



Bannerman Energy Ltd and Controlled Entities

ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2021

CORPORATE DIRECTORY

NON-EXECUTIVE CHAIRMAN

Ronnie Beevor

CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR

Brandon Munro

NON-EXECUTIVE DIRECTORS

Ian Burvill

Clive Jones

Mike Leech

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STOCK EXCHANGE LISTINGS

Australian Securities Exchange (ASX Code: BMN)

Namibian Stock Exchange (NSX Code: BMN)

OTC Markets (OTCQB Code: BNNLF)

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ABOUT BANNERMAN ENERGY LTD

About Bannerman - Bannerman Energy Ltd is an ASX, OTCQB and NSX listed exploration and development company with uranium interests in Namibia, a southern African country which is a premier uranium mining jurisdiction. Bannerman’s principal asset is its 95%-owned Etango Project situated near the Rössing uranium mine, Paladin’s Langer Heinrich uranium mine and CGNPC’s Husab uranium mine. A definitive feasibility study and an optimisation study has confirmed the viability of a large open pit and heap leach operation at one of the world’s largest undeveloped uranium deposits.

From 2015 to 2017, Bannerman conducted a large scale heap leach demonstration program to provide further assurance to financing parties, generate process information for the detailed engineering design phase and build and enhance internal capability.

In August 2021, Bannerman completed a Pre-Feasibility Study on an 8Mtpa development of Etango (Etango-8 Project). The Study has demonstrated that this accelerated, streamlined project is strongly amenable to development – both technically and economically. A Definitive-Feasibility Study on the Etango-8 Project is underway with targeted completion scheduled for 3Q CY2022.

More information is available on Bannerman’s website at www.bannermanenergy.com.

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Fellow Shareholder

I am delighted to share that your company is in a strong position at a time when the uranium sector is poised to benefit from fundamental tail winds that are propelling the prospects of nuclear power. These prospects have been recognised early by equity investors, as they often are. Accordingly, uranium equities have benefitted from a re-rating that has seen the value of your company increase several-fold since our last annual general meeting, outperforming most of the uranium sector in that period. The uranium spot price has also increased, initially as a result of investors recognising that uranium's decade-long trading range is economically unsustainable. This recognition has taken several forms, notably the rapid capitalisation of uranium-focused ETFs (all of which include Bannerman Energy) and the Sprott Physical Uranium Trust.

Bannerman's outperformance is a gratifying endorsement of a well-formulated strategy that has been disciplined, focused and superbly executed by your management. This strategy has generated additional value to our flagship Etango project, continued our stewardship of shareholder funds and a yielded a nuanced view of the uranium market via your CEO, Brandon Munro.

In August we further progressed our advanced Etango Uranium Project with the publication of the Etango-8 Pre-Feasibility Study (PFS). Etango-8 is a streamlined development approach to the world-class scale resource endowment that we are blessed with in Namibia. The Etango-8 PFS further demonstrated the credibility of this approach and the quality of the technical work, with economics that improved on the August 2020 Scoping Study. We are now busy with the Etango-8 Definitive Feasibility Study (DFS), which will benefit from the fact that a DFS has already been completed at Etango, albeit as a much larger development proposition.

The Etango-8 PFS confirmed the viability of a mine with an initial average production of 3.5 million pounds per annum over an initial life of 15 years¹. Once the mine is operational, there is realistic potential for expanding production, extending mine life or both, given the scale of Etango's total mineral resource and that the mineralisation continues beneath the currently modelled resources.

We conducted a carefully planned capital raising in February 2021, which maintained Bannerman's strong balance sheet and ensured the company was capitalised for completion of the Etango-8 DFS and beyond. At 30 June 2021 we held \$12.5 million in cash and had no debt. Funds were raised at a share price more than twice the 12-month volume weighted average price of BMN shares on ASX and a 120% premium to our last raising price in 2018. This pleasing result confirms the value of our sophisticated understanding of the uranium market and the benefits of financial prudence.

Our strong balance sheet and share price presented an opportunity to buy-back and extinguish the only third-party royalty over the Etango project. Extinguishment of this 1.5% royalty was highly value accretive and has increased shareholder leverage to recovering uranium prices whilst simplifying future financing of the project.

Whilst COVID-19 has had a pronounced effect on Namibia and our host community, the various restrictions, including international travel bans, did not unduly affect our business. This is partly the good fortune of being in a feasibility phase of our development and partly due to the effectiveness of our senior management in Namibia.

We continue to recognise the benefits of Etango's domicile in Namibia, which has a 45-year history of uranium mining and currently ranks third in the world by production volume. Namibia boasts political stability and security, excellent infrastructure in proximity to our project, effective environmental regulations and social and government support for uranium mining. Our strong in-country presence and engagement has characterised Bannerman's approach since 2006, enabling us to fully embrace such advantages, including community and government support for developing Etango.

I am particularly proud to say that Bannerman is internationally recognised for its good corporate citizenship, having consistently demonstrated outstanding environmental, social and governance credentials that are consistent with best practice ESG principles. We earned a reputation as a leader in community engagement, social development and environmental stewardship – and built that foundation long before ESG became a talking point.

CHAIRMAN'S LETTER TO SHAREHOLDERS

We continued our focus on the health and safety of our employees, with Bannerman approaching its 12th consecutive year without a lost time injury.

On your behalf, I would like to recognise the effectiveness and dedication of the Bannerman team in Namibia and Australia. I am grateful to all Bannerman stakeholders, including the Namibian government, our host community and the One Economy Foundation (which holds a 5% ownership of the Etango Project) for their continued support of our pathway to development.

Your Board remains excited about Etango-8 and our position within the uranium sector. The Etango-8 development pathway enables us to get into production to benefit from the current uranium cycle, whilst having the option of increasing our production rate in the future to take advantage of deepening forecasted deficits in the uranium market over the course of this decade.

Yours sincerely,



Ronnie Beevor
Chairman

¹ Bannerman advised of the completion of a Pre-Feasibility Study for an 8Mtpa development of its flagship Etango Uranium Project in Namibia (Etango-8 Project) in an ASX announcement 2 August 2021. Bannerman is not aware of any new information or data that materially affects the information included in this ASX release, and Bannerman confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in this release continue to apply and have not materially changed.

Board of Directors

Ronald (Ronnie) Beevor

B.A. (Hons)

Non-Executive Chairman

Term of Office

Director since 27 July 2009, Chairman since 21 November 2012

Independent: Yes

Skills, experience and expertise

Ronnie has had over 40 years experience in investment banking and mining. He was Head of Investment Banking at Rothchild Australia between 1997 and 2002. Since then he has been Chair or a Non-Executive director of a range of mining companies, both in Australia and internationally.

Ronnie is currently also Chair of Felix Gold, which has substantial gold exploration properties around Fairbanks, Alaska on the Tintina Gold Belt. Previously he was Chair of AIM listed EMED Mining which acquired, re-developed and operates the original and now 15mtpa Rio Tinto copper mine in southern Spain. Ronnie's extensive career as a company director included serving on the boards of Riversdale Resources (which proved up the substantial Grassy Mountain metallurgical coal deposit in Alberta, Canada and was taken over by Hancock Prospecting for A\$800M in 2019), Talison Lithium (which acquired the Greenbushes lithium mine in WA and was taken over by Tianqi Lithium for C\$900M in 2013), Ampella Mining (which was developing a major gold discovery in Burkina Faso, until taken over by Centamin plc in 2014) and Oxiana (which developed the substantial gold and copper operations at Sepon in Laos, acquired the Golden Grove polymetallic mine in WA and developed the Prominent Hill mine in SA, and which in 2008 merged with Zinifex to form OZ Minerals).

Ronnie has an Honours Degree in Philosophy, Politics and Economics from Oxford University (UK) and qualified as a chartered accountant in London in 1972.

Special Responsibilities

Member of the Audit Committee

Member of the Remuneration, Nomination and Corporate Governance Committee

Current ASX listed directorships

Nil

Former ASX listed directorships over the past three years

MZI Resources Limited (15 April 2016 to 16 April 2019)

Wolf Minerals Limited (20 September 2013 to 18 October 2018)

Brandon Munro

LLB, B.Econ, GAICD, F Fin, GradDipAppFin SIA

Chief Executive Officer (CEO) and Managing Director

Term of Office:

CEO and Managing Director since 9 March 2016

Independent: No

Skills, experience and expertise

Brandon has over 20 years' experience as a corporate lawyer and resources executive, including as Bannerman's General Manager between 2009-2011, based in Namibia. Brandon was appointed CEO of Bannerman in 2016. Brandon lived in Namibia for over five years between 2009-2015, where he also served as Governance Advisor to the Namibian Uranium Association, Strategic Advisor – Mining Charter to the Namibian Chamber of Mines and Trustee of Save the Rhino Trust Namibia, a high profile Namibian NGO.

Brandon is a prominent thought leader within the uranium sector, including serving as Co-Chair of the World Nuclear Association's Nuclear Fuel Demand working group and being an expert contributor on uranium to the UN Economic Commission for Europe. Brandon's voluntary service has included board roles in the conservation, arts and education sectors.

Special Responsibilities

Managing Director

Current ASX listed directorships

Nil

Former ASX listed directorships over the past three years

Novatti Group Limited (12 October 2015 to 5 August 2020)

Scandivanadium Limited (13 November 2018 to 6 November 2020)

BOARD OF DIRECTORS AND EXECUTIVES

Ian Burvill

BEng (Mech), MBA, MIEAust, CPEng, GAICD

Non-Executive Director

Term of Office

Director since 14 June 2012

Independent Yes

Skills, experience and expertise

Ian has over 35 years of mining industry experience. He started his career as a mechanical engineer, then worked as a merchant banker before becoming a senior executive in private equity. He is a former Partner of Resource Capital Funds and a past Associate Director of Rothschild Australia Limited. Ian has sat on the boards of ten mining companies, two mining services groups, a mining technology venture capital firm and a leading mining private equity firm.

Special Responsibilities

Chairman of the Remuneration, Nomination and Corporate Governance Committee

Member of the Audit Committee

Current ASX listed directorships

Nil

Former ASX listed directorships over the past three years

Scandivanadium Limited (13 November 2018 to 28 April 2020)

Clive Jones

B.App.Sc(Geol), M.AusIMM

Non-Executive Director

Term of Office

Director since 12 January 2007

Independent No

Skills, experience and expertise

Clive has over 30 years' experience in mineral exploration across a diverse range of commodities, including gold, base metals, mineral sands, uranium and iron ore. He applied for the Etango prospecting licence in 2005 and has since been closely involved in the project. Clive has extensive experience as a director of numerous ASX-listed mining and exploration companies.

Special Responsibilities

Chairman of the Health, Safety, Environment and Community Committee

Member of the Remuneration, Nomination and Corporate Governance Committee

Current ASX listed directorships

Cazaly Resources Limited (15 September 2003)

Former ASX listed directorships over the past three years

Corazon Mining Limited (10 February 2005 to 29 November 2019)

Mike Leech

FCIS (Accountancy)

Non-Executive Director

Term of Office

Director since 12 April 2017

Independent Yes

Skills, experience and expertise

Mike is a respected statesman of the Namibian mining industry. He is a former Managing Director of Rössing Uranium Ltd, past president of the Namibian Chamber of Mines and past Chairman of the Namibian Uranium Association. His career with Rio Tinto started in 1982 when he joined Rössing as an accountant and included a posting as Administration Director of Anglesey Aluminium before returning to Rössing in 1997 as Chief Financial Officer. Mike was Managing Director of Rössing, then the largest open pit uranium mine in the world, for 6 years until he retired in 2011. Since retirement Mike has consulted to the uranium sector and served as a non-executive director of ASX-listed Kunene Resources Ltd, a base metals explorer that discovered the Opuwo Cobalt Project in Namibia.

Mike's commitment to corporate social responsibility in Namibia is well known, including as a former Trustee of Save the Rhino Trust Namibia and the Rössing Foundation.

Mike was named an honorary life member of the Namibian Uranium Association in recognition of his singular service to the uranium industry.

Special Responsibilities

Chairman of Bannerman's 95% owned Namibian subsidiary, Bannerman Mining Resources (Namibia) (Pty) Ltd

Chairman of the Audit Committee

Member of the Health, Safety, Environment and Community Committee

Current ASX listed directorships

Nil

Former ASX listed directorships over the past three years

Nil

COMPANY SECRETARY

Rob Orr

B Bus Acc, CA

Term of Office

Company Secretary since 2 January 2020

Skills, experience and expertise

Rob is a Chartered Accountant and has more than 30 years of experience in auditing, accounting and secretarial roles. He commenced his career at an international accounting firm and has had significant exposure to the resources sector in the roles of Chief Financial Officer and Company Secretary for a number of ASX listed companies.

EXECUTIVE

Werner Ewald

BSc (Elect), MBA (Stellenbosch)

Managing Director, Bannerman Mining Resources (Namibia) (Pty) Ltd

Term of Office

Since 24 June 2010

Skills, experience and expertise

Werner joined Bannerman in June 2010 as the Etango Project Co-ordinator following 22 years with Rio Tinto which included 20 years at the Rössing Uranium Mine in Namibia and 2 years at the Tarong Coal Mine in Queensland, Australia. He held numerous operational roles at Rössing including Engineering Manager, Mine Operations Manager and Business Improvement Manager. Prior to Rio Tinto he worked with the De Beers Group at their underground operations near Kimberly, South Africa and the Namdeb alluvial operations in Namibia.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present their report on the consolidated entity comprising Bannerman Energy Ltd (“**Bannerman**” or the “**Company**”) and its controlled entities (the “**Group**”) for the year ended 30 June 2021 (“**the financial year**”). Bannerman is a company limited by shares that is incorporated and domiciled in Australia.

BOARD OF DIRECTORS

The directors of Bannerman in office during the financial year and up to the date of this report were:

Name	Position	Independent	Appointed
Ronnie Beevor	Non-Executive Chairman	Yes	27 July 2009
Brandon Munro	Chief Executive Officer	No	9 March 2016
Ian Burvill	Non-Executive Director	Yes	14 June 2012
Clive Jones	Non-Executive Director	No	12 January 2007
Mike Leech	Non-Executive Director	Yes	12 April 2017

COMPANY SECRETARY

The company secretary of Bannerman in office during the financial year and up to the date of this report was:

Name	Appointed
Rob Orr	2 January 2020

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Particulars on the skills, experience, expertise and responsibilities of each director and the company secretary at the date of this report, including all directorships of other companies listed on the Australian Securities Exchange, held or previously held by a director at any time in the past three years, are set out on pages 3 to 4 of this report.

