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Marenica Uranium Project, Namibia

"Road to Production"

Germany April 2010

Disclaimer and Competent Person's statement

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Competent Persons Statement

- Information in this report that relates to exploration results is based on information compiled by Dr Erik van Noort, who is a Member of the Australian Institute of Geoscientists. Dr van Noort is a full-time employee of Marenica Energy Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr van Noort consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*
- "The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by a team of full time employees of SRK Consulting (UK) Ltd which was directed by Dr Mike Armitage. Dr Armitage who is a Member of the Institute of Materials, Minerals and Mining and a Fellow of the Geological Society of London, both of which are 'Recognised Overseas Professional Organisations' ('ROPOs'), is the Chairman of SRK Consulting (UK) Ltd and has taken responsibility for the mineral resource aspects of SRK's work. Dr Rob Bowell, a Principal Geochemist with SRK and who is also a Fellow of the Geological Society of London takes responsibility for any comments related to exploration results and metallurgical testwork. Other team members, Dr John Arthur and Ms Tracey Laight are both Fellows of the Geological Society of London, Dr Arthur is also a Member of the Institute of Materials, Minerals and Mining. Both Dr Armitage and Dr Bowell have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Both Dr Armitage and Dr Bowell consent to the inclusion in this announcement of the matters based on their information in the form and context in which these appear."*

eU308

- Where eU308 is reported it relates to values attained from radiometrically logged boreholes. The probe has been calibrated at the Pelindaba Calibration facility in South Africa. Down hole spectral gamma logging/probing of drill holes provides a powerful tool for uranium companies to explore for, and evaluate, uranium deposits. Such a method measures the natural gamma rays emitted from material surrounding a drill hole out to around 0.5 metre from its centre - the gamma probe is therefore capable of sampling a much larger volume than that which would normally be recovered from a core or RC hole. These measurements are used to estimate uranium concentrations with the commonly and accepted initial assumption being that the uranium is in (secular) equilibrium with its daughter products (or radio-nuclides) which are the principal gamma emitters. If uranium is not in equilibrium (viz. in disequilibrium) – as a result of the redistribution (depletion or enhancement) of uranium and/or its daughter products - then the true uranium concentration in the holes logged using the gamma probe will be higher or lower than those reported in the announcement*

Overview – Investment Highlights

- Scoping Study underway
- Successful bulk metallurgical test work confirms upgrade
- U₃O₈ JORC resource now ~ 85Mlbs and growing
- Global nuclear giant AREVA owns a strategic 10.6% interest
- Exploration on 16 new targets ongoing
- Results from target MA5 confirm further resource extensions



Uranium – a commodity in demand

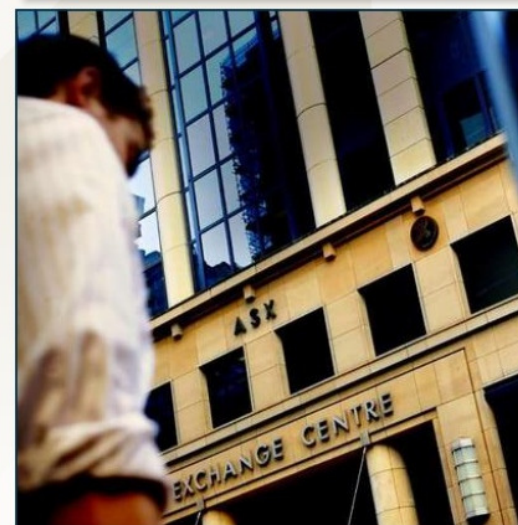
- Spot price currently ~US\$40/lb)
- Demand fundamentals driven by:
 - *441 operating nuclear reactors worldwide in 31 countries*
 - *56 under construction in 15 countries*
 - *316 new reactors planned or proposed for completion by 2025*
 - *20% of world production from politically unstable environments*
 - *Increasing acceptance of nuclear as part of future green energy mix*
 - *Diminishing supply from down blending of Russian HEU*
 - *Uranium market still in deficit to the tune of 60Mlbs pa*
 - *Gap projected to widen to 175Mlbs by 2025*
 - *Growth from China, India, Russia, Korea and Japan*
 - *Production not keeping up with forecasts – long lead times to production of up to 10 years*
- Strong likelihood for a shortfall in uranium supply in the medium term

• Management

- *Graham Woolford* - *Chairman*
- *John Young* - *Chief Executive Officer*
- *Neil Biddle* - *Non Executive Director*
- *David Sanders* - *Non Executive Director*

