



# Marenica Energy Limited 2014 CEO Presentation to AGM

Creating a Uranium Company using the  
new ***U-pgrade***<sup>TM</sup> process

# *U-pgrade*<sup>TM</sup> – In Summary



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- ***U-pgrade*<sup>TM</sup>** process applicable to surficial deposits and is designed to;
  - ✓ *Concentrate uranium in ore ~30-50 times prior to leaching*
  - ✓ *Reject >97% of mined ore prior to leaching*
  - ✓ *Rejection of calcite (acid consumer) creates environment suitable for acid leach, lowering costs*
  - ✓ *Reduce OPEX by 50-70% - less bulk to process*
  - ✓ *Reduce CAPEX by 30-50% - less bulk reduces plant size*

# *U-pgrade*<sup>TM</sup> – Additional Benefits



- *U-pgrade*<sup>TM</sup> process has the added benefits of;
  - ✓ *Successfully tested in sea water*
  - ✓ *Applicable to high sulphate ores*
  - ✓ *Produces inert waste stream – environmentally friendly*
- *U-pgrade*<sup>TM</sup> uses well established and understood unit processes configured in unconventional manner (IP is embedded in integration of process)
- World class team developed *U-pgrade*<sup>TM</sup>
- Global application: ~4 billion pounds of surficial uranium deposits
- *U-pgrade*<sup>TM</sup> patent application lodged



- **U-pgrade™** was developed in cooperation with the CSIRO in Perth
- Outcomes and conclusions of CSIRO include;
  - ✓ *“U-pgrade™ occurs at atmospheric temperature and pressure, without the need for expensive reagents”*
  - ✓ *“U-pgrade™ uses standard equipment commonly used to process base metals, gold, mineral sands, etc”*
  - ✓ *“CSIRO have concluded there should be no significant issues with scale up to pilot plant and then to commercialisation”*
  - ✓ *“The U-pgrade™ process relies upon robust process knowhow, rather than untested hardware”*

# *U-pgrade*<sup>TM</sup> – Application to Resources



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- Successful *U-pgrade*<sup>TM</sup> amenability tests completed on a number of ore sources
- These include
  - ✓ *Areva Trekkopje deposit in Namibia*
  - ✓ *Deep Yellow Tumas and Aussinanis deposit in Namibia*
  - ✓ *Deep Yellow Napperby deposit in Australia*
  - ✓ *Other Namibian and southern African deposits*
  - ✓ *Other Australian deposits*
- *Very encouraging results have been achieved from testing of these samples*
- ***U-pgrade**<sup>TM</sup> has a broader application than these resources and has application to surficial ores in semi arid to arid environments, not just calcrete deposits*