BOARD MEETING ATTENDANCE

Particulars of the number of meetings of the Board of directors of Bannerman and each Board committee of directors held and attended by each director during the 12 months ended 30 June 2021 are set out in Table 1 below.

Table 1. Directors in Office and attendance at Board and Board Committee Meetings during 2020/2021

	Board meetings		Board committee meetings					
			Audit Committee		Remuneration, Nomination & Corp. Governance Committee		Health, Safety, Environment and Community Committee	
	A	B	A	B	A	B	A	B
Ronnie Beevor	9	9	2	2	2	2	1*	-
Brandon Munro	9	9	2*	-	2*	-	1*	-
Ian Burvill	9	9	2	2	2	2	1*	-
Clive Jones	9	9	2*	-	2	2	1	1
Mike Leech	9	9	2	2	2*	-	1	1

A = Number of meetings attended

B = Number of meetings held during the time the director held office or was a member of the relevant committee during the year.

* Indicates that a Director attended some or all meetings by invitation whilst not being a member of a specific committee.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

DIRECTORS' INTERESTS IN SECURITIES IN BANNERMAN

As at the date of this report, the relevant interests of each director in the ordinary shares and share options in Bannerman, as notified to the Australian Securities Exchange in accordance with s205G(1) of the Corporations Act 2001, are as follows:

	Fully Paid Ordinary Shares		Share Options		Performance Rights	
	Beneficial, private company or trust	Own name	Beneficial, private company or trust	Own name	Beneficial, private company or trust	Own name
Ronnie Beevor	7,525,743	-	6,628,900	-	-	-
Brandon Munro	17,782,931	-	-	-	24,103,334	-
Ian Burvill	-	1,641,000	-	1,182,600	-	833,300
Clive Jones	77,848,668	-	1,182,600	-	833,300	-
Mike Leech	-	-	-	7,501,300	-	-

PRINCIPAL ACTIVITIES

Bannerman is an exploration and development company with uranium interests in Namibia, a southern African country which is a premier uranium mining jurisdiction. Bannerman's principal asset is its 95%-owned Etango Project situated southwest of CNNC's Rössing uranium mine and CGNPC's Husab Mine and to the north west of Paladin Energy's Langer-Heinrich mine. Etango is one of the world's largest undeveloped uranium deposits. Bannerman is focused on the development of a large open pit uranium operation at Etango.

OPERATING AND FINANCIAL REVIEW

CORPORATE

Issued Securities

On 19 February 2021 the Company issued 114,284,716 fully paid ordinary shares at an issue price of \$0.105 per share to sophisticated and institutional investors through a placement to raise \$12 million. Funds raised will be used in the completion of the Etango Pre-Feasibility Study (PFS), and to undertake the Definitive Feasibility Study (DFS).

At the date of this report, the Company has the following securities on issue:

- 1,204,817,778 fully paid ordinary shares
- 47,562,601 performance share
- 22,495,400 unlisted options

Annual General Meeting

Bannerman held its Annual General Meeting on 20 November 2020. As previously announced, all resolutions put to shareholders at the Annual General Meeting were duly carried by poll.

Change of name

Effective 27 July 2021 Bannerman changed its name from Bannerman Resources Limited to Bannerman Energy Ltd. The new name reflects the Company's focus over many years on uranium, an energy metal, and the Company's continued commitment to the uranium sector and the nuclear power industry.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Employee Incentive (EIP) and Non-executive Incentive Plans (NEDSIP)

The Company has an EIP and NEDSIP that is designed to align participants' interest with those of shareholders by enabling employees and Key Management Personnel to access the benefits of an increase in the value of the Company's shares.

The baseline price for the 2021 Performance Rights is 17.9 cents per share, being the Volume Weighted Average Price for the 20 trading days ended 30 June 2021. The rights issued under the EIP are subject to various performance targets and continuous employment periods.

The Company advised during the period that the following securities were issued or cancelled under the Company's Incentive Plan:

- 13,731,200 unlisted options expired unexercised and therefore lapsed and were cancelled.
- 808,363 unlisted employee performance rights have, pursuant to the terms of the Employee Incentive Plan (EIP), been forfeited and cancelled following non-satisfaction of the relevant performance criteria.
- 16,070,366 fully paid ordinary shares were issued upon vesting of unlisted employee performance rights in accordance with the terms of the EIP and Non-Executive Director Share Incentive Plan (NEDSIP).
- 22,966,200 unlisted performance rights and 9,559,200 unlisted options were granted in accordance with the EIP and NEDSIP as approved by shareholders on 20 November 2020.

ETANGO URANIUM PROJECT (BANNERMAN 95%)

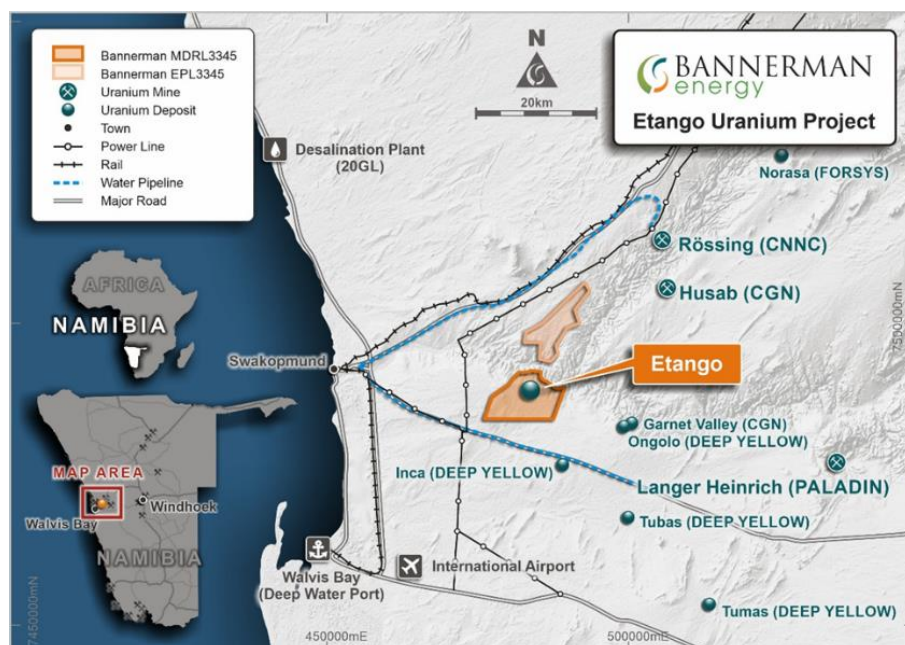


Figure 1 – The Etango Project showing MDRL 3345 and EPL 3345

Overview

The Etango Project is one of the world's largest undeveloped uranium deposits, located in the Erongo uranium mining region of Namibia which hosts the Rössing, Husab and Langer-Heinrich mines. Etango is 73km by road from Walvis Bay, one of southern Africa's busiest deep-water ports through which uranium has been exported for over 40 years. Road, rail, electricity and water networks are all located nearby.

DFS (completed in 2012)

Bannerman completed the DFS and Environmental and Social Impact Assessment ("ESIA") on the Etango project in 2012. The respective studies, as announced to the market on 10 April 2012, confirmed the technical, economic and environmental viability of the project at historical term uranium prices.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Regulatory Approvals

Exclusive Prospecting Licence 3345 (EPL 3345) was renewed for a further 2 year term, until 25 April 2023. EPL 3345 is situated immediately north of Bannerman's Mineral Deposit Retention Licence 3345 (renewal 6 August 2022), on which the Etango Uranium Project and all proposed mine infrastructure is located.

Etango-8 Project

Bannerman has continued an evaluation of various project scaling and scope opportunities under a range of potential development parameters and market conditions. Indicative outcomes of this work highlighted strong potential for a scaled-down initial development of the Etango Project. As a result, Bannerman commenced work on a Scoping Study into such a development. The Etango-8 Scoping Study was completed on 5 August 2020 and provided an early-stage confirmation of the technical and commercial viability for development of the Etango Project at an 8Mtpa throughput rate. Importantly, much of this Scoping Study evaluation was heavily informed by the detailed study work undertaken across all relevant disciplines as part of the DFS 2012 and OS 2015. The Etango-8 Scoping Study development also, critically, maintained the real option of modular expansion, up to potentially the 20Mtpa scale envisaged by the DFS 2012 and OS 2015.

On 2 August 2021 the Company announced the completion of the Pre-Feasibility Study (PFS) for an 8Mtpa development of its flagship Etango Uranium Project in Namibia (Etango-8 Project).

Key Outcomes of the Etango-8 Project PFS include:

- Confirms strong technical and economic viability of conventional open pit mining and heap leach processing of the world-class Etango deposit at 8Mtpa throughput.
- Informed by vast body of previous technical work with extensive resource drilling, geotechnical, metallurgical and environmental work already complete.
- Heap leach process route has also been comprehensively de-risked via operation of the Etango Heap Leach Demonstration Plant.
- Project rigour further bolstered through PFS with inclusion of dual pit ramps in northern and central pits, detailed plant design and higher accuracy estimation.
- Maiden Etango-8 Ore Reserve declaration.
- Further upside potential from future life extension and/or scale-up expansion.
- Long-term scalability of Etango Project (up to 20Mtpa) confirmed by previous definitive level studies; provides strong optionality and leverage to upside-case uranium market.
- Bannerman Board has approved commencement of a Definitive Feasibility Study (DFS) with completion targeted for 3Q CY2022; expected cost approx. A\$4M (excl. internal costs).

Bannerman is not aware of any new information or data that materially affects the information included in the ASX release, and Bannerman confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in this release continue to apply and have not materially changed.

COVID OPERATIONS RESPONSE

The Company has not experienced any significant disruption to its business or operations as a result of measures taken to date in either Namibia or Australia in response to the COVID-19 pandemic. The Company continues to implement various measures to protect employees, their families and the broader community from transmission of the COVID-19 virus.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

CONSOLIDATED RESULTS

The consolidated net loss after tax for the 12 months ending 30 June 2021 was \$2,277,000 (2020:\$2,315,000), which was attributable primarily to corporate and administrative expenses, and non-cash share-based compensation expenses.

Corporate, administration, personnel and other expenses for the reporting period were \$2,345,000 (2020: \$2,479,000), including employee and director share-based payment expense of \$774,000 (2020: \$736,000). Refer to the Remuneration Report and Note 20 of the financial report for further details on share-based payments.

Income for the reporting period included interest income of \$30,000 (2020: \$101,000).

Capitalised exploration and evaluation expenditure was \$54,359,000 as at 30 June 2021 (2020: \$47,906,000) reflecting the capitalisation of costs relating to the Etango Project heap leach demonstration plant construction and operation, feasibility study, resource definition drilling and assaying, and other exploration and evaluation costs and foreign currency translation movements. Total additions for the year amounted to \$1,509,000 (2020: \$637,000). A foreign exchange translation gain of \$4,944,000 (2020: \$9,624,000 loss), resulting in an increase in carrying value, was also recorded for the year. This adjustment reflects the strengthening of the Namibian \$ against the Australian \$ over the year.

Cash Position

Cash and cash equivalents were \$12,455,000 as at 30 June 2021 (2020: \$4,174,000).

Cash outflow from operating activities during the year amounted to \$1,442,000 (2020: \$1,509,000).

Cash outflow from investing activities during the year amounted to \$1,479,000 (2020: \$626,000), related primarily to drilling activities and expenditure on the Etango-8 Scoping Study.

Cash inflow from financing activities during the year amounted to \$11,205,000 (2020: \$36,000), predominantly related to the February 2021 placement of shares made during the year.

Issued Capital

Issued capital at the end of the financial year amounted to \$152,434,000 (2020: \$141,198,000). The increase of \$11,236,000 (2020: \$42,000) related to the February 2021 placement of shares.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than items already noted elsewhere in this report, there were no additional significant changes in the state of affairs of the Group during the financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Group are set out in the section titled "Etango Uranium Project" on page 8-9 of this report.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Bannerman agreed with Resource Capital Fund IV L.P. and Resource Capital Fund VI L.P. (collectively the "RCF Funds") to buy-back and extinguish the aggregate 1.5% revenue royalty held by the RCF Funds. The consideration payable to the RCF Funds, (A\$2 million cash and the issue of 15,680,000 new Bannerman shares) was settled on 19 August 2021.

Other than the matter above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

SHARE OPTIONS / PERFORMANCE RIGHTS

Share Options / Performance Rights on Issue

Details of share options and performance rights in Bannerman as at the date of this report are set out below:

Security Type	Number	Exercise price	Expiry date
Share Options	8,597,400	\$0.072	15 November 2021
Share Options	4,338,800	\$0.059	15 November 2022
Share Options	9,559,200	\$0.05	15 November 2023
Security Type	Number	Exercise price	Vesting date
Performance Rights	14,870,853	n/a	15 November 2021
Performance Rights	15,823,449	n/a	15 November 2022
Performance Rights	16,868,300	n/a	15 November 2023

Share Options and Performance Rights issued

During the financial year 9,559,200 share options (2020: 4,338,800) and 22,966,200 performance rights (2020: 18,159,200) were issued.

No share option or performance rights holder has any right under the share options or rights to participate in any other share issue of the Company or any other entity.

Share options exercised

During or since the end of the financial year no share options (2020: 1,000,000) were exercised.

Performance Rights vested

During or since the end of the financial year, 16,070,366 performance rights (2020:16,194,482) vested.

Share Options and Performance Rights forfeited or cancelled

During or since the end of the financial year, no share options (2020: nil) and 808,363 performance rights (2020: 2,142,522) were forfeited or cancelled.

Share Options expired or lapsed

During or since the end of the financial year, 13,731,200 share options (2020: 47,298,200) have expired or lapsed.

ENVIRONMENTAL DISCLOSURE

The Group is subject to various laws governing the protection of the environment in matters such as air and water quality, waste emission and disposal, environmental impact assessments, mine rehabilitation and access to, and the use of, ground water. In particular, some activities are required to be licensed under environmental protection

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

legislation of the jurisdiction in which they are located and such licenses include requirements specific to the subject site.

So far as the directors are aware, there have been no material breaches of the Company's licence conditions, and all exploration activities have been undertaken in compliance with the relevant environmental regulations.

INDEMNITIES AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company paid a premium to insure the directors and officers of the Group against liabilities incurred in the performance of their duties. Under the terms and conditions of the insurance contract, the nature of liabilities insured against and the premium paid cannot be disclosed.

The officers of the Group covered by the insurance policy include any person acting in the course of duties for the Group who is, or was, a director, executive officer, company secretary or a senior manager within the Group.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers, in their capacity as officers, of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

PROCEEDINGS ON BEHALF OF THE GROUP

At the date of this report, there are no applications or proceedings brought on behalf of the Group under s237 of the *Corporations Act 2001*.

