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Quarterly Activities Report

FOR THE PERIOD ENDED 30 JUNE 2021

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

HIGHLIGHTS

- **Etango-8 PFS approaching completion**
  - **All work streams completed and all external reports submitted for review**
  - **Specialist review underway ahead of PFS finalisation**
  - **Finalisation and release expected early August 2021**
- **Exclusive Prospecting Licence 3345 renewed until August 2023**
- **BMN added to MSCI Global Market Cap Index**
- **Cash balance of A$12.5M at quarter end**
- **Proposed name change to "Bannerman Energy Ltd" and associated rebranding reflects the Company's focus on uranium and its strong reputation within the nuclear energy industry**
- **Uranium market continued to tighten**
  - **Sprott Asset Management announced the take over of Uranium Participation Corp to create the Sprott Physical Uranium Trust, to be listed in Canada and the US**
  - **Further build in secondary demand from investment funds and other participants**
  - **Kazatomprom extended its supply discipline into 2023, removing 13Mlbs from forecast global production for the year.**

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

"I am delighted with the progress of our Etango-8 Pre-Feasibility Study and the quality of work generated by the Bannerman team and our top-tier consultants. We expect to deliver a rigorous study into a uranium market that is building with anticipation from numerous positive demand and supply signals. Secondary demand continues to tighten due to accumulation from various parties in anticipation of market events, not the least of which is the creation of the Sprott Physical Uranium Trust and its anticipated listing in the United States and Canada."

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.*

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Etango-8 Uranium Project

Background: Etango-8 Scoping Study (August 2020)

Bannerman has focused on its Etango Uranium Project since 2006, including feasibility work on the large-scale development of Etango that culminated in the 2012 Definitive Feasibility Study (**DFS 2012**) and 2015 DFS Optimisation Study (**OS 2015**). As part of this development process Bannerman obtained environmental clearance for the proposed Etango mine (2012) and all associated external infrastructure (2014). In 2015 Bannerman completed construction of its Etango Heap Leach Demonstration Plant, which it ran as a pilot plant until 2020, comprehensively de-risking the proposed heap leaching processing method, optimising the processing parameters and generating a large database of processing data.

In August 2020, Bannerman completed a Scoping Study that 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 DFS 2012 and the OS 2015 and subsequent processing optimisation test-work at the Heap Leach Demonstration Plant.

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 Pre-Feasibility Study (PFS)

All Etango-8 PFS work-streams were completed and consultant reports submitted during the quarter. In accordance with its typical approach and best practice, Bannerman is now undertaking a review of all Etango-8 PFS documentation with the assistance of external specialists, in order to ensure a rigorous process that delivers a PFS of the highest quality. In conjunction with this process, the Company is assessing the scope for a proposed Definitive Feasibility Study (**DFS**), including further value opportunities that can be taken forward into the DFS stage.

Finalisation and release of the Etango-8 PFS results is currently expected in early August.

The PFS remains on budget with final costing expected to be in-line with the original estimate at approximately A$1.0M (excluding internal costs such as Bannerman personnel).

Corporate

EPL 3345 renewal granted

Bannerman recently announced the renewal of Exclusive Prospecting Licence 3345 (EPL 3345) by the Namibian Ministry of Mines and Energy (new expiry date of 25 April 2023).

EPL 3345 is an exploration licence that contains potential satellite deposit targets for the Company's 95% owned flagship Etango uranium project (see the Company's announcement dated 28 February 2019 titled "Reconnaissance Drilling Highlights Potential Satellite Feed"). The Etango Project is situated on the Company's adjoining Mineral Deposit Retention Licence 3345.

In addition to those uranium targets, Bannerman has identified prospective lithologies on EPL 3345 that may have potential for base metals targets and is currently continuing an infill soil sampling program. This sampling enhances last year's exploration activities which included obtaining and analysing more than 2000 soil samples on those lithologies.

As per the requirements of the Minerals (Prospecting and Mining) Act, Bannerman has reduced the area of EPL 3345 by 25%.

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Bannerman added to MSCI Global Market Cap Index

Bannerman was added to the MSCI (formerly Morgan Stanley Capital International) Global Market Cap Index during the quarter. As part of the MSCI semi-annual rebalance, Bannerman was added to the Australia MicroCap Index effective 27 May 2021. MSCI is a leading global provider of indices, data, analytical models, regulatory reporting and ESG research. MSCI's clients include 95 of the world's 100 largest money managers. The MSCI market cap weighted indices are among the most respected and widely used benchmarks in the financial industry.

