BANNERMAN energy

ASX ANNOUNCEMENT
18 December 2024

Etango Construction Early Works Update

Bannerman Energy Ltd (**ASX:BMN, OTCQX:BNNLF, NSX:BMN**) (**Bannerman** or **the Company**) is pleased to advise of significant recent progress in the construction early works activities at its Etango Uranium Project (**Etango Project** or **Etango**).

KEY OUTCOMES

- **Key bulk earthworks and construction power contracts on schedule, with first blast completed on primary crusher site.**
- **Construction water supply and ancillary storage dam completed, delivering seamless continuity for bulk earthworks in progress.**
- **Manufacture of High-Pressure Grinding Rolls (HPGR) tertiary crusher, a critical long lead item, running ahead of schedule.**
- **Detailed engineering on Etango processing facilities (based on certified vendor data) advancing well.**

Commenting on these outcomes, Bannerman Chief Executive Officer, Gavin Chamberlain, said:

"The 12 months since the grant of our Etango Mining Licence in December 2023 has been a period of remarkable advancement, both on- and off-site. I believe the entire Bannerman team can take great pride in the safe, systematic and long-term focused manner in which the world-class Etango Project has progressed over that time.

"I am delighted with the performance of our key contract partners. Their work to date has been undertaken safely and to a very high standard of delivery. Their output has firmly validated our selection of them as our preferred delivery partners for Etango.

"We continue to exercise a gated approach to Etango development, with phased green lighting of various construction works in-line with advancement across broader project workstreams and financial capacity. This enables us to maintain critical path timelines whilst also allowing robust management of execution and market risks

"I would like to take this opportunity to thank the entire Bannerman team, along with our key contract partners and consultants, for their work over 2024 to date. We remain resolutely focussed on the safe and efficient delivery of the Etango Project for the remainder of this year, through 2025, and beyond. Etango offers a tremendous opportunity and we look forward to capturing it fully for the benefit of all our shareholders and broader stakeholders."

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Etango Project: Construction Early Works Progress Update

Long lead construction activities and purchase orders

Bannerman's strong cash position and flexible approach to project development enables the Company to exercise a gated approach to Etango development, with phased green lighting of various construction works in line with advancement across broader project workstreams and financial capacity. Following completion of the first two early works contracts in July – the construction water supply and site access road – development of Etango seamlessly transitioned into the next phase of early construction and long-lead order activities at Etango, thereby maintaining critical path timelines. All early works contracts are fully funded from Bannerman's existing cash reserves.

The bulk earthworks contract for the Etango Project was awarded in August 2024. Execution of this key 24-month contract is proceeding well and is on schedule.

A critical enabler for uninterrupted delivery of the bulk earthworks activities is continuity of water supply on-site during the early works and full-scale construction phases. Build of the Etango construction water storage dam, which is designed to ensure such continuity, was successfully completed and filled with water in mid November 2024 (refer Figure 1). Importantly, this occurred on schedule and prior to the next planned maintenance shutdown by water utility provider, Namwater (which took place over 18 - 24 November).

Figure 1: Completed construction water storage dam

Similarly, the contract for build of the construction power facilities was awarded in October 2024, in-line with the project schedule. The key elements of these works include construction of all the permanent 33kV overhead powerlines on the Etango site and the temporary connection to the local electrical distributor in the Erongo Region. Work on this contract is currently advancing ahead of schedule (refer Figure 2).

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The first blast of the box cut for the primary crusher site was achieved safely and successfully on 11 November 2024 (refer Figure 3). Two further blasts have been completed and excavation of the box cut was commenced in line with schedule (refer Figure 4).

Figure 2: 33kV powerlines H-pole support structures being installed

Figure 3: First blast being set off by Bannerman Mining Resources (Namibia) Managing Director, Mr Werner Ewald

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Figure 4: Excavation of primary box cut post blasting

The contract for the blasting, crushing, and placement of the drainage layer on the Etango heap leach pad has been adjudicated with final clarifications in progress. The civil concrete tender is currently in the market and closes in January 2025.

Manufacture of the High-Pressure Grinding Rolls (**HPGR**) tertiary crusher, a key identified long lead item for the Etango process plant, commenced in May 2024 and is currently ahead of schedule.

Off-site infrastructure and utilities supply

Supply contracts are already in place to cover construction water and power requirements throughout the entire Etango build schedule.

Negotiations on final supply contracts for life-of-mine operational water and power supply have progressed in line with requirements and are now at an advanced stage.

Water

Operational water for Etango is to be sourced from NamWater and supplied from desalinated sources to the Base Reservoir in Swakopmund. From there, the planned permanent Etango water supply infrastructure consists of a pipeline and pumping system to transport the water to the Etango site, and a terminal water storage system on site.

Bannerman has been in commercial discussions with NamWater since 2021 regarding supply of operational water for the Etango Project. With the benefit of greater clarity on Etango development timing, these discussions have now advanced to the signing of a letter of intent with Namwater on 15

October 2024, which covers full water supply requirements for the operation of the Etango mine and process facility over its initial expected life of 15 years.

To ensure that Namwater can provide desalinated water for Etango from the existing Erongo Desalination Plant, Namwater also now has a back-to-back signed letter of intent in place with the operator of that plant.

The next step in this commercial process is the execution of a take-or-pay agreement between Namwater and Bannerman, which is planned to be signed upon the taking of a positive Final Investment Decision on Etango.

Power

Permanent operational power for the Etango site is set to be sourced from the 220 kV national grid through Nampower's Kuiseb substation.