DIVIDENDS

No dividend has been declared or paid during the year (2020: nil).

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable and where noted (\$'000)) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which the Class Order applies.

NON-AUDIT SERVICES

In accordance with the Company's External Auditor Policy, the Company may decide to engage the external audit firm on assignments additional to its statutory audit duties where the auditor's expertise and experience with the Group are important.

Details of the amounts paid or payable to the auditor, Ernst & Young, for audit and non-audit services provided during the financial year are set out in Note 4 of the financial report.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

The Board of directors, in accordance with advice received from the Audit Committee, is satisfied that the provision of the non-audit services detailed in Note 4 of the financial report is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are also satisfied that the provision of these non-audit services did not compromise the auditor independence requirements of the *Corporations Act 2001* because:

- they have no reason to question the veracity of the auditor's independence declaration referred to in the section immediately following this section of the report; and
- the nature of the non-audit services provided is consistent with those requirements.

AUDITOR'S INDEPENDENCE DECLARATION

Ernst & Young continues as external auditor in accordance with s327 of the *Corporations Act 2001*. The auditor's independence declaration as required under s307C of the *Corporations Act 2001* is set out below and forms part of this report.



**Building a better
working world**

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Auditor's independence declaration to the directors of Bannerman Energy Ltd

As lead auditor for the audit of the financial report of Bannerman Energy Ltd for the financial year ended 30 June 2021, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Bannerman Energy Ltd and the entities it controlled during the financial year.

Ernst & Young

Gavin A Buckingham
Partner
23 September 2021

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

REMUNERATION REPORT (AUDITED)

INTRODUCTION AND REMUNERATION STRATEGY

The Board of Bannerman is committed to providing a remuneration framework that is designed to attract, motivate and maintain appropriately qualified and experienced individuals whilst balancing the expectations of shareholders. The Company's remuneration policies are structured to ensure a link between Company performance and appropriate rewards, and remuneration for executives involves a combination of both fixed and variable ("at risk") remuneration, including long term incentives to drive the Company's desired results.

In developing the Company's remuneration policy, the Board remains focussed on competitive remuneration packages and long term equity plans, which reward executives for delivering satisfactory performance to shareholders. In this regard, Bannerman has developed equity rewards based on performance hurdles that deliver returns for shareholders.

SUMMARY

The remuneration report summarises the remuneration arrangements for the reporting period 1 July 2020 to 30 June 2021 for the directors and executives of Bannerman and the Group in office during the financial year.

The information provided in this remuneration report has been audited as required by s308(3C) of the *Corporations Act 2001*.

KEY MANAGEMENT PERSONNEL

For the purpose of this report, key management personnel of the Group (as defined in AASB 124 *Related Party Disclosures*) are those persons identified in this section who have authority and responsibility for planning, directing and controlling the activities of the Group, whether directly or indirectly, including any director (whether executive or otherwise) of the parent entity.

The directors and executives considered to be key management personnel of the Group up to the date of this report are the directors and executives set out in Table 1 below.

Table 1 - Key management personnel

Name	Position	Period
Non-Executive Directors		
Ronnie Beevor	Non-Executive Chairman	Full
Ian Burvill	Non-Executive Director	Full
Clive Jones	Non-Executive Director	Full
Mike Leech	Non-Executive Director	Full
Executive Director		
Brandon Munro	Chief Executive Officer and Managing Director	Full
Other Executive Personnel		
Werner Ewald	Managing Director – Namibia	Full
Rob Orr	Chief Financial Officer and Company Secretary	Full

1. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

Board Remuneration, Nomination and Corporate Governance Committee

The Remuneration Committee assists the Board to fulfil its responsibilities to shareholders by ensuring the Group has remuneration policies that fairly and competitively reward executives and the broader Bannerman workforce. The Remuneration Committee's decisions on reward structures are based on the current competitive environment, remuneration packages for executives and employees in the resources industry and the size and complexity of the Group.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

The Remuneration Committee's responsibilities include reviewing the Company's remuneration framework and evaluating the performance of the CEO and monitoring the performance of the executive team.

Independent remuneration information is used by the Remuneration Committee from time to time to ensure the Company's remuneration system and reward practices are consistent with market practices.

Directors' remuneration policy and structure

Bannerman's non-executive director remuneration policy aims to reward non-executive directors fairly and responsibly having regard to the:

- level of fees paid to directors relative to other comparatively sized exploration and mining companies;
- size and complexity of Bannerman's operations; and
- responsibilities and work requirements of individual Board members.

Fees paid to the non-executive directors of Bannerman are usually reviewed annually by the Remuneration Committee, and based on periodic advice from external remuneration consultants.

Directors' remuneration limits

Non-executive directors' fees are determined within an aggregated directors' annual fee limit of \$750,000, which was last approved by shareholders on 17 September 2008.

Directors' remuneration framework

Non-executive directors' remuneration consists of base fees (inclusive of superannuation); annual grants of share rights or share options; and audit committee chairman fees, details of which are set out in Table 2 below. Non-executive directors may also receive an initial grant of share rights or share options at the time of joining the Board. Board fees are not paid to the executive director as the time spent on Board work and the responsibilities of Board membership are considered in determining the remuneration package provided as part of his normal employment conditions.

Table 2 – Annual Board and committee fees payable to non-executive directors

Position	Year ended 30 June 2021		Year ending 30 June 2020	
	Cash \$	Share Options / Share Rights \$	Cash \$	Share Options / Share Rights \$
Chairman of the Board	100,000	50,000	100,000	50,000
Non-Executive Director	50,000	25,000	50,000	25,000
<i>Additional fees for:</i>				
Chairman of the Audit Committee	10,000	-	10,000	-

Note:

- Share options and rights issued to non-executive directors vest after a 12 month period.
- No fees are payable for being a member of a committee or for being the Chairman of a committee other than the Chairman of the Audit Committee.

No additional retirement benefits are paid. The figures in Table 2 include the statutory superannuation contributions of 9.5% (10% in 2022) required under Australian superannuation guarantee legislation.

The Non-Executive Director Share Incentive Plan ("NEDSIP"), as approved by shareholders on 20 November 2020, allows for the provision of either share rights or share options to non-executive directors. Under the NEDSIP, the Company's non-executive directors will receive a percentage of their director's fees in the form of either share rights or share options. The directors consider that the issue of share rights or share options to non-executive directors as part of their remuneration package is reasonable and appropriate given:

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

- (a) it is a cost effective and efficient reward for service. The issue of share rights or share options in lieu of cash payments preserves the Company's cash resources and reduces on-going costs which is a significant aspect while the Company remains in a development phase; and
- (b) in part, it aligns remuneration with the future growth and prospects of the Company and the interests of shareholders by encouraging non-executive director share ownership.

Refer to Table 7 in Section 4 for details of the number and value of share options and share rights issued to non-executive directors during the year.

As part of the Company's Securities Trading Policy, the Company prohibits directors from entering into arrangements to protect the value of unvested incentive awards. This includes entering into contracts to hedge exposure to share options, share rights or shares granted as part of their remuneration packages.

The Board assesses the appropriateness, nature and amount of remuneration paid to non-executive directors on a periodic basis, including the granting of equity based payments, and considers it appropriate to grant share options or share rights to non-executive directors with the overall objective of retaining a high quality Board whilst preserving cash reserves.

Executive remuneration policy and structure

Bannerman's executive remuneration policy is designed to reward the CEO and other senior executives. The main principles underlying Bannerman's executive remuneration policy are to:

- provide competitive rewards to attract, retain and motivate executives;
- set levels of performance which are clearly linked to an executive's remuneration;
- structure remuneration at a level which reflects the executive's duties and accountabilities;
- set a competitive level of remuneration that is sufficient and reasonable;
- align executive incentive rewards with the creation of value for shareholders; and
- comply with applicable legal requirements and appropriate standards of governance.

Executive remuneration structure

Bannerman's remuneration structure for the CEO and senior executives for the year ended 30 June 2021 was divided into two principal components:

- base pay and benefits, including superannuation; and
- variable annual reward, or "at risk" component, by way of the issue of long-term share-based incentives.

Performance reviews for all senior executives are conducted on an annual basis. The performance of each senior executive is measured against pre-determined key performance indicators. The most recent performance reviews were completed in July 2021.

Base pay

The base pay component of executive remuneration comprises base salary, statutory superannuation contributions and other allowances where applicable. It is determined by the scope of each executive's role, working location, level of knowledge, skill and experience along with the executive's individual performance. There is no guarantee of base pay increases included in any executive's contract.

Bannerman benchmarks this component of executive remuneration against appropriate market comparisons using information from similar companies and, where applicable, advice from external consultants.

Long-term incentive component (LTI)

The LTI awards are aimed specifically at creating long term shareholder value and the retention of employees. The Company has implemented an Employee Incentive Plan ("EIP") which enables the provision of share options or performance rights to executives and employees.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

During the 2021 financial year, performance rights which will vest subject to pre-defined performance hurdles were allocated to all executives. The grant of performance rights aims to reward executives in a manner that aligns remuneration with the creation of shareholder wealth. Refer to Table 7 in Section 4 for the number and value of performance rights issued to executives during the year.

Performance measures to determine vesting

The vesting of a percentage of the performance rights (Market Performance Tranche) is subject to the Company's relative Absolute Shareholder Return ("ASR") as measured by share price performance over the two year period from 30 June of the issue year of the performance rights, compared with the price used to determine the number of Performance Rights. The vesting of the remaining portion (Operational Tranche) is subject to the attainment of defined individual and group performance criteria (Operational Test), chosen to align the interests of employees with shareholders, representing key drivers for delivering long term value. Group and individual performance measures are weighted and specify performance required to meet or exceed expectations. The performance measures for the 2021 performance rights related to:

- Safety - total recordable incidents and significant environmental incidents.
- Operational – execution of company development and operational plans.
- Capital - maintaining adequate working capital and achieving operating budgets.
- Regulatory - obtaining timely renewal of licences.
- Corporate - execution of transactions mandated by the Board.

Market Performance KPI

The Performance Rights (Market Performance Tranche) are subject to an Absolute Shareholder Return (ASR) hurdle. The ASR is based on the Company's absolute total Shareholder return compared with the price used to determine the number of Performance Rights (being the 20 Day VWAP as at 30 June of the issue year) and is tested at the end of two years from 30 June of the issue year to determine the proportion of the Market Performance Tranche that vest. The vesting schedule is as follows:

Table 3 – ASR Vesting Schedule

ASR performance outcome	Percentage of award that will vest
Negative performance	0%
Between 0 and 20% compounding per annum	Scale applicable between 0 and 100%
At or above the 20%	100%

Vested Performance Rights are subject to ongoing employment obligations. Performance rights that do not vest will be cancelled.

Termination and change of control provisions

Where an executive ceases employment prior to the vesting of an award, the incentives are forfeited unless the Board applies its discretion to allow vesting at or post cessation of employment in appropriate circumstances. In the event of a change of control of the Group, the performance period end date will generally be brought forward to the date of the change of control and the share options and rights will vest in full, subject to ultimate Board discretion.

No hedging of LTIs

As part of the Company's Securities Trading Policy, the Company prohibits executives from entering into arrangements to protect the value of unvested LTI awards. This includes entering into contracts to hedge exposure to share options, performance rights or shares granted as part of their remuneration package.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

2. DETAILS OF REMUNERATION

Non-Executive Directors' Remuneration

Details of the nature and amount of remuneration of Bannerman's non-executive directors for the year ended 30 June 2021 are as follows:

Table 4 – Non-executive director remuneration

	Year	Short-term		Post Employment	Sub-total	Share Based Payments	Total	Performance Related
		Base Fees	Other	Superannuation		Options / Rights		%
Non-Executive Directors								
Ronnie Beevor	2021	100,000	-	-	100,000	59,006	159,006	-
	2020	87,500	-	-	87,500	49,367	136,867	-
Ian Burvill	2021	45,662	-	4,338	50,000	30,875	80,875	-
	2020	43,750	-	3,796	47,546	24,682	72,228	-
Clive Jones	2021	45,662	-	4,338	50,000	30,875	80,875	-
	2020	43,750	-	3,796	47,546	24,682	72,228	-
Mike Leech (i)	2021	91,372	-	-	91,372	42,199	133,571	-
	2020	84,237	-	-	84,237	46,138	130,375	-
Total	2021	282,696	-	8,676	291,372	162,955	454,327	-
	2020	259,237	-	7,592	266,829	144,869	411,698	-

- (i) Mr Mike Leech receives remuneration for his role as a Non-Executive Director of Bannerman and for his role as Chairman of Bannerman's 95% owned Namibian subsidiary, Bannerman Mining Resources (Namibia) (Pty) Ltd and therefore his remuneration is split between Australian (A\$52,500) and Namibian dollars (N\$360,000), which are received for his role as Chairman of Bannerman's Namibian subsidiary.

Executive Remuneration

Details on the nature and amount of remuneration of Bannerman's executives for the year ended 30 June 2021 are as follows.

Table 5 – Executive remuneration

	Year	Short-term			Post Employment	Sub-total	Share Based Payments	Total	Performance Related
		Salary & Fees	Accrued Annual Leave (ii)	Other	Superannuation		Options / Performance Rights		%
Executive Director									
Brandon Munro	2021	308,305	13,610	-	21,694	343,609	274,156	617,765	44
	2020	294,736	-	-	21,002	315,738	276,305	592,043	47
Other Executive Personnel									
Werner Ewald (i)	2021	249,211	13,228	9,070	22,656	294,165	141,352	435,517	32
	2020	194,022	-	50,105	43,942	288,069	142,928	430,997	33
Rob Orr	2021	115,632	-	-	-	115,632	23,406	139,038	17
	2020	54,924	-	-	-	54,924	4,079	59,003	7
Total	2021	673,148	26,838	9,070	44,350	753,406	438,914	1,192,320	
	2020	543,682	-	50,105	64,944	658,731	423,312	1,082,043	

- (i) Mr Ewald's contract is denominated in Namibian dollars.
(ii) Annual leave has been separately categorised and is measured on an accrual basis and reflects the movement in the accrual over the twelve-month period. Any reduction in accrued leave reflects more leave taken or cashed out than that which accrued in the period.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

3. SERVICE AGREEMENTS

On appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation.

Remuneration and other terms of employment for the CEO and the other executives are also formalised in service agreements. Major provisions of the agreements relating to remuneration are summarised below.

