



26 July 2019

## ASX Announcement

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### Marenica raises \$1.6 million to continue uranium exploration

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Marenica Energy Limited (ASX: MEY) (“Marenica” or “the Company”) is pleased to advise it has completed a capital raising for a total of \$1.6 million, before costs.

The placement of 16,012,417 fully paid ordinary shares at an issue price of 10 cents per share (“Share”) plus 16,012,417 free attaching options, will raise a total of \$1,601,241.70, before costs (“Placement”). The options will be granted on the basis of one option for every Share subscribed and have an exercise price of \$0.17 per share, exercisable within two years of grant (“Placement Option”). The Placement was completed to sophisticated and new institutional shareholders. Patersons Securities Limited was lead manager to the Placement.

The funds raised will be applied to fund exploration activities and working capital, including to:

- continue to explore Marenica’s Namibian uranium tenement portfolio and in particular, its extensive tenement position in the Erongo region. During the calendar year, Marenica was granted five new tenements in the Erongo region and it plans to progressively explore each tenement as soon as possible. Drilling has commenced on the first of those tenements, being EPL 6987, known as Koppies; and
- advance the Australian uranium projects, being the Angela, Thatcher Soak, Minerva and Oobagooma project areas and joint venture holdings in the Bigrlyi, Malawiri, Walbiri and Areva joint ventures, subject to completion of their acquisition from Optimal Mining Limited, see the following page for details. The Company will scope and prioritise the activities to be undertaken on each project area. The application of **U-pgrade™** to these assets will be considered during that scoping process. The mineral resources contained in the projects are variously JORC 2004 and 2012 compliant. In accordance with ASX Listing Rules, the current mineral resources which are JORC 2004 compliant, will be updated to JORC 2012; and
- continue to assess the application of **U-pgrade™** to third party assets.

Marenica Managing Director Murray Hill said, “Over the past 12 months, we have assembled an impressive portfolio of tenements and in the near-term, we expect to have the largest uranium tenement holdings in Namibia. We are excited about the potential of the drilling which has recently commenced on EPL 6897 in Namibia and the expected extensions of that drilling into our tenement applications.

“Marenica’s recent counter-cyclical agreement to purchase high-grade uranium resources in Australia, averaging 859 ppm U<sub>3</sub>O<sub>8</sub>, will increase our uranium resources by 48 Mlbs U<sub>3</sub>O<sub>8</sub>, when and subject to the expected completion of the acquisition in September.

“Following completion of the acquisition, Marenica will have one of the largest uranium resource inventories of ASX-listed companies, diversified by location and with a revolutionary uranium beneficiation process. Based on this, Marenica is set up for an expected turnaround in the uranium sector. Marenica continues its exciting phase of development in the uranium space.”

## **Details of the Capital Raising**

The placement of 16,012,417 fully paid ordinary shares (“Shares”) at an issue price of 10 cents per Share plus 16,012,417 attaching Placement Options, will raise a total of \$1,601,241.70, before costs. The Placement Options will be granted on the basis of one Option for every Share subscribed. The Placement Options will have an exercise price of \$0.17 per share and will be exercisable within two years of grant.

The Company will place 10,981,843 Shares in accordance with ASX Listing Rule 7.1 and 5,030,574 Shares in accordance with ASX Listing Rule 7.1A. The issue of the shares is expected to occur on or about Thursday, 1 August 2019. The grant of the 16,012,417 free attaching Placement Options is subject to shareholder approval. A general meeting of shareholders will be held as soon as practical.

The Shares will rank equally in all respects with existing Marenica fully paid ordinary shares. Following completion of the placement, the Company expects to issue 16,012,417 new Shares, increasing the total shares on issue to 89,224,710. The Company will release an Appendix 3B in due course.

Patersons Securities Limited, or their nominees, will be paid a fee of six percent on the cash raised and in addition, subject to shareholder approval, they will be issued with two Options for every one dollar of cash raised for total of 3,202,483 Options (“Broker Options”). Shareholder approval to grant the Broker Options will be sought at the same general meeting as for the Placement Options.

## **Agreement to Acquire the Australian Uranium Assets of Optimal Mining Limited**

On 4 July 2019, Marenica announced that it has entered into an agreement to acquire all of the interests in two Australian subsidiaries of Optimal Mining Limited (“Optimal”), which collectively hold 16 mining tenements and joint venture interests in 28 mining tenements in Western Australia and the Northern Territory. Completion of the agreement is subject to shareholder and regulatory approval.