• Market details

- *Ordinary Shares* - *449M*
- *Options* - *64M*
- *Top 20* - *66%*
- *Market Capitalisation* - *A\$75M*
- *Debt* - *nil*
- *Cash* - *A\$3.6M*
- *ASX Code:* - *MEY*
- *Frankfurt Exchange:* - *WTT*
- *Namibian Exchange:* - *WAM*

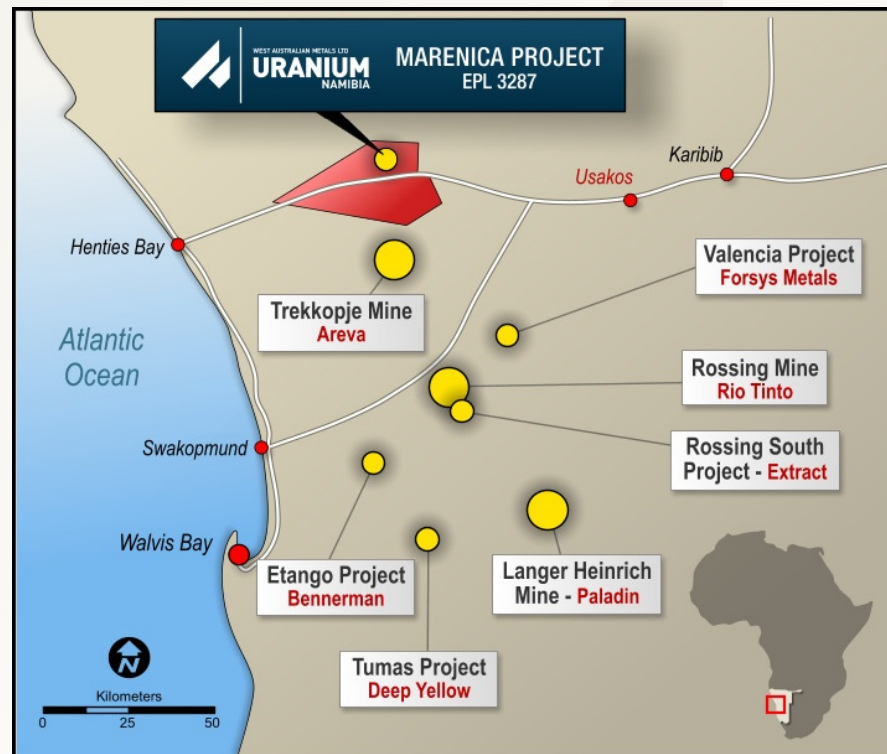


Namibia

- Modern, politically stable country with long history of resource development and mining
- World-class uranium province producing +12% of world's uranium
- Current projects include:

- *Rossing Mine – 69% Rio*
- *Langer Heinrich Mine – Paladin*
- *Trekkopje – Areva/CGNC*
- *Valencia – Forsys*
- *Etango – Bannerman*
- *Rossing South – Extract*
- *Inca – Deep Yellow*

