BANNERMAN energy

ASX ANNOUNCEMENT
12 February 2026

Etango Strategic Financing with Leading Global Integrated Nuclear Utility, CNNC

Attractive long-term development and operating joint venture delivers construction funding, fully market-priced offtake arrangements and strategic partnership

Bannerman Energy Ltd (**ASX:BMN, OTCQX:BNNLF, NSX:BMN**) (**Bannerman** or **the Company**) is pleased to advise of the execution of landmark binding investment subscription and joint venture documentation with CNNC Overseas Limited (**CNOL**) for the funding, development and operation of its world-class Etango Uranium Project (**Etango Project** or **Etango**) in Namibia. CNOL is a subsidiary of Shenzhen Stock Exchange listed China National Uranium Corporation (**CNUC**) and part of leading integrated global nuclear utility, China National Nuclear Corporation (**CNNC**).

KEY OUTCOMES

- **Attractive and preferred project funding solution resulting from global Etango financing process; facilitates highest forecast risk-weighted value outcome.**
- **CNOL strategic investment at completion of up to US$321.5 million:**
  - **CNOL to hold a 45% interest in Bannerman UK subsidiary, Bannerman Energy (UK) Ltd (JVCo), which in turn owns 95% of Etango Project.**
  - **Delivers underlying Etango Project economic ownership of 52.25% Bannerman, 42.75% CNOL, with Namibian social welfare organisation One Economy Foundation (OEF) continuing to hold a 5% loan-carried shareholding.**
- **Key transaction benefits:**
  - **<u>Enables debt-free construction of Etango mine</u> - a financing pathway that delivers greater financial and offtake flexibility and with reduced risk.**
  - **<u>Excellent long-term partner alignment</u> - Bannerman and CNOL will each fund post-completion capital expenditure and operating costs of JVCo and the Etango Project pro rata to their respective 55% and 45% equity interests.**
  - **<u>Market-based offtake cornerstone with Tier-1 customer</u> - CNOL to purchase 60% of Etango production, granting significant supply flexibility, with pricing on arm's-length, market-based terms.**
  - **<u>Long-term strategic partnership with subsidiary of global nuclear giant, CNNC</u>:**
    - **Strongly established and respected operating presence in Namibia via CNNC group's ownership of Rossing (68.62%) and Langer Heinrich (25%).**
    - **Potential cooperation opportunities beyond Etango.**
- **Transaction completion targeted in mid-2026; key conditions precedent to completion include filings with the relevant Chinese government authorities (National Development and Reform Commission, Ministry of Commerce) and foreign exchange registration, CNUC shareholder approval, clearance from the Namibian Competition Commission, amendment to OEF funding agreement, and execution of key infrastructure supply contracts.**
- **Etango early works program to continue through H1 2026, with Final Investment Decision (FID) targeted promptly upon transaction completion.**

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Commenting on this landmark transaction, Bannerman Executive Chairman, Brandon Munro, said:

"The execution of this documentation represents the culmination of the extensive Etango funding workstream we have undertaken over the past two years. In short, we believe that this transaction delivers the optimised finance solution for the development of Etango and provides ideal support to our broader aspirations in the uranium business.

"By enabling the debt-free construction of Etango, this solution maximises flexibility and dramatically derisks the construction and ramp-up phases of project execution. It also delivers us a Tier-1 cornerstone offtake partner on genuine and market terms, ensuring Bannerman remains strongly exposed to future uranium price upside potential. Importantly, the residual 40% of Etango offtake will be independently marketed by Bannerman, with strict confidentiality ring-fencing arrangements in place, and strengthened by the flexibility embedded in the cornerstone offtake with CNOL.

"CNNC is a deeply respected company within the worldwide nuclear fuel chain. It is one of the world's largest consumers of uranium and is advancing a significant nuclear reactor growth program, with 18 units under construction or approved. We are delighted to be partnering with such a global leader. We also believe that this partnership has the potential to deliver substantial technical and economic efficiencies in the construction, ramp-up and operation of Etango. More particularly, CNNC brings deep experience in open-pit uranium mining and processing, including its successful operation of the Rössing Mine in Namibia since 2019. Moreover, the joint venture will be ideally placed to evaluate the expansion of Etango once the mine is in steady state production.