# *U-pgrade*<sup>TM</sup> – Market Opportunity

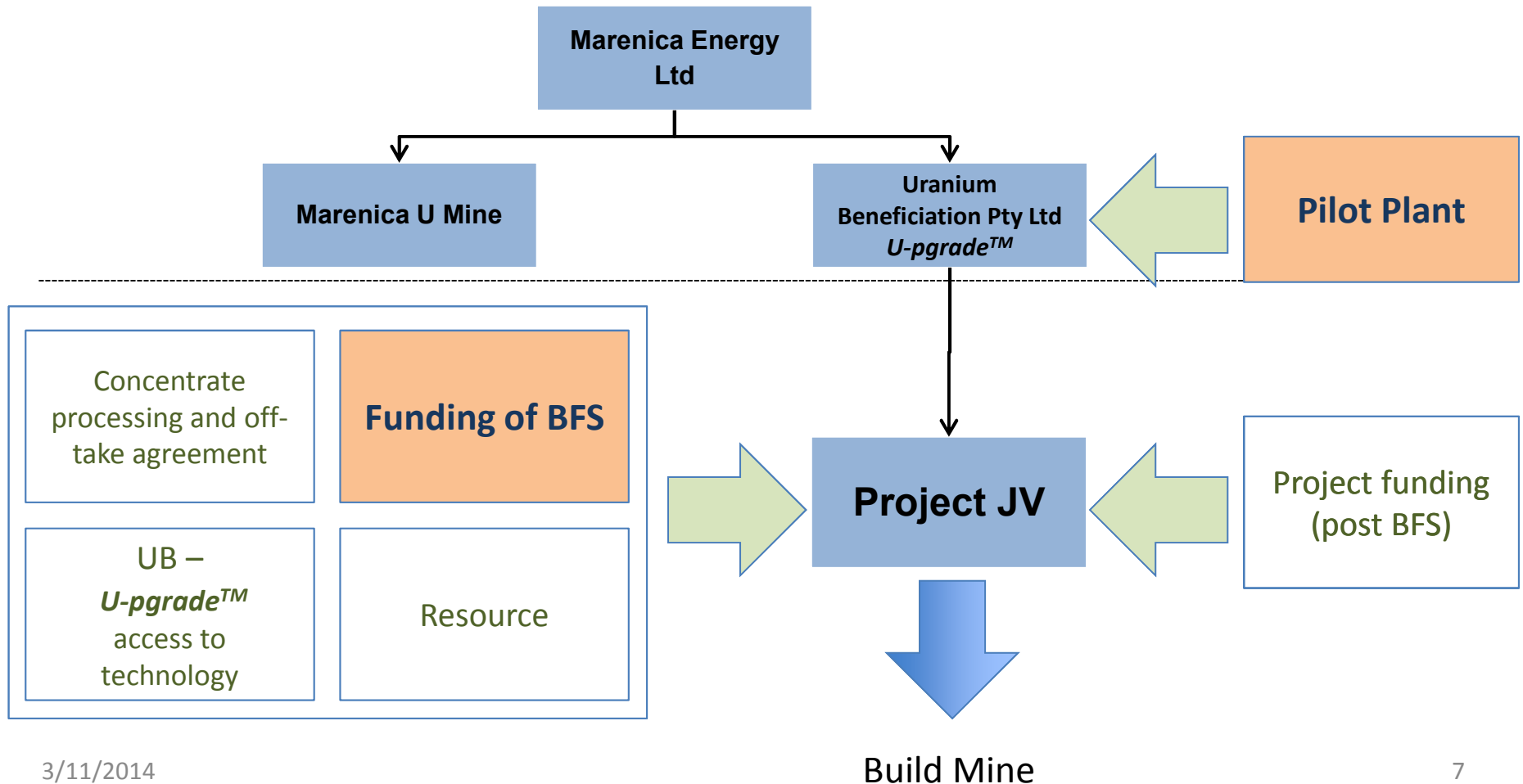


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- Quantum leap in performance available to owners of surficial deposits by using *U-pgrade*<sup>TM</sup>
  - ✓ *Most existing mines are marginal at best, with owners seeking substantial cost reductions in order to secure their financial future*
  - ✓ *U<sub>3</sub>O<sub>8</sub> price now well below incentive price for most new projects – seeking breakthrough to create viable project and commercialise before competitors*
- Most resource owners are highly motivated to decrease costs, seeking solutions to stay in business/reduce cash burn
- Low uranium price improves attractiveness of *U-pgrade*<sup>TM</sup> because owners squeezed by price/cost imbalances
- These factors are central in persuading asset owners to consider the integration of *U-pgrade*<sup>TM</sup> into their operations/projects

# Funding Requirement

- Funding can take place at various levels
- Focus is on investment in UB and to support project Bankable Feasibility Study (BFS)
- At completion of BFS development capital will be sought to build the mine



