in definitive level studies of the Etango Project.

With a robust existing cash balance of A$3.7M (as at 30 September 2020), no debt and a culture of rigorous fiscal discipline, Bannerman currently expects to be fully funded to beyond completion of the PFS.

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

Brandon Munro, Chief Executive Officer

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ABOUT BANNERMAN RESOURCES LTD (ASX:BMN, OTCQB:BNNLF)

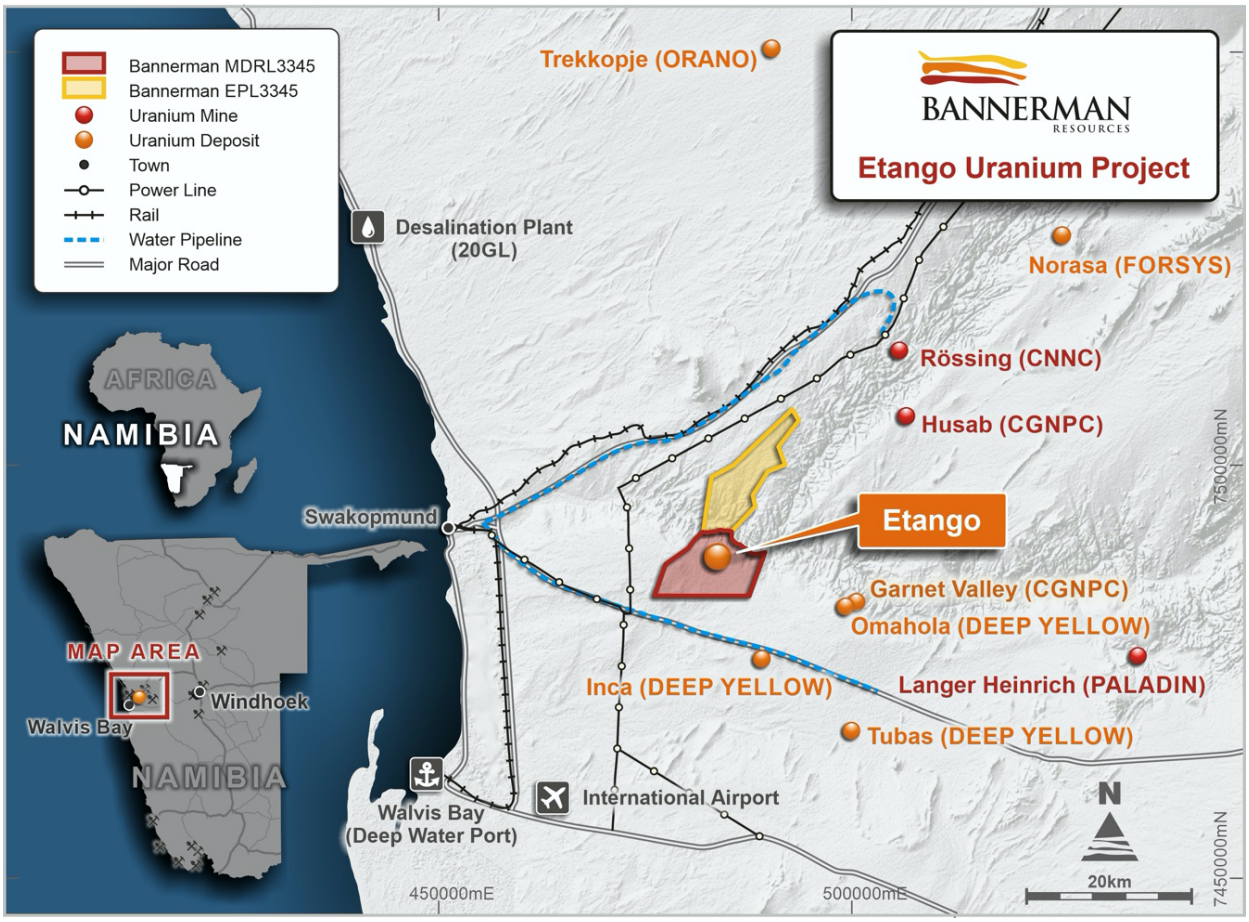
Bannerman Resources Limited is an Australian and Namibian listed uranium development company. Its flagship asset is the advanced Etango Uranium Project located in the Erongo Region of Namibia.

Etango has benefited from extensive exploration and feasibility activity over the past 15 years. The Etango tenements possess a globally large-scale uranium mineral resource*. A 20Mtpa development at Etango was the subject of a Definitive Feasibility Study completed in 2012 and a DFS Optimisation Study completed in 2015*. Bannerman constructed and operated a Heap Leach Demonstration Plant at Etango, which heavily de-risked the acid 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 fourth largest producer of uranium, Namibia is an ideal development jurisdiction boasting political stability, security, a strong rule of law and an assertive development agenda.

Bannerman has long established itself as an ESG leader. Etango has all environmental approvals for the proposed mine and external infrastructure, based on a 12-year environmental baseline. Bannerman is a CSR leader within Namibia and exercises best-practice governance in all aspects of its business.

In August 2020, Bannerman completed a Scoping Study on an 8Mtpa development of Etango (**Etango-8 Project**)**. The Scoping Study has demonstrated that this accelerated, streamlined project is strongly amenable to development – both technically and economically. A Pre-Feasibility Study on the Etango-8 Project is underway with targeted completion during 2Q 2021.



* For full details of the Mineral Resources estimate, refer to Bannerman's ASX release dated 11 November 2015, *Outstanding DFS Optimisation Study Results*. ** Refer to Bannerman's ASX release dated 5 August 2020, *Etango-8 Project Scoping Study*. Bannerman confirms that it is not aware of any new information or data that materially affects the information included in those releases. All material assumptions and technical parameters underpinning the estimates in those ASX releases continue to apply and have not materially changed.