Remuneration of the Chief Executive Officer

Mr Munro was appointed on 9 March 2016 as CEO and Managing Director. Under the employment contract with Mr Munro, he is entitled to receive an annual salary, superannuation, and LTI awards (grant of share options or performance rights, which are subject to performance hurdles). Details of Mr Munro's contract and remuneration are follows:

Annual Salary

Mr Munro's annual salary is \$400,000 per annum inclusive of 10% superannuation.

Long term incentives

During the year, Mr Munro was granted 10,250,000 performance rights subject to shareholder approval, which was obtained in November 2020. The performance rights were offered and the terms and conditions were agreed to and accepted by Mr Munro. The rights are subject to performance hurdles and lapse if Mr Munro leaves the employment of the Group and immediately vest in the event of a change of control. Refer to Table 7 in section 4.

Termination Benefits

Mr Munro is entitled to 6 months' annual salary if his employment is terminated other than for cause, plus statutory entitlements for annual leave. The contract also provides that Mr Munro's employment may be terminated with three months' notice by either party.

Contracts for executives – employed in the Group as at 30 June 2021

A summary of the key contractual provisions for each of the current key management personnel is set out in Table 6 below.

Table 6 - Contractual provisions for executives engaged as at 30 June 2021

Name and job title	Employing company	Contract duration	Notice period company	Notice period employee	Termination provision
Brandon Munro – CEO & Managing Director	Bannerman Energy Ltd	No fixed term	3 months	3 months	6 months base salary and accrued leave entitlements if terminated by the Company.
Rob Orr – CFO & Company Secretary	Bannerman Energy Ltd	No fixed term	3 months	3 months	6 months base salary if terminated by the Company.
Werner Ewald – Managing Director Namibia	Bannerman Mining Resources (Namibia) (Pty) Ltd	No fixed term	3 months	3 months	6 months base salary and accrued leave entitlements if terminated by the Company.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

4. SHARE-BASED COMPENSATION

Key management personnel are eligible to participate in the company's NEDSIP or EIP.

Long Term Incentives

The details of NEDSIP and EIP share options and performance rights over Bannerman shares on issue during the reporting period are set out in Table 7 below. The performance hurdles for the performance rights issued to executives relate to the Company's relative market and defined individual and group performance targets.

Share options and performance rights do not carry any voting or dividend rights and can be exercised once the vesting conditions have been met until their expiry date.

Table 7 – Key terms over share options and share rights issued, vested and lapsed to key management personnel.

Name	Year	Grant date (i)	Type of Award	No. Granted	Exercise price	Accounting fair value per right / share option at grant date	Performance Hurdles	Vesting date	Expiry date	No. vested	No exercised, lapsed or cancelled
Non-Executive Directors											
Ronnie Beevor	2021	20-Nov-20	Share options	4,263,600	\$0.05	\$0.0142	Continuous service	15-Nov-21	15-Nov-23	-	-
	2020	16-Dec-19	Performance Rights	1,282,100	N/A	\$0.0370	Continuous service	15-Nov-20	15-Nov-20	1,282,100	(1,282,100)
	2019	20-Dec-18	Share Options	2,365,300	\$0.072	\$0.0241	Continuous service	15-Nov-19	15-Nov-21	2,365,300	-
	2018	20-Dec-17	Share Options	4,442,600	\$0.069	\$0.0286	Continuous service	15-Nov-18	15-Nov-20	4,442,600	(4,442,600)
Ian Burvill	2021	20-Nov-20	Performance Rights	833,300	N/A	\$0.039	Continuous service	15-Nov-21	15-Nov-21	-	-
	2020	16-Dec-19	Performance Rights	641,000	N/A	\$0.0370	Continuous service	15-Nov-20	15-Nov-20	641,000	(641,000)
	2019	20-Dec-18	Share Options	1,182,600	\$0.072	\$0.0241	Continuous service	15-Nov-19	15-Nov-21	1,182,600	-
	2018	19-Dec-17	Share Options	2,221,300	\$0.069	\$0.0286	Continuous service	15-Nov-18	15-Nov-20	2,221,300	(2,221,300)
Clive Jones	2021	20-Nov-20	Performance Rights	833,300	N/A	\$0.039	Continuous service	15-Nov-21	15-Nov-21	-	-
	2020	16-Dec-19	Performance Rights	641,000	N/A	\$0.0370	Continuous service	15-Nov-20	15-Nov-20	641,000	(641,000)
	2019	20-Dec-18	Share Options	1,182,600	\$0.072	\$0.0241	Continuous service	15-Nov-19	15-Nov-21	1,182,600	-
	2018	19-Dec-17	Share Options	2,221,300	\$0.069	\$0.0286	Continuous service	15-Nov-18	15-Nov-20	2,221,300	(2,221,300)
Mike Leech	2021	20-Nov-20	Share options	3,295,600	\$0.05	\$0.0142	Continuous service	15-Nov-21	15-Nov-23	-	-
	2020	16-Dec-19	Share Options	2,338,800	\$0.059	\$0.0185	Continuous service	15-Nov-20	15-Nov-22	2,338,800	-
	2019	20-Dec-18	Share Options	1,866,900	\$0.072	\$0.0241	Continuous service	15-Nov-19	15-Nov-21	1,866,900	-
	2018	15-Dec-17	Share Options	3,839,000	\$0.069	\$0.0286	Continuous service	15-Nov-18	15-Nov-20	3,839,000	(3,839,000)

Share options and share rights granted to non-executive directors are not subject to performance hurdles but are subject to continuous service. They have been issued as a cost effective and efficient reward for service and in part aligns remuneration with the future growth of the Company.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Table 7 (continued) – Key terms over share options and performance rights issued, vested and lapsed to key management

Name	Year	Grant date (i)	Type of Award	No. Granted	Exercise price	Accounting fair value per right / share option at grant date	Performance Hurdles	Vesting date	Expiry date	No. vested	No. exercised, lapsed or cancelled
Executive Director											
Brandon Munro	2021	20-Nov-20	Performance Rights	5,125,000	N/A	\$0.039	Operational Targets	15-Nov-23	15-Nov-23	-	-
	2021	20-Nov-20	Performance Rights	5,125,000	N/A	\$0.026	Market ASR	15-Nov-23	15-Nov-23	-	-
	2020	22-Nov-19	Performance Rights	3,666,650	N/A	\$0.041	Operational Targets	15-Nov-22	15-Nov-22	-	(146,666)
	2020	22-Nov-19	Performance Rights	3,666,650	N/A	\$0.011	Market ASR	15-Nov-22	15-Nov-22	-	-
	2019	21-Nov-18	Performance Rights	3,333,350	N/A	\$0.044	Operational Targets	15-Nov-21	15-Nov-21	-	-
	2019	21-Nov-18	Performance Rights	3,333,350	N/A	\$0.038	Relative TSR	15-Nov-21	15-Nov-21	-	-
	2018	23-Nov-17	Performance Rights	3,260,850	N/A	\$0.058	Operational Targets	15-Nov-20	15-Nov-20	3,260,850	-
	2018	23-Nov-17	Performance Rights	3,260,850	N/A	\$0.053	Relative TSR	15-Nov-20	15-Nov-20	3,164,981	(95,869)
Executive											
Werner Ewald	2021	20-Nov-20	Performance Rights	3,161,130	N/A	\$0.039	Operational targets	15-Nov-23	15-Nov-23	-	-
	2021	20-Nov-20	Performance Rights	1,354,770	N/A	\$0.026	Market ASR	15-Nov-23	15-Nov-23	-	-
	2020	16-Dec-19	Performance Rights	2,689,400	N/A	\$0.037	Operational targets	15-Nov-22	15-Nov-22	-	(107,575)
	2020	15-Dec-19	Performance Rights	1,152,600	N/A	\$0.010	Market ASR	15-Nov-22	15-Nov-22	-	-
	2019	18-Dec-18	Performance Rights	1,501,861	N/A	\$0.038	Operational targets	15-Nov-21	15-Nov-21	-	-
	2019	18-Dec-18	Performance Rights	1,746,350	N/A	\$0.032	Relative TSR	15-Nov-21	15-Nov-21	-	-
	2018	15-Dec-17	Performance Rights	1,616,440	N/A	\$0.060	Operational targets	15-Nov-20	15-Nov-20	1,616,440	-
	2018	18-Dec-17	Performance Rights	1,757,000	N/A	\$0.038	Relative TSR	15-Nov-20	15-Nov-20	1,705,344	(51,656)
Robert Orr	2021	20-Nov-20	Performance Rights	1,471,680	N/A	\$0.039	Operational targets	15-Nov-23	15-Nov-23	-	-
	2021	20-Nov-20	Performance Rights	630,720	N/A	\$0.026	Market ASR	15-Nov-23	15-Nov-23	-	-
	2020	16-Dec-19	Performance Rights	539,630	N/A	\$0.037	Operational targets	15-Nov-22	15-Nov-22	-	(72,310)
	2020	16-Dec-19	Performance Rights	231,270	N/A	\$0.010	Market ASR	15-Nov-22	15-Nov-22	-	-

(i) The grant date in the table above refers to the actual issue date of the share options or rights; however for accounting purposes the grant date is recognised as the date that the Company's obligation for the share options or rights arose.

(ii) Operational targets refer to the performance measures discussed on page 17 of this report.

All unvested share options and rights lapse on cessation of employment, unless otherwise approved by the Board or under special circumstances such as retirement or redundancy. All share options and rights issued to key management personnel vest immediately in the event of a change of control in Bannerman.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Other remuneration information

Further details relating to share options and rights and the proportion of key management personnel remuneration related to equity compensation during the year are tabulated below.

Table 8 – Value of share options and performance rights issued and exercised during the year ended 30 June 2021

	Type	Proportion of remuneration consisting of options / rights for the year ⁽¹⁾ %	Value of options / rights granted during the year ⁽²⁾ \$	Value of options exercised / rights vested during the year ⁽³⁾ \$
Non-Exec Directors				
Ronnie Beevor	Performance rights & Share options	40%	60,543	47,438
Ian Burvill	Performance Rights	41%	32,499	23,717
Clive Jones	Performance Rights	41%	32,499	23,717
Mike Leech	Share Options	33%	46,798	42,309
Executive Director				
Brandon Munro	Performance Rights	44%	333,125	362,954
Executives				
Werner Ewald	Performance Rights	32%	158,508	193,621
Rob Orr	Performance Rights	17%	73,793	-

(1) Calculated based on Tables 4 and 5 as the share-based expense for the year as a percentage of total remuneration. The percentage of total remuneration varies among each director given the impact of consulting or other fees paid during the financial year.

(2) Based on fair value at time of grant per AASB 2. For details on the valuation of the options and rights, including models and assumptions used, refer to Note 19.

(3) Calculated based on the fair value of the Company's shares on date of vesting.

Other than detailed above in Table 7 there were no other alterations to the terms and conditions of the share options / rights awarded as remuneration since their award date.

Table 9 – Share options and performance rights holdings of key management personnel⁽ⁱ⁾

30 June 2021	Type	Opening Balance 1 July 2020	Granted as Remuneration	Exercised / converted	Forfeited/ Lapsed	Closing Balance 30 June 2021	Total Options and Performance Rights at 30 June 2021		
							Vested and Exercisable	Non-Vested	Total
Directors									
Ronnie Beevor	Options/ Rights	8,090,000	4,263,600	(1,282,100)	(4,442,600)	6,628,900	2,365,300	4,263,600	6,628,900
Brandon Munro	Options/ Rights	20,521,700	10,250,000	(6,425,831)	(242,535)	24,103,334	-	24,103,334	24,103,334
Ian Burvill	Options/ Rights	4,044,900	833,300	(641,000)	(2,221,300)	2,015,900	1,182,600	833,300	2,015,900
Clive Jones	Options/ Rights	4,044,900	833,300	(641,000)	(2,221,300)	2,015,900	1,182,600	833,300	2,015,900
Mike Leech	Options/ Rights	8,044,700	3,295,600	-	(3,839,000)	7,501,300	4,205,700	3,295,600	7,501,300
		44,746,200	19,475,800	(8,989,931)	(12,966,735)	42,265,334	8,936,200	33,329,134	42,265,334
Executives									
Werner Ewald	Rights	10,463,651	4,515,900	(3,321,784)	(159,231)	11,498,536	-	11,498,536	11,498,536
Rob Orr	Rights	770,900	2,102,400	-	(72,310)	2,800,990	-	2,800,990	2,800,990
		11,234,551	26,094,100	(3,321,784)	(231,541)	14,299,526	-	14,299,526	14,299,526

(i) Includes share options and performance rights held directly, indirectly and beneficially by key management personnel.

Table 10 – Shareholdings of key management personnel⁽ⁱ⁾

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

30 June 2021	Opening Balance 1 July 2020	Granted as Remuneration	Received on Exercise of Share options / conversion of rights	(Sales) Purchases	Net Change Other	Closing Balance 30 June 2021
Directors						
Ronnie Beevor	6,243,643	-	1,282,100	-	-	7,525,743
Brandon Munro	10,357,100	-	6,425,831	1,000,000	-	17,782,931
Ian Burvill	1,000,000	-	641,000	-	-	1,641,000
Clive Jones	77,207,668	-	641,000	-	-	77,848,668
Mike Leech	-	-	-	-	-	-
Executives						
Werner Ewald	8,298,958	-	3,321,784	(3,622,398)	-	7,998,344
Rob Orr	-	-	-	-	-	-
	103,107,369	-	12,311,715	(2,622,398)	-	112,796,686

(i) Includes shares held directly, indirectly and beneficially by key management personnel.

All equity transactions with key management personnel other than those arising from the exercise of remuneration share options or asset acquisition share options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length

Table 11 – Shares issued on exercise of performance rights and options during the year ended 30 June 2021

	Shares issued #	Paid per share \$	Unpaid per share \$
Directors			
Ronnie Beevor	1,282,100	-	-
Brandon Munro	6,425,832	-	-
Ian Burvill	641,000	-	-
Clive Jones	641,000	-	-
Mike Leech	-	-	-
Executives			
Werner Ewald	3,321,784	-	-
Rob Orr	-	-	-

5. ADDITIONAL INFORMATION

Performance over the Past 5 Years

The objective of the LTI program is to reward and incentivise non-executive directors and executives in a manner which aligns with the creation of shareholder wealth. Bannerman's performance during 2020/21 and the previous four financial years are tabulated in Table 12 below:

Table 12 – Bannerman's performance for the past five years

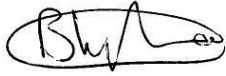
Year ended 30 June	2021	2020	2019	2018	2017
Net loss after tax (\$'000)	(2,277)	(2,315)	(2,255)	(2,478)	(2,696)
Net assets (\$'000)	66,359	51,728	62,965	62,776	57,847
Market capitalisation (\$ '000's) at 30 June	196,208	39,000	47,000	56,000	26,000
Closing share price (\$)	\$0.165	\$0.037	\$0.045	\$0.054	\$0.03

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

END OF REMUNERATION REPORT (AUDITED)

This report is made in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'B. Munro', enclosed within a hand-drawn oval border.