# *U-pgrade*<sup>TM</sup> – Funding process update

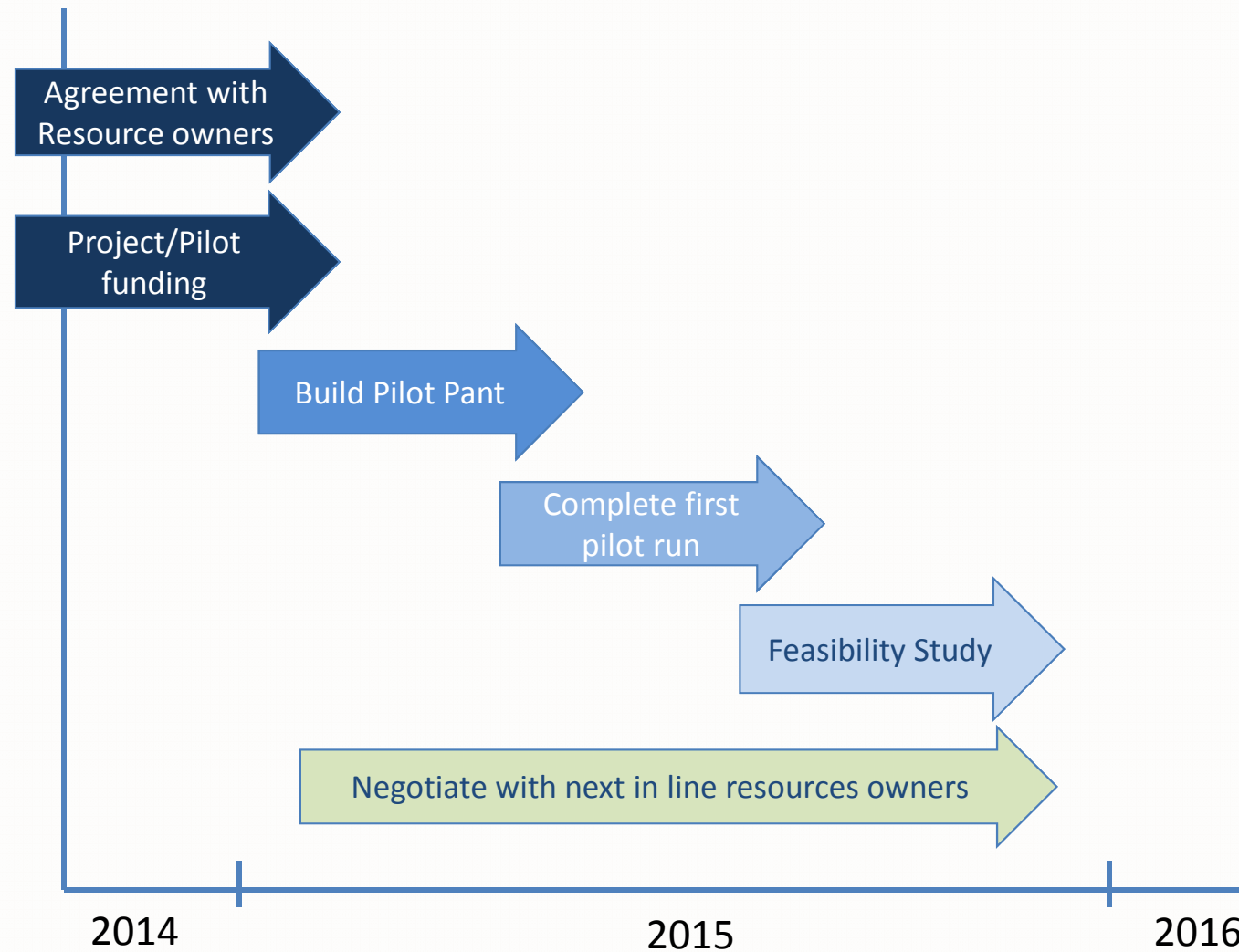


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- Select group of investors short listed
- Well advanced discussions at technology and project investment levels
- Allowed access to *U-pgrade*<sup>TM</sup> 'black box' to limited number of parties to control dissemination of IP
- *U-pgrade*<sup>TM</sup> has stood up to rigorous technical due diligence from all investors to whom we have provided access to the technology
- All targeted resources are likely to have development incentive prices below current contract prices for U<sub>3</sub>O<sub>8</sub>. Several target resources demonstrate acceptable returns even at current low prices
- Excellent leverage to expected increase in price in the coming years.



# *U-pgrade*<sup>TM</sup> commercialisation of first project – 2015



- Submitted application to Ministry of Mines and Energy Namibia for Mineral Deposit Retention License
  - ✓ *If approved would allow a period of 5 years grace with respect to exploration expenditure obligations*
- Texas and Oklahoma Coal Company (TOCC)
  - ✓ *TOCC successfully merged with Metals Finance Corporation (MFC)*
  - ✓ *Marenica holding will be 2.83M shares at a list price of \$0.20*
- Research & Development (R&D)
  - ✓ *Well prepared and received 2013/14 R&D refund in early August 2014*
- Capital Raising
  - ✓ *Successful capital raising in July 2014, providing vote of confidence in **U-pgrade**<sup>TM</sup> and commercialisation strategy*

# Conclusion



- Marenica has developed potentially disruptive technology capable of converting many uneconomic uranium deposits into strategically important production assets operating in the bottom half of the industry cost curve
- The company's primary objective is to commercialize ***U-pgrade™*** earning commercial interests in operating assets
- We are making excellent progress in arranging funding for this process and working with resource owners to achieve this objective
- We are pleased that the technology is standing up to rigorous due diligence
- Working with shortlist of strategic and financial investors