



## ASX RELEASE

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### About Marenica Energy

- Marenica Energy Limited (ASX: MEY) is a minerals exploration company holding a portfolio of mineral tenements in Namibia and Australia.
- Marenica is currently focused on the development of its proprietary Uranium **U-pgrade™** process

**U-pgrade™** is a beneficiation process for upgrading secondary uranium deposits.

- Marenica's principal project is the 75% owned Marenica Uranium Project in Namibia.

### Investment Summary

- 100% interest in Uranium **U-pgrade™** Process
- 75% interest in the Marenica Uranium Project in Namibia.

### Contact

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## Quarterly Activity Report for the period ending 30 June 2017

### Highlights

#### Uranium **U-pgrade™** Process

- Langer Heinrich ore samples are in transit to Perth for an **U-pgrade™** amenability testwork program.
- Paladin Energy Limited (currently 75% owner of the Langer Heinrich Mine) has entered Administration; however, this should not directly affect the test work program or the potential application of **U-pgrade™** at the Mine.
- Preliminary discussions are progressing positively with other resource owners with the aim to enable testing of **U-pgrade™** on their projects.

#### Marenica Uranium Project

- An Independent Scoping Study confirmed ~50% reduction in operating and ~50% reduction in capital costs as a result of the application of **U-pgrade™** to the Marenica Uranium process plant.
- Additional capital cost savings are possible if the **U-pgrade™** concentrate is leached and refined at an existing third party site.
- Scoping Study announcement was released to ASX on 18 April 2017.

## Marenica Uranium Project – Namibia (75%)

The Marenica Uranium Project (“Project”) is located within Mineral Deposit Retention Licence (MDRL) 3287 in the Erongo Region of Namibia; a recognised uranium mining province and home to several world class uranium deposits and operating mines. As such it has the advantage of well-established and reliable mining related infrastructure and services, and a stable legislative framework within which to operate.

It adjoins the similar Trekkopje Deposit which was acquired by Areva in 2007 as a part of the Uramin acquisition for US\$2.5 billion.



## Uranium *U-pgrade™* Process Technology

During the quarter Marenica and Paladin Energy Limited (“Paladin”) agreed to conduct an *U-pgrade™* amenability testwork program on low grade ore samples from Paladin’s 75%-owned Langer Heinrich Uranium Mine (“LHM”) in Namibia. Samples collected in June are in transit to Perth where the *U-pgrade™* amenability testwork program will be completed. The aim of the testing is to confirm the substantial benefits of Marenica’s proprietary *U-pgrade™* process to LHM; including reduced unit operating costs and increased future production.

Marenica believe the mineralogy at Langer Heinrich is very similar to the Marenica and Deep Yellow Tumas deposits and other ores tested through *U-pgrade™*. Marenica have a high level of confidence that the Langer Heinrich ore will be amenable to the *U-pgrade™* process. Marenica developed *U-pgrade™* on calcrete uranium ore and consider the Langer Heinrich ore to be a prime candidate for application of *U-pgrade™* and are keen to demonstrate the amenability of *U-pgrade™* to the highest grade uranium deposit in Namibia and the only operating mine processing calcrete ore. Discussions continue with a number of resource owners to enable Marenica to demonstrate the benefits of *U-pgrade™* and to then enter into agreements for future testwork and eventually license and commercialisation agreements. Due diligence has been completed on several resources. The Company remains encouraged by the strong interest shown in the technology throughout the industry.

## *Corporate and Financial*

During the quarter the Company raised \$1.36 million, before costs, from a mixture of new cash and settlement of debts by the issue of shares.

## *Tenement Schedule*

The Group holds the following mineral tenements at the end of the quarter.

Namibia – Marenica Minerals (Pty) Ltd (Marenica 75%)

- MDRL3287

Australia – Marenica Energy Ltd

- Vic Loc 118; Vic Loc 119 and Vic Loc 833

## ***What is U-pgrade™?***

Marenica has previously developed a beneficiation process for upgrading uranium from low grade uranium ores. Marenica has developed this potentially disruptive technology on ore samples from its namesake Marenica Project in Namibia. The Company has demonstrated in bench scale testwork that it can concentrate the uranium from its low grade calcrete hosted uranium deposit in Namibia (Marenica). In summary, on that ore, ***U-pgrade™*** has demonstrate that it;

- 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
- Reduces operating costs by ~50% and capital costs by ~50% compared to conventional processing

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