Negotiations with power utility provider, Nampower, have now advanced to the confirmation of a definitive supply method between the parties. A commercial proposal based on this definitive supply method is expected to be received from NamPower in coming weeks.

Acid

Acid supply for the Etango operation is to be sourced locally and/or via import through the Walvis Bay port. Bannerman has an existing Memorandum of Understanding in place with a local acid supplier whereby the acid will be railed to a planned storage facility within the Walvis Bay port and then trucked to site. The facility in the port will also be able to receive sulphuric acid from international markets.

Bannerman's proposal to lease a site at the Walvis Bay port for the planned acid storage and import/export facility has now been approved by Namport, and the Environmental and Social Impact Assessment (ESIA) process for this facility has commenced.

Construction team formation

Key appointments to the construction team include Project Director, Mr Jeff Pipe and Commercial Manager, Ms Cindy Fraser, both of whom have a long working history with Bannerman CEO Gavin Chamberlain. Mr Pipe is based in Wood Plc's offices in Johannesburg where he is co-located with Wood's Etango detailed design team.

Detailed design is progressing well, with Wood appointed as lead engineering consultant, working in conjunction with Banerman's Namibian-based owner's team. Detailed engineering is based on certified vendor drawings of all equipment, which were obtained from the selected vendors ahead of placing and funding orders for those items.

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

Brandon Munro, Executive Chairman

18 December 2024

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ABOUT BANNERMAN ENERGY (ASX:BMN, NSX:BMN, OTCQX:BNNLF)

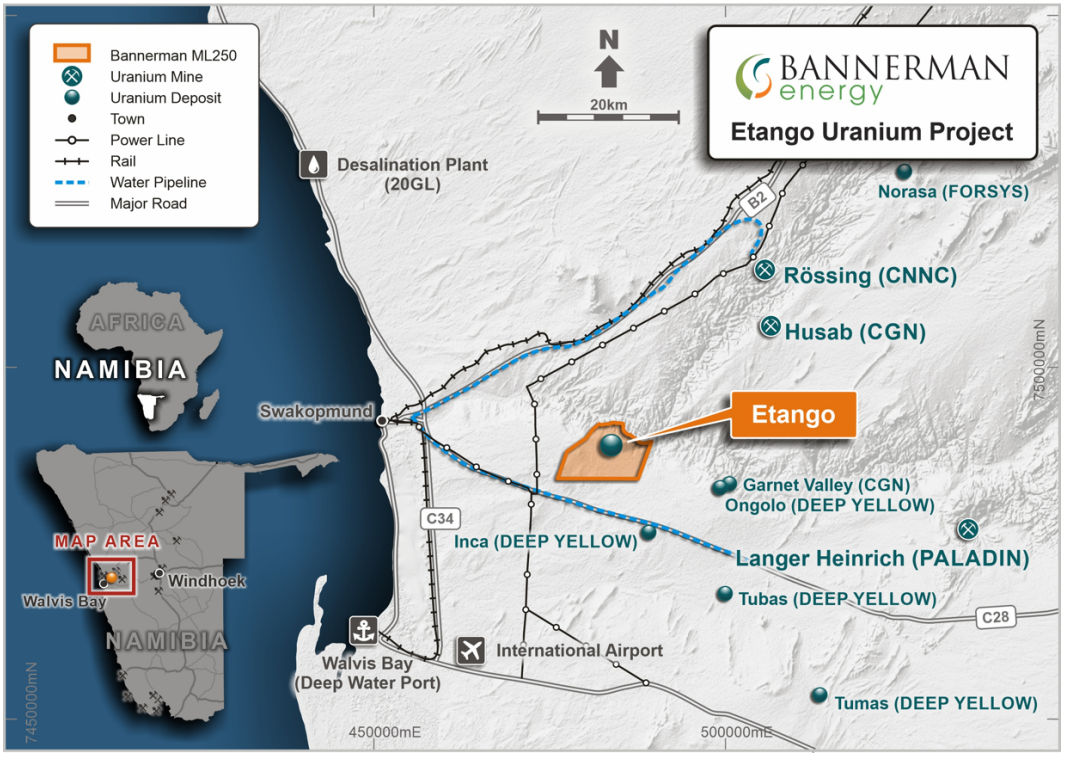
Bannerman Energy Ltd is a uranium development business listed on the Australian and Namibian stock exchanges and traded on the OTCQX Market in the US. Its flagship asset is the advanced Etango Uranium Project located in the Erongo Region of Namibia.

Etango has benefited from extensive exploration and feasibility activity over the past 15 years. The Etango tenement possesses a globally large-scale uranium mineral resource[1]. In December 2022, a Definitive Feasibility Study (DFS)[2] 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 (for average annual output of 3.5 Mlbs U_3O_8). In March 2024, a scoping study[3] demonstrated the capacity to expand annual production to 6.7 Mlbs U_3O_8.

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. All environmental approvals have been received for the proposed Etango mine and external mine infrastructure, based on a 12-year environmental baseline. Bannerman was awarded the Mining Licence for Etango in December 2023 and is progressing all key project workstreams towards a targeted positive Final Investment Decision (FID) in parallel with strengthening uranium market fundamentals.

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. 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.

Bannerman has long established itself as an Environmental, Social and Governance (ESG) leader in the uranium and nuclear energy sector. It is also a leader within Namibia on social development and community engagement and exercises best-practice governance in all aspects of its business. This was recently recognised with receipt of the 2023 African Mining Indaba's ESG Award for Community Engagement.



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 18 March 2024, *Etango-XP and Etango-XT Scoping Study*.