"The appetite of CNNC to invest in this manner delivers strong validation of the world-class nature of the Etango Project, the quality of technical study work undertaken by Bannerman over the past almost 20 years and the extensive derisking undertaken in recent years. This investment and funding agreement represents the final key hurdle to project development and positions Etango as the next major greenfield uranium project globally to enter production.

"I would like to thank the CNNC/CNOL team for their highly constructive engagement through this process. We now look forward to working together towards transaction completion, followed by targeted FID and full-scale construction commencement of the Etango uranium mine."

Marking the significance of the strategic investment and joint venture, Vice President of CNUC, Feng Li, said:

"Amidst a global resurgence in nuclear energy and the rapid advancement of China's nuclear power sector, CNNC group, as a cornerstone supplier of natural uranium, will bring both its distinguished heritage and technical strength to this joint venture.

"CNNC group has a well-established record of operational excellence and responsible corporate citizenship. In Namibia, a stable and supportive jurisdiction with a long-standing legacy in uranium production, CNNC group has delivered sustained performance at the Rössing Mine, successfully extended its mine life, and cultivated robust, trust-based relationships with key stakeholders, while our interest in the Langer Heinrich Mine continues to advance favourably.

"CNOL, as the exclusive vehicle for CNNC/CNUC's overseas natural uranium business, recognizes Bannerman as a valued partner and commends its outstanding professionalism and strong collaborative spirit demonstrated throughout this process. It is our distinct pleasure to formalise this strategic partnership, which marks a significant milestone for both CNOL and Bannerman, as well as for Etango.

"We are confident that the synergy created between our technical capabilities, uranium demand profile, operational experience, and Bannerman's expertise and insight in the industry will position Etango to evolve into the next successful uranium mine in Namibia.

"As publicly listed companies on China's Shenzhen Stock Exchange and Australian Securities Exchange, both CNUC (the parent company of CNOL) and Bannerman are entrusted with delivering

long-term value to our shareholders and broader stakeholders. We are committed to advancing the project efficiently, achieving timely production, maintaining rigorous cost discipline, and generating sustainable financial returns - all while contributing positively to Namibia's economy and local communities through responsible and impactful operations."

About CNNC and CNOL

China National Nuclear Corporation (CNNC)

CNNC is China's central state-owned enterprise responsible for the country's nuclear fuel cycle, covering reactor development, uranium exploration, mining, and nuclear technology applications. CNNC has made significant investments in Namibia's uranium sector. In 2019, its subsidiary, China National Uranium Corporation (**CNUC**), acquired 68.62% ownership of the Rössing Uranium Mine from Rio Tinto. CNUC subsidiary, CNNC Overseas Limited (**CNOL**), also owns a 25% non-operating interest in the Langer Heinrich Uranium Mine, a stake it acquired in 2014.

In December 2025, CNUC completed a successful initial public offering and commenced trading on the Shenzhen Stock Exchange, with CNNC retaining a majority stake.

CNNC Overseas Limited (CNOL)

Incorporated in Hong Kong, CNOL is a wholly owned CNUC subsidiary focusing on international uranium resource development. CNOL holds key equity investments and joint venture interests across a range of international uranium mines, projects and trading businesses. This includes ownership of a 25% non-operating interest in the Langer Heinrich Uranium Mine in Namibia.

Landmark investment agreement executed to form joint venture

Bannerman has executed investment subscription documentation with CNOL to form an incorporated joint venture to fund and support the development of Etango. This documentation provides for:

1. Formation of an incorporated joint venture through Bannerman's UK subsidiary, Bannerman Energy (UK) Ltd (**JVCo**), by way of CNOL's subscription for newly issued shares in JVCo, resulting in JVCo ownership of 55% by Bannerman and 45% by CNOL upon completion. JVCo holds a 95% interest in the Etango Project.

2. Initial investment of US$294.5 million by CNOL into JVCo upon completion.

3. Provision for additional investment by CNOL of up to US$27 million upon completion, to reimburse Bannerman for CNOL's 45% share of project-related expenditure incurred between 1 July 2025 and completion. These funds will be paid directly to Bannerman and will therefore be available to it (including to meet its 55% share of any future funding and/or working capital requirements).

4. Life-of-mine offtake entitlement for CNOL covering 60% of actual production from Etango.

The key agreements supporting the transaction are:

- Share Subscription Agreement (**SSA**), which details the mechanics of CNOL's investment into JVCo; and

- Shareholders Agreement (**SHA**), which will be executed upon completion of the share subscription and sets out the governance principles for JVCo (and its subsidiaries) as well as key offtake terms.