Cash balance of A$12.5 million and continued focus on prudent cost control

Bannerman's cash balance at 30 June 2021 was A$12.5 million (31 March 2021: A$13.2 million). The Company has no debt (other than typical creditor balances) or convertible instruments. Total exploration and development expenditure for the quarter was A$495,000, which included work on completion of the PFS.

Management continues to maintain a focus on prudent cost control. For the purpose of item 6.1 of the Appendix 5B, the aggregate payments during the quarter to related parties (totalling A$150,000) were comprised of directors' fees and salary.

Notice of Meeting to approve change of name to "Bannerman Energy Ltd"

The Company released a Notice of Meeting advising of a General Meeting of shareholders to be held at the Company's offices on 13 July 2021. Shareholders will consider two resolutions: to change the Company's name to "Bannerman Energy Ltd" and to ratify a prior issue of placement shares. The proposed new name reflects the fact that uranium is an energy metal and that uranium proposed to be mined from the Etango Uranium Project will be used exclusively in the production of nuclear energy. Approval to change the Company's name is sought in conjunction with a rebranding that will further enhance the Company's reputation in Namibia as an outstanding corporate citizen, its strong environmental record and its excellent credentials for industry leadership and governance.

The Company's rebranding will also acknowledge the growing acceptance of nuclear power as a clean, base-load energy source that is vital to mitigating climate change challenges, reducing airborne pollution, balancing land use challenges and reducing other environmental risks associated with energy production. Nuclear energy currently provides more than 10% of the world's electricity and a large proportion of the world's clean energy – for example, in the United States, nuclear energy provides more than 50% of the nation's total low-emission electricity.

As the world moves collectively towards decarbonisation goals, nuclear power will become even more crucial to meeting pollution challenges – whilst enabling continued global development and further improvements in quality of life. As a direct result, uranium is also becoming broadly recognised for its green credentials – given that it is the un-substitutable fuel source for nuclear energy and modern uranium mining operates at the highest global standards of environmental, health and safety requirements.

There will be no change to the Company's listing codes on either ASX (BMN), OTCQB markets (BNNLF) or the Namibian Stock Exchange (BMN).

No disruption to Bannerman operations from COVID-19

The Company has not experienced any significant disruption to its business or operations as a result of measures taken to date in either Namibia or Australia in response to the COVID-19 pandemic. Bannerman continues to implement various measures to protect Bannerman employees, their families and the broader community from transmission of the COVID-19 virus.

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Issued securities

At the date of this report, the Company has on issue 1,189,137,778 fully paid ordinary shares, 47,592,601 performance share rights and 22,495,400 unlisted options. The share rights and options are subject to various performance targets and continuous employment periods.

Uranium market

The uranium markt experienced an increase in volumes and a modest increase in the spot uranium price, closing the quarter at US$32.40/lb. Market volume was driven by secondary demand by financial entities and uranium juniors, as well as purchasing from utilities, producers and traders. Term contract activity remains subdued, with very few on-market transactions being reported, despite off-market term contracting by existing producers.

New reactors commenced operation during the quarter in China (Tianwan 6 and Hongyanhe 5) and Pakistan (Karachi 1), as well as the restart of a tenth reactor in Japan (Mihama 3). Numerous construction starts were recorded in China, India and Turkey. There were a host of announcements from around the globe supporting various Small Modular Reactor programmes, including the proposed construction of the first Natrium reactor by Bill Gates-backed Terrapower on a decommissioned coal-fired power station in Wyoming.

Sprott Asset Management announced on 28 April 2021 that it would take over Uranium Participation Corp (**UPC**) and create the Sprott Physical Uranium Trust, to be listed in both Canada and the United States. Shortly after the announcement, UPC raised a further C$80.5M which it utilised to buy uranium from the spot market. The transaction was approved by UPC shareholders on 7 July 2021.

In other secondary demand developments, Yellowcake plc raised approximately US$88M to buy uranium, Uranium Royalty Corp raised C$37M to buy uranium and royalties, and substantial purchases of physical uranium were reported from hedge funds and by Uranium Trading Corp on behalf of family office investors.

The most significant supply event during the quarter was the announcement by Kazatomprom that it would continue its supply discipline into 2023, extending by a further year its 20% reduction in production levels. The decision will result in 13Mlbs lower U_3O_8 production than forecast for 2023, which accounts for approximately 10% of forecast mined uranium supply for that year.