Brandon Munro
CEO and Managing Director
Perth, 23 September 2021

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

TECHNICAL DISCLOSURES

Certain disclosures in this report, including management's assessment of Bannerman's plans and projects, constitute forward looking statements that are subject to numerous risks, uncertainties and other factors relating to Bannerman's operation as a mineral development company that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Full descriptions of these risks can be found in Bannerman's various statutory reports and announcements. Readers are cautioned not to place undue reliance on forward-looking statements. Bannerman expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

The information in this announcement as it relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Mr Marthinus Prinsloo. Mr Prinsloo is a full time employee of Bannerman Energy Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Prinsloo has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activities, which he is undertaking. This qualifies Mr Prinsloo as a "Competent Person" as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and a Qualified Person as defined by Canadian National Instrument 43-101. Mr Prinsloo consents to the inclusion in this announcement in the form and context in which it appears. Mr Prinsloo holds shares and performance rights in Bannerman Energy Ltd.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

		Consolidated	
	Note	2021 \$'000	2020 \$'000
Other income	2	68	164
Administration and corporate expense	3(a)	(723)	(860)
Depreciation expense		(35)	(19)
Finance expense		(4)	(10)
Staff expense	3(b)	(1,583)	(1,556)
Other expenses		-	(34)
Loss before income tax		(2,277)	(2,315)
Income tax benefit	5	-	-
Net loss for the year		(2,277)	(2,315)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation	14(b)	4,931	(9,701)
Other comprehensive income/(loss) for the year		4,931	(9,701)
Total comprehensive income/(loss)		2,654	(12,016)
Loss is attributable to:			
Equity holders of Bannerman Energy Ltd		(2,254)	(2,274)
Non-controlling interest		(23)	(41)
		(2,277)	(2,315)
Total comprehensive income/(loss) is attributable to:			
Equity holders of Bannerman Energy Ltd		2,656	(11,872)
Non-controlling interest	25	(2)	(144)
		2,654	(12,016)
Basic and diluted loss per share to the ordinary equity holders of the Company (cents per share):	16	(0.21)	(0.22)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

		Consolidated	
	Note	2021 \$'000	2020 \$'000
CURRENT ASSETS			
Cash and cash equivalents	6	12,455	4,174
Other receivables	7	31	41
Other current assets		31	44
TOTAL CURRENT ASSETS		12,517	4,259
NON CURRENT ASSETS			
Exploration and evaluation expenditure	10	54,360	47,906
Property, plant and equipment	9	65	61
Right of use assets	8	16	49
TOTAL NON CURRENT ASSETS		54,441	48,016
TOTAL ASSETS		66,958	52,275
CURRENT LIABILITIES			
Trade and other payables	11	193	187
Lease liabilities	8	16	46
Provisions	12	95	51
TOTAL CURRENT LIABILITIES		304	284
NON CURRENT LIABILITIES			
Provisions	12	295	263
TOTAL NON CURRENT LIABILITIES		295	263
TOTAL LIABILITIES		599	547
NET ASSETS		66,359	51,728
EQUITY			
Contributed equity	13	152,434	141,198
Reserves	14	26,724	20,976
Accumulated losses		(112,752)	(110,498)
TOTAL PARENT ENTITY INTEREST		66,406	51,676
Non-controlling interest	25	(47)	52
TOTAL EQUITY		66,359	51,728

The above statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

		Consolidated	
	Note	2021 \$'000	2020 \$'000
Cash Flows from Operating Activities			
Payments to suppliers and employees		(1,513)	(1,627)
Government grants		50	50
Interest received		22	80
<i>Net cash flows used in operating activities</i>	17	<u>(1,441)</u>	<u>(1,497)</u>
Cash Flows From Investing Activities			
Payments for exploration and evaluation		(1,477)	(623)
Purchase of property, plant & equipment		(2)	(3)
<i>Net cash flows used in investing activities</i>		<u>(1,479)</u>	<u>(626)</u>
Cash Flows from Financing Activities			
Proceeds from issue of shares		12,000	42
Transaction costs related to issues of shares		(764)	-
Repayment of lease liability		(31)	(12)
Refund of security deposits		-	7
<i>Net cash flows provided by financing activities</i>		<u>11,205</u>	<u>37</u>
Net (decrease) / increase in cash and cash equivalents		8,285	(2,099)
Cash and cash equivalents at beginning of year		4,174	6,268
Net foreign exchange differences		(4)	5
Cash and cash equivalents at end of year	6	<u>12,455</u>	<u>4,174</u>

The above cash flow statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

	Issued Capital Note 12 \$'000	Share Based Payment Reserve Note 14(a) \$'000	Foreign Currency Reserve Note 14(b) \$'000	Convertible Note Reserve Note 14 (c) \$'000	Equity Reserve Note 14 (d) \$'000	Accumulated Losses \$'000	Non- controlling Interest Note 25 \$'000	Total \$'000
Balance at 1 July 2020	141,198	57,691	(35,274)	-	(1,441)	(110,498)	52	51,728
Loss for the period	-	-	-	-	-	(2,254)	(23)	(2,277)
Other comprehensive income	-	-	4,910	-	-	-	21	4,931
<i>Total comprehensive income/(loss) for the period</i>	-	-	4,910	-	-	(2,254)	(2)	2,654
Shares issued during the period	12,000	-	-	-	-	-	-	12,000
Cost of issuing shares	(764)	-	-	-	-	-	-	(764)
Share-based payments	-	774	-	-	-	-	-	774
Capital contributions (Bannerman Namibia Pty Ltd)	-	-	-	-	64	-	(97)	(33)
Transfer between reserves	-	-	-	-	-	-	-	-
Total Equity at 30 June 2021	152,434	58,465	(30,364)	-	(1,377)	(112,752)	(47)	66,359

	Issued Capital \$'000	Share Based Payment Reserve \$'000	Foreign Currency Reserve \$'000	Convertible Note Reserve \$'000	Equity Reserve \$'000	Accumulated Losses \$'000	Non- controlling Interest \$'000	Total \$'000
Balance at 1 July 2019	141,156	56,954	(25,676)	4,038	(4,968)	(108,224)	(315)	62,965
Loss for the period	-	-	-	-	-	(2,274)	(41)	(2,315)
Other comprehensive loss	-	-	(9,598)	-	-	-	(103)	(9,701)
<i>Total comprehensive loss for the period</i>	-	-	(9,598)	-	-	(2,274)	(144)	(12,016)
Shares issued during the period	42	-	-	-	-	-	-	42
Share-based payments	-	737	-	-	-	-	-	737
Capital contributions (Bannerman Namibia Pty Ltd)	-	-	-	-	(511)	-	511	-
Transfer between reserves	-	-	-	(4,038)	4,038	-	-	-
Total Equity at 30 June 2020	141,198	57,691	(35,274)	-	(1,441)	(110,498)	52	51,728

The above statement of changes in equity should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Corporate Information

This financial report of Bannerman for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the directors on 22 September 2021.

Bannerman is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange and the Namibian Stock Exchange.

Basis of Preparation and Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report has also been prepared on an historical cost basis, except for land and buildings which has been measured at fair value.

The financial report covers the consolidated entity comprising Bannerman and its controlled entities (the "Group").

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated under the option available to the Company under Australian Securities and Investments Commission (ASIC) Class Order 2016/191. The Company is an entity to which the Class Order applies.

For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

Statement of Compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

New, revised or amended standards and interpretations adopted by the group

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the Group:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

New standards and interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2021. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

Accounting Policies

a) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary
- De-recognises the carrying amount of any non-controlling interests
- De-recognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

b) Income and Other Taxes

Income taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available, against which the deductible temporary differences, the carry-forward of unused tax assets and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST/VAT except:

- when the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expenses item as applicable; and
- receivables and payables, which are stated with the amount of GST/VAT included.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

The net amount of GST/VAT recoverable from, or payable to, the relevant taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST/VAT component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the relevant taxation authority is classified as part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST/VAT recoverable from, or payable to, the relevant taxation authority.

c) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure is accumulated in respect of each identifiable area of interest. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- (i) such costs are expected to be recouped through successful development, exploitation or sale of the area; or
- (ii) exploration and evaluation activities in the area have not, at balance date, reached a stage which permit a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated costs in respect of areas of interest which are abandoned or assessed as not having economically recoverable reserves are written off in full against profit in the year in which the decision to abandon the area is made.

A periodic review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

d) Property, Plant and Equipment

Plant and equipment are measured at historical cost less accumulated depreciation and any accumulated impairment costs.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the income statement, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over the useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

Class of Fixed Asset	Depreciation Rate	
	2021	2020
Buildings	2.0%	2.0%
Plant and equipment	33.3%	33.3%
Office Furniture & Equipment	33.3%	33.3%
Vehicles	33.3%	33.3%

An asset's residual value, useful life and amortisation method are reviewed, and adjusted if appropriate, at each financial year end.

Gains or losses on disposals are determined by comparing proceeds with the net carrying amount. These are included in the statement of comprehensive income.

e) Leases

When a contract is entered into, the Group assesses whether the contract contains a lease. A lease arises when the Group has the right to direct the use of an identified asset which is not substitutable and to obtain substantially all economic benefits from the use of the asset throughout the period of use.

The Group separates the lease and non-lease components of the contract and accounts for these separately. The Group allocates the consideration in the contract to each component on the basis of their relative stand-alone prices.

Lease assets and lease liabilities are recognised at the lease commencement date, which is when the assets are available for use. The assets are initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred.

Right of use assets are depreciated using the straight-line method over the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and impairment losses, assessed in accordance with the Group's impairment policies.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the Group's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments are fixed payments.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets, with any excess recognised in the consolidated profit or loss and other comprehensive income statement.

Short term leases (lease term of 12 months or less) and leases of low value assets are recognised as incurred as an expense in the consolidated profit or loss and other comprehensive income statement. Low value assets comprise plant and equipment.

Leased assets are depreciated on a diminishing value basis over their estimated useful lives where it is likely that the Group will obtain ownership of the asset or over the term of the lease.

f) Basic Earnings/Loss Per Share

Basic earnings/loss per share is calculated by dividing the net profit / loss attributable to members of the parent for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Group, adjusted for any bonus issue.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

g) Revenue

Revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Other income revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

h) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and on hand, cash on call and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as described, net of outstanding bank overdrafts.

i) Impairment of Assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indication of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value (less costs to sell) and value-in-use. It is determined for an individual asset, unless the asset's value-in-use cannot be estimated to be close to its fair value (less costs to sell) and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

j) Payables

Trade and other payables are carried at amortised cost. Due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in the respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

k) Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outlay of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when a reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. Any increase in the provision due to the passage of time is recognised as a finance cost.

Rehabilitation Provision

Rehabilitation costs will be incurred by the Group either while operating, or at the end of the operating life of, the Group's facilities. The Group assesses its rehabilitation provision at each reporting date. The Group recognises a rehabilitation provision where it has a legal and constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. The nature of these restoration activities includes: dismantling and removing structures; dismantling operating facilities; closing plant and waste sites; and restoring, reclaiming and revegetating affected areas.

The obligation generally arises when the asset is installed or the ground/environment is disturbed at the operation's location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related assets to the extent that it was incurred. Additional disturbances which arise due to further development/construction at the mine are recognised as additions or charges to the corresponding assets and rehabilitation liability when they occur.

Changes in the estimated timing of rehabilitation or changes to the estimated future costs are dealt with prospectively by recognising an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates, if the initial estimate was originally recognised as part of an asset measured in accordance with AASB 6.

Any reduction in the rehabilitation liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the statement of comprehensive income.

If the change in estimate results in an increase in the rehabilitation liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. If, for mature mines, the estimate for the revised mine assets net of rehabilitation provisions exceeds the recoverable value that portion of the increase is charged directly to expense.

Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability.

l) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date.

Contributions are made by the Group to employee superannuation and pension funds and are charged as expenses when incurred.

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

m) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or share options are shown in equity as a deduction, net of tax, from the proceeds.

n) Share-based Payment Transactions

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

The Group provides benefits to employees and directors of the Group, acquires assets and settles expenses through consideration in the form of share-based payment transactions, whereby employees render services, assets are acquired and expenses are settled in exchange for shares or rights over shares (“**equity-settled transactions**”).

There is currently a Non-Executive Director Share Option Plan and an Employee Incentive Plan which enables the provision of benefits to directors, executives and staff.

The cost of these equity-settled transactions with employees and directors is measured by reference to the fair value at the date at which they are granted. The fair value is determined using the Black Scholes option pricing model. A Monte Carlo simulation is applied to fair value the Total Shareholder Return element of the EIP incentives. Further details of which are disclosed in Note 19.

In valuing equity-settled transactions, no account is taken of any vesting condition, other than (if applicable):

- Non-vesting conditions that do not determine whether the Group or Company receives the services that entitle the employees to receive payment in equity or cash; or
- Conditions that are linked to the price of the shares of Bannerman Energy Ltd (market conditions).

The cost of equity settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent report date until vesting, the cumulative charge to the statement of comprehensive income is the product of:

- (i) The grant date fair value of the award;
- (ii) The current best estimate of the number of the awards that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and
- (iii) The expired portion of the vesting period.

The charge to the statement of comprehensive income for the period is the cumulative amount as calculated above, less the amounts already charged in previous periods. There is a corresponding entry to equity.

Equity-settled awards granted by Bannerman to employees of subsidiaries are recognised in the parent’s separate financial statements as an additional investment in the subsidiary with the corresponding credit to equity. As a result, the expense recognised by Bannerman in relation to equity-settled awards only represents the expenses associated with grants to employees of the parent. The expense recognised by the Group is the total expense associated with all such awards.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market conditions or non-vesting conditions is considered to vest irrespective of whether or not that market condition or non-vesting is fulfilled, provided that all other conditions are satisfied.

o) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (“**functional currency**”). The consolidated financial statements are presented in Australian dollars, which is Bannerman’s functional and presentation currency.

(ii) Transactions and balances

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date and any gains or losses are recognised in the statement of comprehensive income.

(iii) Group companies

For all Group entities with a functional currency other than Australian dollars, the functional currency has been translated into Australian dollars for presentation purposes. Assets and liabilities are translated using exchange rates prevailing at the reporting date; revenues and expenses are translated using average exchange rates prevailing for the statement of comprehensive income year; and equity transactions are translated at exchange rates prevailing at the dates of transactions. The resulting difference from translation is recognised in a foreign currency translation reserve.