A full-form offtake agreement (based on the binding offtake terms set out in the SHA) is to be documented post-completion and prior to the commencement of production from Etango.

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Share Subscription Agreement (SSA)

Key elements of the SSA include the following:

- **Total consideration.** Aggregate proceeds payable by CNOL at completion of up to US$321.5 million, being the total of two components:
  - Investment into JVCo – US$294.5 million, allocated between equity subscription and the pro-rated matching of Bannerman's 30 June 2025 shareholder loan balance (on equivalent arm's length terms and ranking equally); and
  - Payment to Bannerman – reimbursement for Etango Project expenditure from 1 July 2025 to completion (on a 45% pro rata share basis) – up to a maximum of US$27 million (CNOL 45% share).
- **JVCo interest.** CNOL will, following completion, hold a 45% interest in JVCo (equity and shareholder loans) in exchange for payment of the aggregate proceeds.

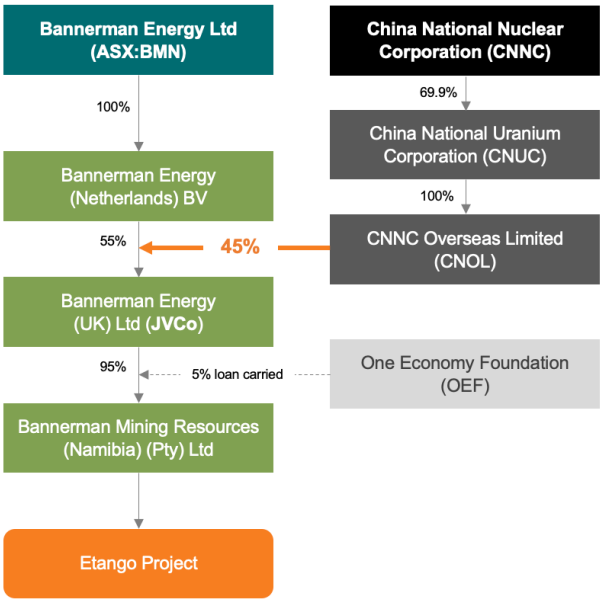

Figure 1: Bannerman corporate hierarchy, JVCo ownership structure and underlying Etango Project interests

- **Initial development plan.** An initial development plan and JVCo budget have been agreed.
- **Steering Committee.** Formed immediately and functions in an advisory capacity to JVCo with the purpose of providing oversight to and facilitating the development of the Etango Project. It comprises three nominees each from Bannerman and CNOL, and is chaired by Bannerman CEO, Gavin Chamberlain.
- **Conditions precedent.** Completion of the SSA is subject to satisfaction (or waiver, as applicable) of the following conditions precedent:
  - Completion of filings with the relevant Chinese government authorities (NDRC and Ministry of Commerce) and foreign exchange registration;
  - CNUC shareholder approval;
  - Receipt of clearance from the Namibian Competition Commission;

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- Requisite amendment to the OEF funding agreement to reflect new proportionate ownership of JVCo;
- Execution of key Etango Project infrastructure supply contracts; and
- Customary conditions that any other regulatory approvals jointly determined by the parties to be required are obtained and no legal or regulatory restraint being issued or made by any court preventing completion of the transaction.

- **Long stop date.** All conditions precedent must be satisfied (or waived, as applicable) by 30 September 2026. This date can be extended by mutual consent.
- **Key warranties.** Customary warranties have been given by Bannerman which are subject to a typical limitation of liability framework. A guarantee has also been provided by Bannerman in respect of the obligations of the Bannerman Group companies.
- **CNOL termination rights.** CNOL may terminate for breach of a fundamental warranty or breach of a warranty reasonably likely to have a material adverse effect, material default by Bannerman or JVCo, or if there are impediments to any party performing its obligations under the subscription agreement.
- **Bannerman termination rights.** Bannerman may terminate for a material default by CNOL or if there are legal impediments to any party performing its obligations under the SSA.

