

Bannerman Resources Ltd

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Bannerman Resources Ltd progresses Etango uranium project under new CEO

Bannerman Resources Ltd (ASX:BMN) has just completed its first quarter at the reins of new CEO, Brandon Munro.

Munro has resided in Namibia for over 5 years and will be looking to draw on this experience and his transactional background to progress forward the Etango Uranium Project located in Namibia.

The June quarter saw the successful completion of Phase 4 of the heap leach demonstration plant program, renewal of Prospecting Licence 3345 and cost savings via a de-listing from the Toronto Stock Exchange.

After de-risking Etango's project financing through completing Phase 4 of the program, Bannerman has flagged positive news from Phase 5, the final phase focused on further optimisation.

By delivering genuine proof of concept via this program Bannerman is able to deliver a stronger proposal to project financing partners.

The program has also outperformed several parameters in the Etango Definitive Feasibility Study, creating further opportunities for optimising the project's cost parameters.

Brandon Munro

Munro was appointed CEO and managing director on 9 March, 2016. He is a former corporate lawyer with 18 years' experience in leading Australian commercial law firms and executive management roles.

Between 2009 and 2011 Munro worked as a General Manager for Bannerman in Namibia before becoming managing director of ASX-listed Kunene Resources Ltd, a company focused on base metals exploration in Namibia, until completion of a reverse takeover in late 2015.

Whilst running Kunene, Munro demonstrated broad transactional skills.

He aggregated a contiguous block of 11 Exclusive Prospecting Licences totalling 400,000 hectares of prime exploration ground, brought the Namibian Former Robben Island Political Prisoners Trust to the table as a prime local partner and joint ventured the project with First Quantum Minerals, bringing the leading African copper producer to Namibia for the first time.

After living in Namibia for more than 5 years, Munro has built extensive relationships with the Namibian Government and the wider community.

He served in advisory roles with the Namibian Uranium Association and the

Price: 0.035

Market Cap: \$37.06 m

1 Year Share Price Graph



Share Information

Code: BMN

Listing: ASX

52 week High Low
0.047 0.015

Sector: Uranium

Website www.bannermanresources.com

Company Synopsis:

Bannerman Resources Ltd's (ASX:BMN; NSX:BMN) flagship asset is the wholly-owned Etango Uranium Project in Namibia.

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Chamber of Mines and continues as a Trustee of high-profile conservation NGO, Save the Rhino Trust.

Etango uranium project

Bannerman's principal asset is its 100%-owned Etango Project located near Rio Tinto Ltd's (ASX:RIO) Rössing uranium mine, Paladin Energy Ltd's (ASX:PDN) Langer Heinrich uranium mine and China General Nuclear Power Corp's Husab uranium mine where construction is nearing completion.

A definitive feasibility study (DFS) has confirmed the technical, environmental and financial (at consensus long term uranium prices) viability of a large open pit and heap leach operation.

Since 2015, Bannerman has conducted a large scale heap leach demonstration program to provide further assurance to financing parties and generate process information.

Based on the DFS, production is expected to be 7-9 million pounds U₃O₈ per year for the first five years and 6-8 million pounds U₃O₈ per year thereafter.

Current mine life of 16 years has significant expansion potential through the conversion of existing Inferred Resource as well as the deposit being open at depth.

Heap Leach Demonstration Plant (Phases 1-5)

The plant program is an integral step towards the Etango project's detailed engineering and financing phases.

- Phase 1 - Commissioning (complete)
- Phase 2 - Reproducibility (complete)
- Phase 3 - Solution Recycle (complete)
- Phase 4 - Solvent Extraction (complete)
- Phase 5 - Value Engineering (in progress)

The completion of Phase 4 test work has now delivered final validation across all aspects of the planned process route for the Etango Project.

The results point to exceptionally good heap leaching kinetics: an extraction of 93% is achieved within only 20 days with low acid consumption and no solvent extraction complications.

The objective of Phase 5 is to conduct optimisation studies in conventional crushed ore, binders and coarser crushed ore, which again will look to improve on project economics.

Uranium Market

The unsustainably low uranium price environment has started to have an effect on primary supply.

Cameco Corporation (TSE:CCO), the world's largest uranium producer, announced suspension of operations at its Rabbit Lake mine and has signalled a reduction for 2016 production at McArthur River and has deferred wellfield development at its in-situ leach (ISR) operations in the U.S.

Bannerman believes that primary supply will continue to be interrupted unless uranium prices increase in the short term.

Uranium demand projections indicate strong growth in the medium to long term, particularly in light of the vital role nuclear power must play in containing climate change.

A number of global events are supportive of nuclear power:

- The U.S. recently connected their first new nuclear reactor in 20 years, extended the operating life of a reactor to 80 years and joined Canada and Mexico in setting aggressive clean energy targets;
- The Swedish parliament has agreed to abolish tax on nuclear power;
- China's nuclear program progresses forward with five new reactors completed year to date.

These developments bode well for Bannerman, which is widely regarded as offering the greatest leverage to a recovering uranium price of any traded uranium stock.

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