(iv) Subsidiary company loans

All subsidiary company loans from the parent company are translated into Australian dollars, on a monthly basis, using the exchange rates prevailing at the end of each month. The resulting difference from translation is recognised in the statement of comprehensive income of the parent company and on consolidation the foreign exchange differences are recognised in a foreign currency translation reserve as the loan represents a net investment in a foreign entity.

p) Receivables

Receivables are classified as debt instruments at amortised cost. An allowance is recognised for expected credit loss based on the Group's historical loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Group.

q) Segment Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operation results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers being the executive management team.

The operations of the Group represent one operating segment under AASB 8 Operating Segments. The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of the financial report.

r) Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash, receivables and payables.

The Group manages its exposure to key financial risks, including interest rate and currency risk in accordance with the Group's financial risk management strategy. The objective of the strategy is to support the delivery of the Group's financial targets whilst protecting future financial security.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

s) Significant Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenues and expenses. Management bases its judgements and estimates on historical experience and on other various factors believed to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the critical accounting policies detailed below for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements. The carrying amounts of certain assets and liabilities are often determined based on judgements, estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related mineral title itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of measured, indicated and inferred mineral resources, proven and probable ore reserves, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations), changes to commodity prices, ability to finance, renewal of the exclusive prospecting licence and the issue of a mining licence.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted and taking into consideration the likelihood of non-market based conditions occurring. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 19.

Impact of the COVID-19 pandemic

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020. The outbreak and the response of Governments in dealing with the pandemic is interfering with general activity levels within the community, the economy and the operations of the Company. The scale and duration of these developments remain uncertain as at the date of this report. The Company has considered the potential impact of the COVID-19 pandemic in the significant accounting judgements, estimates and assumptions at reporting date and has concluded there to be no significant economic impact.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

	Consolidated 2021 \$'000	2020 \$'000
Interest revenue	31	101
Government COVID grants	37	63
	68	164

3. EXPENSES

(a) Administration and corporate expense

Administrative expense	87	192
Compliance and regulatory	290	234
Insurance expense	63	69
Occupancy expense	49	62
Stakeholder relations	230	289
Travel expenses	4	14
	723	860

(b) Staff expenses

Employee remuneration *	384	454
Key management remuneration *	1,647	1,494
Other staff expenses	23	17
(Less staff expenses capitalised as exploration and evaluation)	(428)	(408)
(Less staff expenses classified as compliance and regulatory)	(43)	-
	1,583	1,556

*Reconciliation of employee and key management remuneration is provided below:

	Salaries & fees \$'000	Share based payments \$'000	Superannuation \$'000	Leave accrued \$'000	Other \$'000	Total \$'000
2021						
Employee remuneration	291	59	21	3	10	384
Key management/directors remuneration	956	602	53	27	9	1,647
	1,247	661	74	30	19	2,031
2020						
Employee remuneration	277	169	21	(24)	11	454
Key management/directors remuneration	803	568	73	-	50	1,494
	1,080	737	94	(24)	61	1,948

Please refer to Section 2 “Details of Remuneration” of the Remuneration Report for details relating to key management remuneration.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

	Consolidated	
	2021	2020
	\$'000	\$'000

4. AUDITOR'S REMUNERATION

The auditor of the Group is Ernst & Young.

Amounts received or due and receivable by Ernst & Young (Australia) for:

Fees for auditing the statutory financial report of the parent covering the group and auditing the financial reports of any controlled entities	44	42
<i>Fees for other services</i>		
Taxation services	6	11
	<u>50</u>	<u>53</u>

Amounts received or due and receivable by related practices of Ernst & Young (Australia) for:

Fees for auditing the financial report of any controlled entities	17	14
<i>Fees for other services</i>		
Taxation services	2	12
	<u>20</u>	<u>26</u>

5. INCOME TAX BENEFIT

The components of income tax benefit comprise:

<i>Current income tax benefit</i>	-	-
<i>Deferred income tax benefit</i>	-	-
Income tax benefit reported in the consolidated statement of comprehensive income	-	-
Income tax expense recognised in equity	-	-
Accounting loss before tax	(2,277)	(2,315)
At the parent company statutory income tax rate of 26% (2020:27.5%)	(592)	(637)
Other non-deductible losses for income tax purposes	114	218
Effect of different tax rate for overseas subsidiary	(33)	(43)
Unrecognised deferred tax assets	511	462
Income tax benefit reported in the consolidated statement of comprehensive income	-	-
Carried forward tax losses	13,273	12,798
Share issue costs	184	72
Provisions and accruals	68	85
Other	-	-
Gross deferred tax asset	<u>13,525</u>	<u>12,955</u>
Offset against deferred tax liability	(9)	(5)
Unrecognised deferred tax assets	<u>13,516</u>	<u>12,950</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

	Consolidated	
	2021	2020
	\$'000	\$'000
<i>Deferred tax liabilities</i>		
Other	9	5
Gross deferred tax liability	9	5
Offset against deferred tax asset	(9)	(5)
Net deferred tax liability	-	-

The carried forward tax losses for Bannerman Energy Ltd at 30 June 2021 are \$44,661,513 (2020: \$43,109,655). The carried forward tax losses for Bannerman Mining Resources (Namibia) (Pty) Ltd at 30 June 2021 are \$4,428,458. These tax losses do not expire and may not be used to offset taxable income elsewhere in the Group. The Group neither has any taxable temporary differences nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

The Group has not elected to form a tax consolidated group.

6. CASH AND CASH EQUIVALENTS

Cash at bank and on call (interest bearing)	1,367	654
Short-term deposits (interest bearing)	11,088	3,520
	<u>12,455</u>	<u>4,174</u>

The effective interest rate on short-term bank deposits was 0.27% (2020: 0.84%). These deposits have an average maturity of 90 days (2020: 90 days).

7. OTHER RECEIVABLES

Current

GST/VAT	28	18
Interest receivable	3	5
Other sundry debtors	-	18
	<u>31</u>	<u>41</u>

Other receivables are non-interest bearing and have repayment terms of 30 days.

8. RIGHT OF USE ASSETS

RIGHT OF USE ASSET

Opening balance	49	-
Additions	-	61
Depreciation	(33)	(12)
Closing balance net of accumulated depreciation	<u>16</u>	<u>49</u>

LEASE LIABILITY

Opening balance	46	-
Additions	-	61
Amortisation of principal	(30)	(15)
Interest on lease	-	-
Closing balance	<u>16</u>	<u>46</u>

Amounts recognised in statement of profit or loss and other comprehensive income relating to:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

	Consolidated	
	2021 \$'000	2020 \$'000
Depreciation charge of right-of-use assets	33	12
Interest expense (included in finance costs)	-	1
Short term lease payments	-	-

On 1 February 2020 the Company entered into a lease agreement for the corporate premises in Subiaco, Western Australia. The operating lease is for a two year period. The future lease payments were discounted using an interest rate of 3% in calculating the lease liability.

9. PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicles \$'000	Office Equipment \$'000	Lab & Field Equipment \$'000	Sundry \$'000	Total \$'000
2021					
Cost	188	26	64	184	462
Accumulated depreciation and impairment	(164)	(20)	(51)	(162)	(397)
Net book value	24	6	13	22	65

Reconciliation of movements:

Opening net book value	22	7	12	20	61
Additions	-	1	-	-	1
Disposals	-	-	-	-	-
Depreciation charge		(2)	-	-	(2)
Foreign exchange movements	2	-	1	2	5
Closing net book value	24	6	13	22	65

	Motor Vehicles \$'000	Office Equipment \$'000	Lab & Field Equipment \$'000	Sundry \$'000	Total \$'000
2020					
Cost	169	24	58	176	427
Accumulated depreciation and impairment	(147)	(17)	(46)	(156)	(366)
Net book value	22	7	12	20	61

Reconciliation of movements:

Opening net book value	25	51	19	33	128
Additions	-	3	-	-	3
Disposals	4	(34)	(3)	(2)	(35)
Depreciation charge	-	(4)	-	(3)	(7)
Foreign exchange movements	(7)	(9)	(4)	(8)	(28)
Closing net book value	22	7	12	20	61

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

10. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	2021	2020
	\$'000	\$'000
Opening balance	47,906	56,893
Expenditure incurred during the year	1,509	637
Foreign currency translation movements	4,945	(9,624)
Closing balance	54,360	47,906

Expenditure incurred during the period comprises expenditure on geological, study and associated activities.

The value of the Company's interest in exploration and evaluation expenditure is dependent upon:

- the continuance of the Company's rights to tenure of the areas of interest;
- the results of pre-development activities; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

Etango Uranium Project – Bannerman 95%

The Etango Uranium Project is situated near CNNC's Rössing uranium mine, Paladin's Langer Heinrich uranium mine and CGNPC's Husab uranium mine. Bannerman, in 2012, completed a Definitive Feasibility Study ("DFS") on an open pit mining and heap leach processing operation at Etango. The DFS confirmed the viability of a large open pit and heap leach operation at one of the world's largest undeveloped uranium deposits. From 2015 to 2017, Bannerman conducted a large scale heap leach demonstration program to provide further assurance to financing parties, generate process information for the detailed engineering design phase and build and enhance internal capability.

Bannerman announced to the ASX on 2 August 2021 the completion of a Pre-Feasibility Study (PFS) for an 8Mtpa development of its flagship Etango Uranium Project in Namibia (Etango-8 Project). The PFS on the Etango-8 Project provides an alternate, streamlined development model to the 20Mtpa development assessed to DFS level in 2015. The Study demonstrates the strong technical and economic viability of conventional open pit mining and heap leach processing of the world class Etango deposit at 8Mtpa throughput. Bannerman Board has approved commencement of a Definitive-Feasibility Study (DFS) on Etango-8 Project.

Bannerman currently holds Exclusive Prospecting Licence 3345 (EPL 3345) in Namibia, which is valid until 25 April 2023 and thereafter subject to renewal by the Namibian Ministry of Mines and Energy. Bannerman also holds a Mineral Deposit Retention Licence 3345 (MDRL 3345) in Namibia, which is valid until 6 August 2022 and thereafter subject to renewal by the Namibian Ministry of Mines and Energy.

	Consolidated	
	2021	2020
	\$'000	\$'000
<u>Exploration & Evaluation Expenditure for the Etango Project</u>		
Opening balance	47,906	56,893
General project	82	54
Consultants and other project services	20	33
Environmental	3	-
Human resources	430	366
Studies (Etango-8 DFS/PFS)	945	82
Demonstration plant costs	29	102
Total expenditure for the period	1,509	637
Foreign currency translation movements	4,945	(9,624)
Closing balance	54,360	47,906

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

	Consolidated 2021 \$'000	2020 \$'000
11. TRADE AND OTHER PAYABLES		
Trade payables	45	53
Other payables and accruals	148	134
	<u>193</u>	<u>187</u>

Trade payables are non-interest bearing and are normally settled on 30 day terms (or less). Other payables are non-interest bearing and have an average term of 60 days.

Fair value

Due to the short term nature of these payables, their carrying value approximate their fair value.

12. PROVISIONS

CURRENT		
Annual leave provision (a)	81	51
Long service leave provision (b)	14	-
	<u>95</u>	<u>51</u>
NON-CURRENT		
Long service leave provision (b)	-	11
Rehabilitation provision (c)	295	252
	<u>295</u>	<u>263</u>

(a) Annual leave provision

Liabilities for annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employee's services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(b) Long service leave provision

The liability for long service leave is recognised and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The obligations are presented as current liabilities in the Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

The employee benefits provision relates to the long service leave accrued for employees at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the corporate bond rate with terms to maturity similar to the estimate future cash outflows.

The obligations are presented as current liabilities in the Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

	Consolidated	
	2021 \$'000	2020 \$'000
(c) Rehabilitation provision		
Opening balance	252	287
Unwinding of discount	15	13
Foreign exchange translation movements	28	(48)
	<u>295</u>	<u>252</u>

The Group makes full provision for the future cost of the environmental rehabilitation obligations relating to the heap leach demonstration plant on a discounted basis at the time of the activity.

The rehabilitation provision, based on the Group's internal estimates, represents the present value of the future rehabilitation costs relating to the heap leach demonstration plant. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time. Furthermore, the timing of the rehabilitation is likely to depend on when the pre-development activities cease.

13. CONTRIBUTED EQUITY

(a) Issued and outstanding:

	June 2021		June 2020	
	No. shares '000	\$ '000	No. shares '000	\$ '000
<u>Ordinary shares</u>				
Issued and fully paid				
Reconciliation of ordinary shares:				
Opening balance	1,058,782	141,198	1,041,587	141,156
- Issue of shares on vesting under employee performance rights plan (ii, iii)	16,070	-	16,195	-
- Issue of shares on exercise of option under employee incentive plan (i)	-	-	1,000	42
- Issue of shares pursuant to Placement (iv)	114,286	12,000	-	-
- Costs of issuing shares (iv)	-	(764)	-	-
Closing balance	<u>1,189,138</u>	<u>159,434</u>	<u>1,058,782</u>	<u>141,198</u>

- (i) On 5 November 2019, 1,000,000 ordinary shares were issued upon exercise of A0.042 share options in accordance with the Non-Executive Director Share Incentive Plan.
- (ii) On 25 November 2019, 16,194,482 ordinary shares were issued upon vesting of share and performance rights in accordance with the terms of the Employee Incentive Plan.
- (iii) On 24 November 2020, 16,070,366 ordinary shares were issued upon vesting of share and performance rights in accordance with the terms of the Employee Incentive Plan.
- (iv) On 19 February 2021 the Company issued 114,284,716 fully paid ordinary shares at an issue price of \$0.105 p/share to sophisticated and institutional investors through a placement to raise \$12 million.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

(b) Share options on issue:

The movements in share options during the period were as follows:

Expiry Dates	Exercise Price	Balance 1 Jul 20	Granted	Exercised	Expired / Cancelled	Balance 30 Jun 21	Vested 30 Jun 21
15 November 2020	A\$0.069	13,731,200	-	-	(13,731,200)-	-	-
15 November 2021	A\$0.072	8,597,400	-	-	-	8,597,400	8,597,400
15 November 2022	A\$0.059	4,338,800	-	-	-	4,338,800	4,338,800
15 November 2023	A\$0.050		9,559,200	-	-	9,559,200	-
		26,667,400	9,559,200		(13,731,200)	22,495,400	12,936,200
Weighted average exercise price (\$)		0.068	0.05-	-	0.069	0.060	0.068
Average life to expiry (years)		0.35	2.38	-	-	1.42	0.71

The share options above have performance hurdles linked to minimum service periods.