Shareholders Agreement (SHA)

Key elements of the SHA include the following:

Governance principles

- **Funding.** Each shareholder will be required to fund its proportionate share of any future JVCo funding (Bannerman 55%/CNOL 45%) with the quantum and nature of such funding to be determined by the JVCo Board. It is the parties' intention to retain ownership at 55%/45% in relation to both equity and shareholder loans on an ongoing basis.
- **Board composition.** Bannerman is entitled to appoint three of the five directors of the JVCo Board. The same five directors will sit on the Board of Namibian subsidiary, Bannerman Mining Resources (Namibia) (Pty) Ltd (**BMRN**), along with independent members as determined by the JVCo Board.
- **Key executive management.** Bannerman is entitled to nominate three of five key specified executive management roles at BMRN level (including CEO).
- **Dispute resolution.** Provision for an initial consultation process followed by formal arbitration procedures (Singapore International Arbitration Centre). Allowance for expert determination, following good-faith negotiations on specified deadlock matters but without any pre-determined buy-out right.
- **Shareholder protections.** Include:
    - Key strategic matters require unanimous JVCo Board approval or shareholder approval, including material financial decisions and funding and/or development decisions (e.g., FID, Etango expansion and production plans);
    - Specific provisions to regulate the confidentiality of information, conflicts of interest (at Board level), and related party proposals (at shareholder level);
    - Pre-emptive rights and area of interest restraints;

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- A standstill whereby each of CNOL and Bannerman agrees that, as long as it holds any share in JVCo, it will not and will instruct its relevant associated companies not to acquire any shares or securities in the other or their respective associated companies that are publicly listed without prior approval; and
- An acknowledgment that no shareholder will take action against JVCo to enforce repayment of its shareholder loans without the prior consent of the other shareholder.

- It is the parties' intention that ownership of JVCo will remain at the agreed 55%/45% ratio and neither party will increase their direct or indirect interest in JVCo (or the Etango Project).

Material offtake principles

- **Proportional volume allocation.** CNOL has a life-of-mine entitlement to 60% of actual yellowcake production from the Etango Project. The Bannerman Group controls the marketing of the remaining 40%.
- **Arm's length, market-based pricing.** CNOL offtake volumes are priced based on a combination of spot and term uranium price indices (and the pricing formula is to be reviewed at five-year intervals following the date of first production in light of prevailing market conditions and industry practice). Payment terms are considered to be significantly superior to market standards and are expected to reduce required working capital.
- **Marketing fee.** A customary marketing fee is payable to CNOL on its offtake volumes, with Bannerman entitled to the same proportional marketing fee on its offtake sales (ie the residual 40% of Etango production).
- **Timing flexibility.** BMRN, being the supplier of the product, is allowed flexibility in the timing of delivery into CNOL offtake volumes to maximise value for BMRN and JVCo.
- **Independent marketing of residual Etango offtake.** The residual / non-CNOL offtake (40%) will be independently marketed by Bannerman to maximise value for BMRN and JVCo, with strict confidentiality ring-fencing arrangements in place.
- **Annual audit.** Product allocation and marketing fees will be subject to annual and independent audit, subject to strict confidentiality requirements, to verify compliance with the offtake terms.

Delivering transformational benefits to Etango and Bannerman

Optimised project development funding outcome

The agreed transaction with CNOL represents the most attractive and preferred project funding solution resulting from the global Etango financing process undertaken by Bannerman and its advisers over the past two years. In the opinion of the Bannerman Board and senior executive team, it facilitates the highest forecast risk-weighted value outcome.

Enables debt-free development of Etango

By enabling the construction of Etango without requiring any anticipated commercial debt, the agreed transaction with CNOL financially derisks the construction and ramp-up phases of project execution. It also provides enhanced corporate flexibility during these critical stages of project and company evolution.

Structural design delivers excellent alignment between partners

The agreed transaction with CNOL delivers excellent alignment through the Etango build and operations phases via the pro-rata nature of any requisite future financial commitments to JVCo (55% Bannerman / 45% CNOL). Considered and detailed design of the key JVCo governance principles within the SHA also provide an excellent structural framework for optimal JV management.

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Market-priced offtake cornerstone substantially increases flexibility

The commitment of a Tier-1 cornerstone offtake customer on arms-length pricing and market-based terms, without floors or ceilings, provides coverage for 60% of Etango's life-of-mine production. This reduces the magnitude of additional offtake contracting required to be undertaken during the early phases of full-scale Etango construction. These arrangements provide the Etango Project with flexibility to deliver into the cornerstone offtake obligations secured by Bannerman.