## **Marenica Requests that ASX Lift the Voluntary Suspension**

The Company requests that ASX lift the voluntary suspension of Marenica’s securities prior to the start of trading on Friday, 26 July 2019.

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**Figure 1: Optimal Mining Limited’s Uranium Mineral Resources in Australia, subject to an agreement to acquire from Optimal.**

Deposit	Category	Cut-off (ppm U <sub>3</sub> O <sub>8</sub> )	Total Resource			Marenica’s Share			
			Tonnes (M)	U <sub>3</sub> O <sub>8</sub> (ppm)	U <sub>3</sub> O <sub>8</sub> (Mlb)	Holding	Tonnes (M)	U <sub>3</sub> O <sub>8</sub> (ppm)	U <sub>3</sub> O <sub>8</sub> (Mlb)
<b>100% Holding</b>									
Angela *	Inferred	300	10.7	1,310	30.8	100%	10.7	1,310	30.8
Thatcher Soak	Inferred	150		425	10.9	100%	11.6	425	10.9
<b>100% Held Resource Total</b>			<b>22.3</b>	<b>850</b>	<b>41.7</b>	<b>100%</b>	<b>22.3</b>	<b>850</b>	<b>41.7</b>
<b>Bigrlyi Joint Venture</b>									
<b>Bigrlyi Deposit*</b>	Indicated	500	4.7	1,366	14.0				
	Inferred	500	2.8	1,144	7.1				
<b>Bigrlyi Deposit Total</b>			<b>7.5</b>	<b>1,283</b>	<b>21.1</b>	<b>20.82%</b>	<b>1.55</b>	<b>1,283</b>	<b>4.39</b>
Sundberg	Inferred	200	1.01	259	0.57	20.82%	0.21	259	0.12
Hill One JV	Inferred	200	0.26	281	0.16	20.82%	0.05	281	0.03
Hill One EME	Inferred	200	0.24	371	0.19				
Karins	Inferred	200	1.24	556	1.52	20.82%	0.26	556	0.32
<b>Bigrlyi Joint Venture Total</b>			<b>10.2</b>	<b>1,049</b>	<b>23.5</b>	<b>20.82%</b>	<b>2.07</b>	<b>1,065</b>	<b>4.86</b>
<b>Walbiri Joint Venture</b>									
Joint Venture	Inferred	200	5.1	636	7.1	22.88%	1.16	636	1.63
100% EME	Inferred	200	5.9	646	8.4				
<b>Walbiri Total</b>			<b>11.0</b>	<b>641</b>	<b>15.5</b>				
<b>Malawiri Joint Venture</b>									
Malawiri JV	Inferred	100	0.42	1,288	1.20	23.97%	0.10	1,288	0.29
<b>Joint Venture Resource Total</b>			<b>21.6</b>	<b>847</b>	<b>40.2</b>		<b>3.34</b>	<b>923</b>	<b>6.77</b>
<b>Australian Total</b>			<b>43.9</b>	<b>848</b>	<b>81.9</b>		<b>25.6</b>	<b>859</b>	<b>48.4</b>

\* JORC 2004 Resources, all others are JORC 2012.

The mineral resources above were first reported by Marenica in the ASX announcement of 4 July 2019 titled “Uranium Resource Base Increased by 48 Mlbs to 110 Mlbs”. With regards to that announcement, the Company confirms that it is not aware of any new information or data that materially affects the information in that announcement and further confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

The Mineral Resource Estimate for the resources noted as JORC 2004 in the table above were prepared and first disclosed under the 2004 Edition of the Australian Code for the Reporting of Exploration Results, Minerals Resources and Ore Reserves (JORC Code 2004). It has not been updated since to comply with the 2012 Edition of the Australian Code for the Reporting of Exploration Results, Minerals Resources and Ore Reserves (JORC Code 2012) on the basis that the information has not materially changed since it was last reported. A Competent Person has not undertaken sufficient work to classify the estimate of the Mineral Resource in accordance with the JORC Code 2012; it is possible that following evaluation and/or further exploration work the currently reported estimate may materially change and hence will need to be reported afresh under and in accordance with the JORC Code 2012;