Key management held 16,495,400 share options as at 30 June 2021 with an average exercise price of A\$0.06 per share and an average life to expiry of 1.44 years.

(c) Share rights on issue

The movement in share rights during the period were as follows:

Vesting Dates	Balance 1 Jul 20	Granted	Vested	Cancelled	Balance 30 Jun 21
15 November 2020	16,272,519		(16,070,366)	(202,153)	-
15 November 2021	13,256,411	1,894,100	-	(279,658)	14,870,853
15 November 2022	11,946,200	4,203,800	-	(326,552)	15,823,448
15 November 2023		16,868,300	-	-	16,868,300
	41,475,130	22,966,200	(16,070,366)	(808,363)	47,562,601
Average life to vesting (years)	1.52	2.03	-	-	1.42

Note: Share rights have no exercise price.

All share rights have been issued in accordance with the shareholder approved Employee Incentive Plan and Non-Executive Director Share Incentive Plan, and vest into shares for no consideration on the completion of minimum service periods and, in certain cases, the achievement of specified vesting hurdles related to the Company's relative share price performance, internal business targets and/or personal performance.

Key management held 40,069,460 share rights as at 30 June 2021 with an average life to vesting of 1.51 years.

Terms of Ordinary Shares

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders' meetings, each ordinary share is entitled to one vote in proportion to the paid up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

		Consolidated	
		2021	2020
		\$'000	\$'000
14. RESERVES			
Share-based payment reserve	(a)	58,465	57,691
Foreign currency translation reserve	(b)	(30,364)	(35,274)
Equity reserve	(c)	(1,377)	(1,441)
TOTAL RESERVES		26,724	20,976

(a) Share-based Payment Reserve

Balance at the beginning of the reporting period		57,691	56,954
Share-based payment vesting expense during the period		774	737
Balance at the end of the reporting period		58,465	57,691

The Share-based Payment Reserve is used to recognise the value of equity-settled share-based payment transactions for the acquisition of project interests and the provision of share-based incentives to key management, employees and consultants.

(b) Foreign Currency translation reserve

Reserves at the beginning of the reporting period		(35,274)	(25,676)
Currency translation differences arising during the year		4,910	(9,598)
Balance at the end of the reporting period		(30,364)	(35,274)

The Foreign Currency Translation Reserve is used to record exchange differences arising on translation of the Group entities that do not have a functional currency of Australian dollars and have been translated into Australian dollars for presentation purposes.

As per the Statement of Comprehensive Income, the foreign currency translation gain arising for the year ended 30 June 2021 amounted to \$4,931,060 (2020: \$9,701,000 loss), allocated between non-controlling interests of \$21,703 (2020: \$102,824 loss) and the Group of \$4,909,357 (2020: \$9,588,176 loss). Over the year, the Namibian dollar strengthened against the Australian dollar, with a movement of approximately 11% from the rate as at 30 June 2020 (A\$1.00: N\$11.93) to the rate as at 30 June 2021 (A\$1.00:N\$10.74).

(c) Equity reserve

Reserves at the beginning of the reporting period		(1,441)	(4,968)
Movements in equity due to inequitable capital contributions provided to subsidiary Bannerman Mining Namibia Pty Ltd		64	(511)
Transfer from convertible note reserves		-	4,038
Balance at the end of the reporting period		(1,377)	(1,441)

The equity reserve relates to the Company's equity in its subsidiary Bannerman Mining (Namibia) Pty Ltd, with current year movements relating inequitable share holder capital contributions provided to Bannerman Mining Namibia Pty Ltd (subsidiary).

15. FINANCIAL INSTRUMENTS

The Group's principal financial instruments comprise cash and short term deposits, other receivables, and trade payables.

Set out below is an overview of financial instruments, other than cash and short-term deposits, held by the Group as at 30 June 2021.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

	Consolidated	
	2021 \$'000	2020 \$'000
Financial assets		
Cash and cash equivalents	12,455	4,174
Other receivables	31	41
Total	12,486	4,215
Financial liabilities		
Trade and other payables	193	187
Lease liability	16	46
Total	209	233

Financial risk management objectives and policies

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include the monitoring of levels of exposure to interest rates and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange prices. Liquidity risk is monitored through the development of future rolling cash flow forecasts and financing plans.

The Board reviews and agrees policies for managing each of the above risks and they are summarised below:

(a) Interest Rate Risk

Interest rate risk is managed by obtaining competitive commercial deposit interest rates available in the market from major Australian financial institutions.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for each class of financial assets and financial liabilities, comprises:

Consolidated 2021	Floating Interest Rate \$'000	Fixed Interest maturing in 1 year or less \$'000	Fixed Interest maturing over 1 to 5 years \$'000	Total \$'000
<u>Financial instruments</u>				
Cash	14	12,441	-	12,455
Trade and other payables	-	(2)	-	(2)
Lease liability	-	(16)	-	(16)
	<u>14</u>	<u>12,424</u>	<u>-</u>	<u>12,438</u>
Weighted average interest rate				0.28%

Consolidated 2020	Floating Interest Rate \$'000	Fixed Interest maturing in 1 year or less \$'000	Fixed Interest maturing over 1 to 5 years \$'000	Total \$'000
<u>Financial instruments</u>				
Cash	137	4,037	-	4,174
Trade and other payables	-	(5)	-	(5)
Lease liability	-	(46)	-	(46)
	<u>137</u>	<u>3,986</u>	<u>-</u>	<u>4,123</u>
Weighted average interest rate				0.7%

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

The following table summarises the impact of reasonably possible changes in interest rates for the Group at 30 June 2021. The sensitivity analysis is based on the assumption that interest rates change by 1% with all other variables remaining constant. The 1% sensitivity is based on reasonably possible changes over a financial year, using the observed range of actual historical rates for the preceding 5 year period and management's expectation of short term future interest rates.

Impact on post-tax gain/(loss):	Consolidated	
	2021 \$'000	2020 \$'000
1% increase	92	30
1% decrease	(92)	(30)

There is no impact on other reserves in equity for the Group.

(b) Foreign Currency Risk

Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the relevant Group company.

The Group's deposits are largely denominated in Australian dollars. Currently there are no foreign exchange hedge programs in place. The Group manages the purchase of foreign currency to meet operational requirements.

The impact of reasonably possible changes in foreign exchange rates for the Group is not material.

(c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of dealing only with counter parties that have acceptable credit ratings. Cash is held in financial institutions with credit ratings of A or higher (Standard and Poor's). The Company obtains sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk. For the remaining financial assets, there are no significant concentrations of credit risk within the Group and financial instruments are being spread amongst highly rated financial institutions and related parties to minimise the risk of default of counterparties.

(d) Liquidity

Liquidity is monitored through the development of monthly expenditure and rolling cash flow forecasts. Short term liquidity is managed on a day to day basis by the finance management team including the use of weekly cash forecasts.

The risk implied from the values shown in the table below reflects a balanced view of cash outflows:

Financial Liabilities	<6 months	6-12 months	1- 5 years	Total
	\$'000	\$'000	\$'000	\$'000
2021				
Trade and other payables	193	-	-	193
Lease liability	16	-	-	16
Total	209	-	-	209
2020				
Trade and other payables	187	-	-	187
Lease liability	16	16	14	46
Total	203	16	14	233

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

16. LOSS PER SHARE

	Consolidated	
	2021	2020
Basic and diluted loss per share to the ordinary equity holders of the Company (cents per share)	(0.21)	(0.22)
	\$'000	\$'000
Loss used in the calculation of weighted average basic and dilutive loss per share	(2,277)	(2,315)
	<i>Number of Shares '000</i>	<i>Number of Shares '000</i>
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic loss per share	1,109,755	1,052,066
Number of share options / performance rights issued that could be potentially dilutive but are not included in diluted EPS as they are anti-dilutive for the periods presented.	70,058	68,143

There have been no other conversions to or subscriptions for ordinary shares or issues of potential ordinary shares since the balance date and before the completion of this report.

17. CASH FLOW INFORMATION

	Consolidated	
	2021	2020
	\$'000	\$'000
(a) Reconciliation from the net loss after tax to the net cash flow from operating activities		
Loss after income tax	(2,277)	(2,315)
Non-cash flows in operating loss		
Depreciation	35	18
Share-based payments	775	737
Realised loss on disposal of fixed assets		35
Changes in assets and liabilities		
(Increase) / decrease in receivables and prepayments	24	105
Increase / (decrease) in trade and other creditors and accruals	(30)	(37)
(Decrease) / Increase in provisions	32	(40)
Net cash outflows from Operating Activities	(1,441)	(1,497)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

18. COMMITMENTS

a) Exploration and evaluation expenditure

Bannerman currently holds Exclusive Prospecting Licence 3345 (EPL 3345) in Namibia, which is valid until 26 April 2023 and Mineral Deposit Retention Licence 3345 (MDRL 3345), which is valid until 25 April 2022. Both are subject to renewal by the Namibian Ministry of Mines and Energy thereafter.

In order to maintain current rights of tenure to EPL3345, the Group has exploration and evaluation expenditure obligations up until the expiry of that licence. The following stated obligations, which are subject to renegotiation upon expiry of the current licences, are not provided for in the financial statements and represent a commitment of the Group:

	Consolidated	
	2021	2020
	\$'000	\$'000
Not longer than one year	144	80
Longer than one year, but not longer than five years	107	150
Longer than five years	-	-
	251	230

If the Group decides to relinquish EPL 3345, and/or does not meet these minimum expenditure obligations or obtain appropriate waivers, assets recognised in the Consolidated Statement of Financial Position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

19. SHARE-BASED PAYMENT PLANS

Recognised employee share-based payment expenses

The expense recognised for employee services received during the year are shown in the table below:

Total expense arising from employee and key management share-based payment transactions

774	737
-----	-----

Types of share-based payment plans

Employee Incentive Plan ("EIP")

Performance rights are granted to all employees. The EIP is designed to align participants' interest with those of shareholders by enabling employees to access the benefits of an increase in the value of the Company's shares. The vesting of a percentage of the performance rights (Market Performance Tranche) is subject to the Company's relative Absolute Shareholder Return ("ASR") as measured by share price performance over the two year period from 30 June of the issue year of the performance rights, compared with the price used to determine the number of Performance Rights. The vesting of the remaining portion (Operational Tranche) is subject to the attainment of defined individual and group performance criteria (Operational Test), chosen to align the interests of employees with shareholders, representing key drivers for delivering long term value. Group and individual performance measures are weighted and specify performance required to meet or exceed expectations. The performance measures for performance rights related to:

- Safety - total recordable incidents and significant environmental incidents.
- Operational – execution of company development and operational plans.
- Capital - maintaining adequate working capital and achieving operating budgets.
- Regulatory - obtaining timely renewal of licences.
- Corporate - execution of transactions mandated by the Board.

The Performance Rights (Market Performance Tranche) are subject to an Absolute Shareholder Return (ASR) hurdle. The ASR is based on the Company's absolute total Shareholder return compared with the price used to

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

determine the number of Performance Rights (being the 20 Day VWAP as at 30 June of the issue year) and is tested at the end of two years from 30 June of the issue year to determine the proportion of the Market Performance Tranche that vest. The vesting schedule is as follows:

ASR Vesting Schedule

ASR performance outcome	Percentage of award that will vest
Negative performance	0%
Between 0 and 20% compounding per annum	Scale applicable between 0 and 100%
At or above the 20%	100%

Vested Performance Rights are subject to ongoing employment obligations. Performance rights that do not vest will be cancelled.

When a participant ceases employment prior to the vesting of their rights, the rights are generally forfeited unless cessation of employment is due to termination initiated by the Group (except for termination with cause) or death. In the event of a change of control, the performance period end date will be bought forward to the date of change of control and rights will vest. The Company prohibits executives from entering into arrangements to protect the value of unvested EIP awards.

Non-Executive Director Share Incentive Plan ("**NEDSIP**")

Non-executive directors' remuneration includes initial and annual grants of share options or share rights (under the NEDSIP). Share options and share rights granted to non-executive directors are not subject to performance hurdles. They have been issued as an incentive to attract experienced and skilled personnel to the Board.

Summary of share options granted under NEDSIP and EIP arrangements

	2021 #	2021 WAEP ¹	2020 #	2020 WAEP ¹
Outstanding at beginning of the year	21,660,409	0.07	39,926,800	0.05
Granted during the year	7,559,200	0.05	2,338,800	0.06
Exercised during the year	-	-	(1,000,000)	0.04
Expired during the year	(12,724,200)	0.07	(19,605,200)	0.05
Forfeited during the year	-	-	-	-
Outstanding at end of the year	16,495,400	0.06	21,660,400	0.07

¹ Weighted Average Exercise Price (\$/share)

Summary of share options granted outside of NEDSIP and EIP arrangements

	2021 #	2021 WAEP ¹	2020 #	2020 WAEP ¹
Outstanding at beginning of the year	5,007,000	0.07	30,700,000	0.06
Granted during the year	2,000,000	0.05	2,000,000	0.06
Expired during the year	(1,007,000)	0.07	(27,693,000)	0.05
Outstanding at end of the year	6,000,000	0.06	5,007,000	0.07

¹ Weighted Average Exercise Price (\$/share)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

Summary of performance rights granted under NEDSIP and EIP arrangements

	2021 #	2020 #
Outstanding at beginning of the year	41,475,130	41,652,934
Granted during the year	22,966,200	18,159,200
Vested during the year	(16,070,366)	(16,194,482)
Forfeited during the year	(808,363)	(2,142,522)
Outstanding at end of the year	47,562,602	41,475,130

Weighted average remaining contractual life

The weighted average remaining contractual life as at 30 June 2021 was:

- Share options 1.42 years (2020: 0.52 years).
- Performance rights 1.42 years (2020: 0.53 years).

Range of exercise price

The range of exercise prices for share options outstanding as at 30 June 2021 was \$0.05 - \$0.072 (2020: \$0.059 - \$0.072). The weighted average exercise price for share options outstanding as at 30 June 2021 was \$0.06 (2020: \$0.05) per share option.

Weighted average fair value

The weighted average fair value for the share options granted during the year was \$0.02 (2020: \$0.06) per share option. The weighted average fair value for the performance rights granted during the year was \$0.03 (2020: \$0.04) per performance right.

Share options / performance rights pricing model

Equity-settled transactions

The fair value of the equity-settled share options granted under the NEDSIP and EIP is estimated as at the date of grant using a Black-Scholes option price calculation method taking into account the terms and conditions upon which the share options/rights were granted. A Monte Carlo simulation is applied to fair value the ASR element. In accordance with the rules of the EIP, the model simulates the Company's ASR to produce a theoretical value relative to share performance. This is applied to the grant to give an expected value of the ASR element.