These arrangements also provide Bannerman with flexibility in marketing its remaining 40% share of production, relative to more prescriptive offtake structures that may otherwise be required under alternative financing arrangements.

Long-term strategic partnership delivers multiple potential benefits

CNNC is a worldwide leader in the nuclear fuel chain that brings the following additional potential benefits to its joint venture (via CNOL) with Bannerman on Etango, and more broadly:

- Extensive uranium mine development and operating experience, along with a detailed technical and technological knowledge set.
- A strongly established and respected existing operating presence in Namibia via 68.62% ownership of the Rossing Uranium Mine (via subsidiary, CNUC).
- Extensive access to the broader Chinese and global nuclear fuel markets, including potential accelerated major capital items and broader procurement efficiencies.
- Potential cooperation opportunities beyond Etango.

Next steps

Timing

Execution of the Etango early construction works program is planned to continue through H1 2026.

Transaction completion is targeted for mid-2026. A Final Investment Decision (**FID**) on the Etango Project is expected to be taken shortly thereafter.

Advisers

Azure Capital and Vermilion Partners (both affiliates of French financial services institution, Natixis) are acting as financial advisers, Fivemark Partners is acting as strategy advisor and Johnson Winter Slattery is acting as legal adviser to Bannerman on the transaction.

Canaccord Genuity is acting as financial adviser and Han Kun Law Offices is acting as legal adviser to CNOL on the transaction.

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

Brandon Munro, Executive Chairman

12 February 2026

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

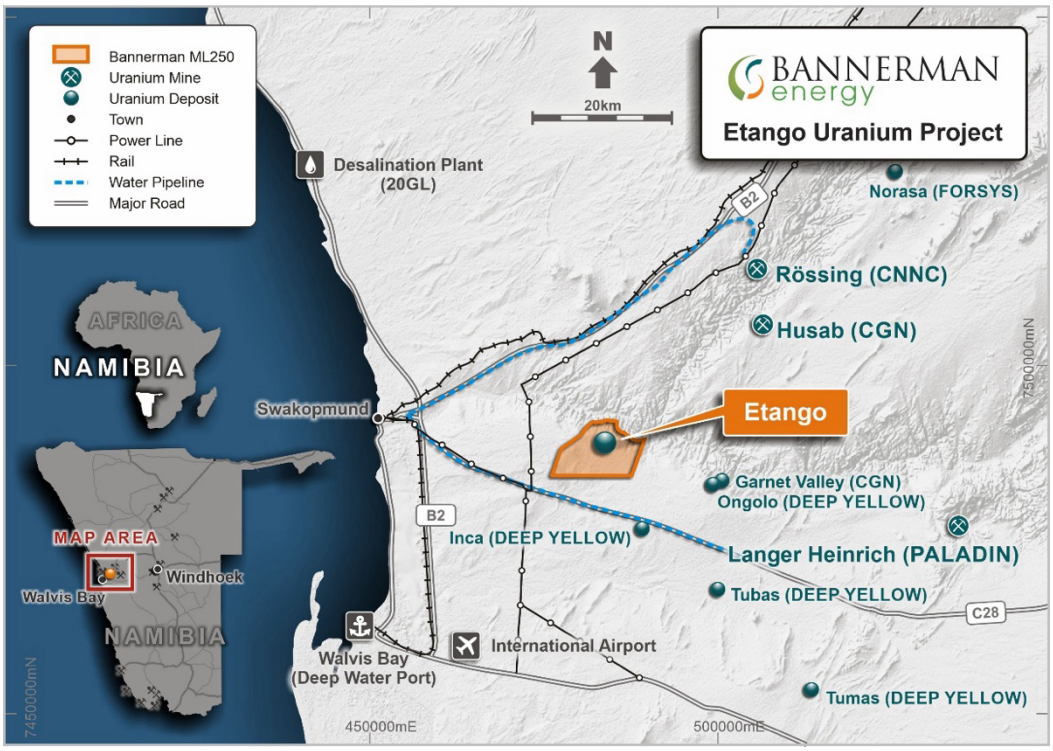
Bannerman Energy Ltd is a uranium development business listed on the Australian and Namibian stock exchanges and traded on the OTCQX Market in the US. Its flagship asset is the advanced Etango Uranium Project located in the Erongo Region of Namibia.

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 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*.