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

Brandon Munro, Managing Director and Chief Executive Officer

12 July 2021

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

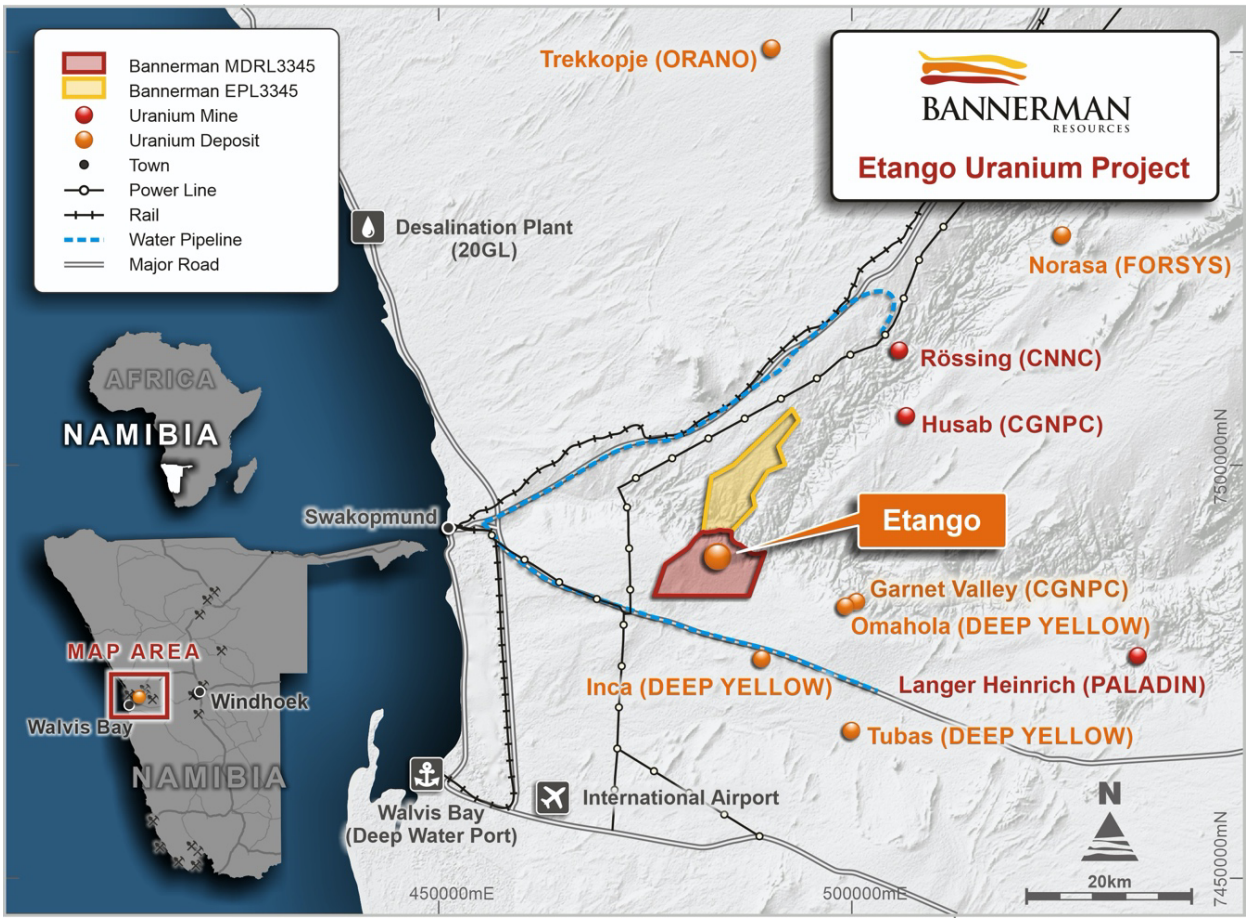
Bannerman Resources Limited is an Australian and Namibian listed uranium development company. Its flagship asset is the advanced Etango Uranium Project located in the Erongo Region of Namibia.

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 (**DFS**) completed in 2012 and a DFS Optimisation Study completed in 2015*. Bannerman constructed and operated a Heap Leach Demonstration Plant at Etango, which comprehensively de-risked the 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 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 approaching completion with release expected in the third quarter of 2021.



* For full details of the Mineral Resources estimate, please refer to Bannerman 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 that release. All material assumptions and technical parameters underpinning the estimates in that ASX release continue to apply and have not materially changed.

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Forward Looking Statements

The information in this announcement is not intended to guide any investment decisions in Bannerman Resources Limited. 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 Resources Limited 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 Resources Limited.

Listing Rule 5.3.3 tenement schedule:

BANNERMAN RESOURCES LIMITED 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	Namibia	95%	-