Pricing model inputs used for the year ended 30 June 2021:

	NEDSIP	OTHER ⁽ⁱ⁾	EIP	OTHER ⁽ⁱ⁾
	Annual Grant Share Options	Annual Grant Rights	Annual Grant Rights	Options / Rights
Dividend Yield (%)	0%	0%	0%	0%
Expected volatility (%)	70%	70%	70%	70%
Risk- Free interest rate (%)	0.1051%	0.1051%	0.1051%	0.1051%
Expected life of Share Options / Rights (years)	3 years	1 year	2 - 3 years	2 years
Share price at measurement date (\$)	0.039	0.039	0.039	0.039

(i) Share Options/Rights issued under separate terms and conditions and not issued as part of any formal plan.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

Pricing model inputs used for the year ended 30 June 2020:

	NEDSIP	OTHER ⁽ⁱ⁾	EIP	OTHER ⁽ⁱ⁾
	Annual Grant Share Options	Annual Grant Rights	Annual Grant Rights	Options / Rights
Dividend Yield (%)	0%	0%	0%	0%
Expected volatility (%)	82%	82%	82%	82%
Risk- Free interest rate (%)	1.1%	1.1%	1.1%	1.1%
Expected life of Share Options / Rights (years)	3 years	1 year	2 - 3 years	2 years
Share price at measurement date (\$)	0.041	0.041	0.041	0.041

(ii) Share Options/Rights issued under separate terms and conditions and not issued as part of any formal plan.

20. SEGMENT INFORMATION

The Group has identified its operating segment based on the internal reports that are reviewed and used by the CEO and the management team in assessing performance and in determining the allocation of resources.

The Group is undertaking development studies and exploring for uranium resources in southern Africa, and hence the operations of the Group represent one operating segment.

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of the financial statements. The Group considers the segment assets and liabilities to be consistent with those disclosed in the financial statements.

The analysis of the location of non current assets other than financial instruments is as follows:

	Consolidated	
	2021 \$'000	2020 \$'000
Australia	82	57
Namibia	54,359	47,959
Total Non-current Assets	54,441	48,016

21. EVENTS SUBSEQUENT TO REPORTING DATE

Bannerman agreed with Resource Capital Fund IV L.P. and Resource Capital Fund VI L.P. (collectively the "RCF Funds") to buy-back and extinguish the aggregate 1.5% revenue royalty held by the RCF Funds. The consideration payable to the RCF Funds, A\$2 million cash and the issue of 15,680,000 new Bannerman shares was settled on 19 August 2021.

Other than the matter above no other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

22. RELATED PARTY INFORMATION

Subsidiaries

The consolidated financial statements include the financial statements of Bannerman Energy Ltd and the subsidiaries listed in the following table:

Name	Country of incorporation	% Equity Interest	
		2021	2020
Bannerman Mining Resources (Namibia) (Pty) Ltd	Namibia	95	95
Bannerman Resources Nominees (UK) Limited	United Kingdom	100	100

Ultimate Parent

Bannerman Energy Ltd is the ultimate Australian parent entity and the ultimate parent of the Group.

Compensation of Key Management Personnel by Category:

	2021	2020
Short-term employee benefits	991,753	853,024
Post-employment benefits	53,025	72,536
Share-based payments	601,870	568,181
	1,646,648	1,493,741

Transactions with related entities:

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

23. CONTINGENCIES

On 17 December 2008, the Company entered into a settlement agreement with Savanna Marble CC (“Savanna”) relating to Savanna’s legal challenge to the Company’s rights to the Etango Project Exclusive Prospecting Licence. Under the terms of the Savanna settlement agreement, in consideration for the termination of proceedings, Savanna was entitled to receive \$3.5 million cash and 9.5 million fully paid ordinary shares in Bannerman. The first tranche payment of \$3.0 million and 5.5 million shares was made in early 2009. The second and final tranche payment of \$500,000 and 4.0 million ordinary shares is due to Savanna upon receipt of the Etango Project mining licence. The mining licence application was lodged in December 2009 and was refused on 3 September 2018. Bannerman retains the right to re-apply for a mining licence when the uranium market recovers. As at 30 June 2021, the probability and timing of an application for and grant of a mining licence is uncertain. Due to this uncertainty, the second tranche payment has been disclosed as a contingent liability and not as a provision as at 30 June 2021.

24. PARENT ENTITY INFORMATION

a. Information relating to Bannerman Energy Ltd:

Current assets	12,442	4,153
Total assets	75,823	61,147
Current liabilities	192	211
Total liabilities	192	223
Issued capital	152,434	141,198
Accumulated loss	(139,305)	(142,002)
Shared based payment Reserve	58,465	57,691
Equity Reserve	4,037	4,037
Total shareholders’ equity	75,631	60,924
Profit/(loss) of the parent entity	2,696	(9,793)
Total comprehensive profit/(loss) of the parent entity	2,696	(9,793)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

b. Details of any guarantees entered into by the parent entity in relation to the debts of its subsidiaries

There are no guarantees entered into to provide for debts of the Company's subsidiaries. The parent entity has provided a letter to BMRN evidencing the parent's intent to meet the financial obligations of BMRN for the period 1 July 2021 to 30 June 2022.

c. Details of any contingent liabilities of the parent entity

Refer to Note 23 for details relating to contingent liabilities.

d. Details of any contractual commitments by the parent entity for the acquisition of property, plant or equipment

There are no contractual commitments by the parent entity for the acquisition of property, plant and equipment as at reporting date.

25. MATERIAL PARTLY-OWNED SUBSIDIARIES

Financial information of subsidiaries that have material non-controlling interests are provided below:

Proportion of equity interest held by non-controlling interests:

Name	Country of incorporation	2021	2020
Bannerman Mining Resources (Namibia) (Pty) Ltd	Namibia	5%	5%
Accumulated balances of material non-controlling interest:		\$'000	\$'000
Bannerman Mining Resources (Namibia) (Pty) Ltd		(47)	52
Loss allocated to material non-controlling interest:			
Bannerman Mining Resources (Namibia) (Pty) Ltd		(23)	(41)

In March 2017, the Company entered into a Subscription Agreement with the One Economy Foundation to become a 5% loan-carried shareholder in the Etango Project. As part of the Subscription Agreement, Bannerman Mining Resources (Namibia) (Pty) Ltd (BMRN) issued 5% of its ordinary share capital to the One Economy Foundation for par (nominal) value. The One Economy Foundation will be free carried for all future project expenditure including pre-construction and development expenditure, with the loan capital and accrued interest repayable from future dividends.

The summarised financial information of the subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Bannerman Mining Resources (Namibia) (Pty) Ltd	2021	2020
Summarised statement of comprehensive income:	\$'000	\$'000
Other income	13	17
Administrative expenses	(490)	(452)
Loss before tax	(476)	(435)
Income tax	-	-
Loss for the year	(476)	(435)
Other comprehensive income/(loss)	824	(1,607)
Total comprehensive income/(loss)	348	(2,042)
Attributable to non-controlling interests	(2)	(144)
Attributable to equity holders of parent	350	(1,898)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

(EXPRESSED IN AUSTRALIAN DOLLARS)

Bannerman Mining Resources (Namibia) (Pty) Ltd	2021	2020
Summarised statement of financial position:	\$'000	\$'000
Cash and bank balances and receivables (current)	76	106
Property, plant and equipment and receivables (non current)	59	52
Exploration and evaluation expenditure (non current)	50,230	47,530
Other receivables (non current)	260	151
Trade and other payables (current)	(79)	(56)
Provisions (current)	(34)	(16)
Other payables (non current)	(45,938)	(39,908)
Provisions (non-current)	(295)	(252)
Total equity	4,279	7,607
Attributable to:		
Equity holders of parent	4,326	7,226
Non-Controlling interest	(47)	52
Summarised cash flow information:		
Operating	(300)	(100)
Investing	(1,259)	(538)
Financing	1,533	715
Net (decrease) / increase in cash and cash equivalents	(26)	77

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 30 JUNE 2021

DIRECTORS' DECLARATION

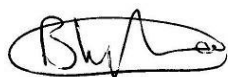
In accordance with a resolution of the directors of Bannerman Energy Ltd, I state that:

1. In the opinion of the directors:

- (a) The financial statements, notes and additional disclosures included in the directors' report designated as audited, of the Group are in accordance with the Corporations Act 2001, including:
 - i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and its performance for the year ended on that date.
 - ii) Complying with Accounting Standards and Corporations Regulations 2001.
- (b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1; and

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with s295A of the Corporations Act 2001 for the financial year ended 30 June 2021.

On behalf of the Board



Brandon Munro
Managing Director & CEO
Perth, 23 September 2021

Independent auditor's report to the members of Bannerman Energy Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Bannerman Energy Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2021 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial report.

Carrying value of capitalised exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
<p>At 30 June 2021, the Group held capitalised exploration and evaluation assets of \$54.36 million.</p> <p>The carrying value of exploration and evaluation assets is assessed for impairment by the Group when facts and circumstances indicate that an exploration and evaluation asset may exceed its recoverable amount.</p> <p>The determination as to whether there are any indicators to require an exploration and evaluation asset to be assessed for impairment, involves a number of judgements including whether the Group will be able to maintain tenure, perform ongoing expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. During the year, the Group determined that there had been no indicators of impairment.</p> <p>Given the size of the balance and the judgemental nature of impairment indicator assessments associated with exploration and evaluation assets, we consider this a key audit matter.</p>	<p>We evaluated the Group's assessment as to whether there were any indicators of impairment to require the carrying value of exploration and evaluation assets to be tested for impairment. Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▶ Considered the Group's right to explore in the relevant exploration area which included obtaining and assessing supporting documentation such as license agreements and correspondence with relevant government agencies. ▶ Considered the Group's intention to carry out significant exploration and evaluation activities in the relevant exploration area which included assessing whether the Group's cash-flow forecasts provided for expenditure for planned exploration and evaluation activities, and enquiring with senior management and Directors as to the intentions and strategy of the Group. ▶ Considered the Group's assessment of whether the commercial viability of extracting mineral resources had been demonstrated and whether it was appropriate to continue to classify the capitalised expenditure for the area of interest as an exploration and evaluation asset. ▶ We also assessed the adequacy of the disclosure in Note 10 to the financial report.



Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2021 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.

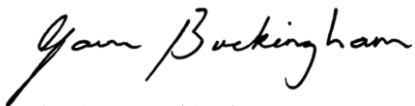
In our opinion, the Remuneration Report of Bannerman Energy Ltd for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Ernst & Young



Gavin A Buckingham
Partner
Perth
23 September 2021

ADDITIONAL SHAREHOLDER INFORMATION

FOR THE YEAR ENDED 30 JUNE 2021

ADDITIONAL SHAREHOLDER INFORMATION

Additional information required by the Australian Securities Exchange Listing Rules and not disclosed elsewhere in this report is set out below. The information was applicable as at 7 September 2021.

Distribution of Equity Securities

There were 315 holders of less than a marketable parcel of ordinary shares. The number of shareholders by size of holding is set out below:

Fully Paid Ordinary Shares

Size of Holding	Number of holders	Number of shares
1 - 1,000	254	64,266
1,001 - 5,000	492	1,793,402
5,001 - 10,000	593	4,700,496
10,001 - 100,000	2,361	90,219,073
100,001 and over	778	1,108,040,541
TOTALS	4,478	1,204,817,778

Unlisted Share options and Performance Rights

Size of Holding	Share options		Performance Rights	
	Number of holders	Number of share options	Number of holders	Number of performance rights
1 - 1,000	-	-	-	-
1,001 - 5,000	-	-	-	-
5,001 - 10,000	-	-	-	-
10,001 - 100,000	-	-	1	34,844
100,001 and over	5	22,495,400	13	47,527,757
TOTALS	5	22,495,400	14	47,562,601

Substantial Shareholders

An extract of the Company's register of substantial shareholders (who held 5% or more of the issued capital) is set out below:

Shareholder	Number of shares	Percentage Held	Date of last lodgement
Clive Jones	77,848,668	6.5%	7 November 2016

ADDITIONAL SHAREHOLDER INFORMATION (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Top 20 Shareholders

The top 20 largest shareholders are listed below:

Name	Number of Shares	Percentage Held %
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	165,897,203	13.77
CITICORP NOMINEES PTY LIMITED	152,945,856	12.69
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	100,634,721	8.35
MR CLIVE JONES <ALYSE INVESTMENT A/C>	53,853,267	4.47
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	44,804,686	3.72
BNP PARIBAS NOMS PTY LTD <DRP>	33,493,142	2.78
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	31,728,870	2.63
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	30,298,166	2.51
UBS NOMINEES PTY LTD	28,420,671	2.36
WIDERANGE CORPORATION PTY LTD	23,995,401	1.99
WOODROSS NOMINEES PTY LTD	21,248,085	1.76
RETZOS EXECUTIVE PTY LTD <RETZOS EXECUTIVE S/FUND A/C>	14,378,749	1.19
SEQUOI NOMINEES PTY LTD <THE SEQUOI A/C>	14,282,931	1.19
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	9,856,964	0.82
MCNEIL NOMINEES PTY LIMITED	9,330,196	0.77
RESOURCE CAPITAL FUND IV LP	7,840,000	0.65
RESOURCE CAPITAL FUND VI LP	7,840,000	0.65
ONEDIGGER PTY LTD <DIGGER SUPER FUND A/C>	7,126,123	0.59
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	7,001,938	0.58
MR WERNER EWALD	6,798,344	0.56
TOTAL TOP 20 HOLDERS	771,775,313	64.06
TOTAL NON-TOP 20 HOLDERS	433,042,465	35.94
TOTAL	1,204,817,778	100

Voting Rights

Ordinary Shares

For all ordinary shares, voting rights are on a show of hands whereby every member present in person or by proxy shall have one vote and upon a poll, each share shall have one vote.

Share options and Performance Rights

There are no voting rights attached to share options and performance rights.

Stock Exchanges

Bannerman has a primary listing of its ordinary shares on the Australian Securities Exchange (ASX code: BMN) and has additional listings of its ordinary shares on the Namibian Stock Exchange (NSX code: BMN) and on OTCQB Venture Market (OTCQB code: BNNLF).

Mineral Licence Schedule

The mineral licence schedule for the Group is tabulated below:

Licence Type/No.	Grant Date	Expiry Date	Holder	Area (Ha)	Country in which the Licence is held
EPL 3345	27-Apr-2006	26-Apr-2023	Bannerman Mining Resources (Namibia) (Pty) Ltd	4,708	Namibia
MDRL 3345	7-Aug-2017	6-Aug-2022	Bannerman Mining Resources (Namibia) (Pty) Ltd	7,295	Namibia