



15 January 2015

ASX Announcement

Marenica Launches *U-pgrade*TM Testwork on WA Calcrete Uranium Ores

Key Points

- **Marenica and Toro sign agreement to undertake extensive testwork using Marenica's proprietary *U-pgrade*TM process technology**
- **Exciting opportunity for Marenica to demonstrate *U-pgrade*TM applicability to Western Australian calcrete hosted uranium ores**

Marenica Energy Limited (ASX:MEY) ("Marenica" or the "Company") advises that Toro Energy Limited has agreed to provide a sufficient quantity of Western Australian calcrete hosted uranium ore from their Wiluna project to further test our exciting and proprietary *U-pgrade*TM technology.

The purpose of the testwork programme is to determine the amenability of *U-pgrade*TM to the Toro ore sample, and if successful, may lead to follow up proof of concept pilot plant trials. The substantial testwork programme will commence in the coming days and is expected to be completed within 6 months.

The Company has previously demonstrated in bench scale testwork that it can concentrate the uranium from its low grade calcrete hosted uranium deposit in Namibia. In summary *U-pgrade*TM

- Reduces operating costs by 50-70% and capital costs by 30-50% compared to conventional processing
- Rejects ~98% of the mass prior to leaching
- Concentrates the uranium by a factor of 50
- Produces a high grade concentrate in a low mass of ~2% (leach feed)
- Rejects acid consumers

Excellent *U-pgrade*TM amenability test results have been achieved on other higher grade Namibian deposits, such as the Deep Yellow Tumas deposit. "Given the broad base of testwork success on Namibian ores to date we expect similar excellent results on other Namibian deposits given the strong correlation of ore properties in this region." explained Murray Hill. He added "Our agreement with Toro represents a new round of testwork which will be fully funded by Toro and if successful, will dramatically expand the proven applicability of *U-pgrade*TM to Australian style calcrete deposits."

The Company's objective is to apply the **U-pgrade™** process to technologically applicable deposits globally, and execution of this agreement with Toro is another step towards that objective.

Marenica is very excited about the opportunity of applying its revolutionary **U-pgrade™** process to the higher grade Toro ore sample and looks forward to a strong working relationship with Toro.

General Update

As previously advised, Marenica is in the process of introducing a strategic funding partner(s) as well as progressing direct commercialisation discussions with resource owners.

Marenica is in discussion with a number of parties that have expressed interest to help the company fund the commercialisation of **U-pgrade™**. These approaches are currently being assessed with a final decision likely in the current quarter. The funding could be provided by a single entity or a consortium of smaller investors.

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