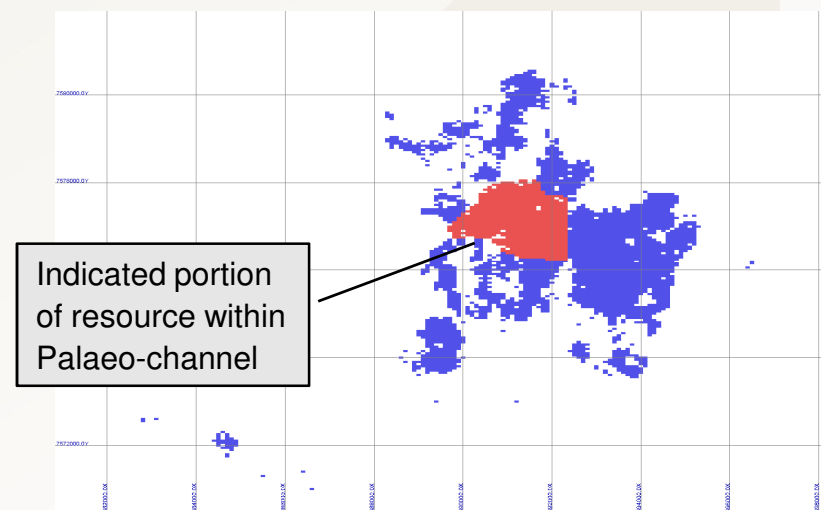
- 6 ● Accessible Infrastructure



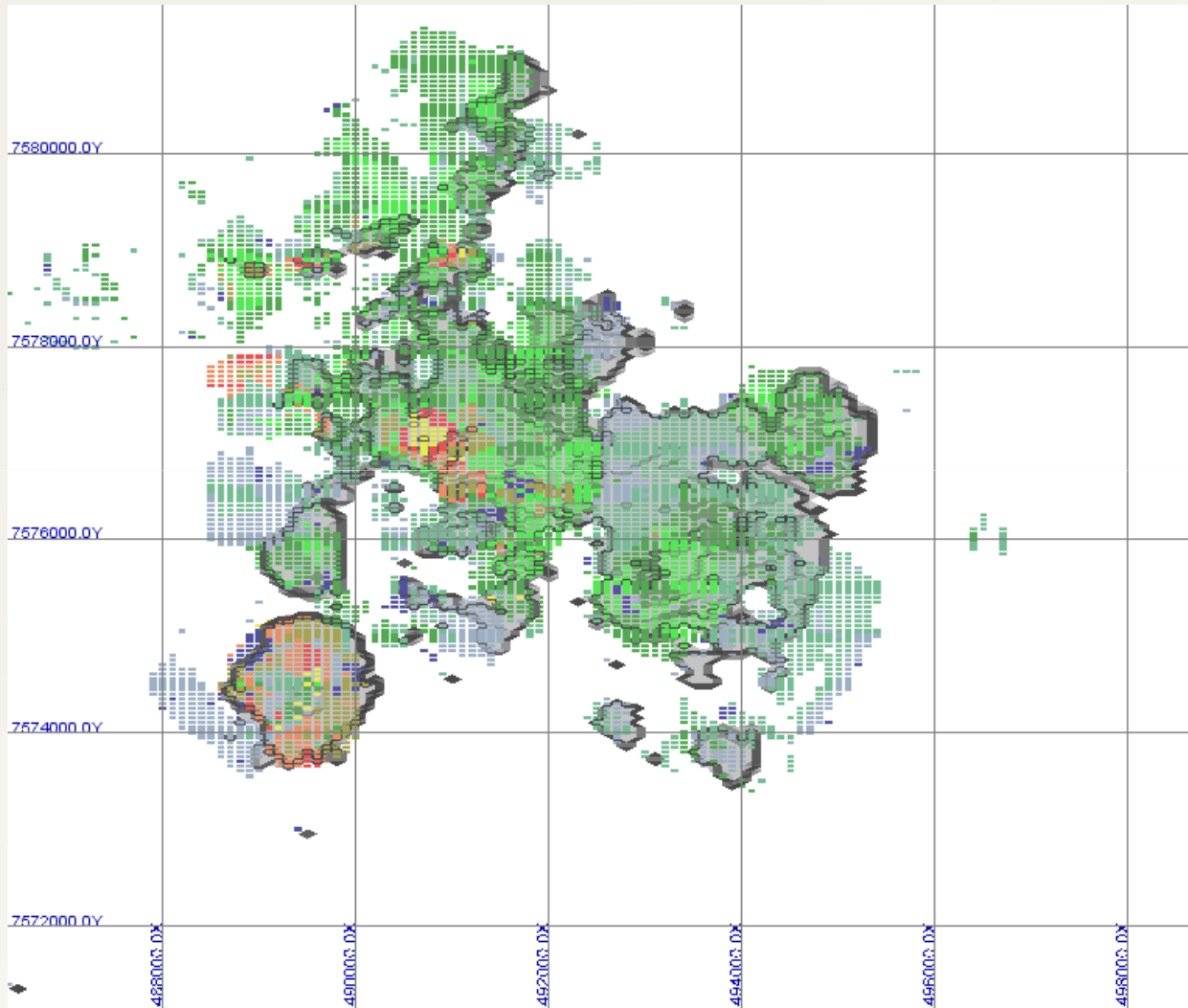
Marenica Resources

- ✓ **Now 85 million pounds** using 80ppm lower cut
- ✓ Potential to increase resource beyond 100 million pounds
- ✓ 120% increase in contained U_3O_8 of 46Mlbs
- ✓ Indicated Mineral Resource increased by 15Mt to 31Mt @ 175ppm U_3O_8
- ✓ Using lower cut of 100ppm grade increases to **204ppm**

Category	Weathering	COG	Tonnage	Grade	Uranium
		(U_3O_8 ppm)	(Mt)	(U_3O_8 ppm)	(M lb)
Measured	Channel	80ppm	-	-	-
	Basement	80ppm	-	-	-
	Sub Total	80ppm	-	-	-
Indicated	Channel	80ppm	14	190	6
	Basement	80ppm	16.6	163	6
	Sub Total	80ppm	30.6	175	12
Mea + Ind	TOTAL	80ppm	30.6	175	12
Inferred	Channel	80ppm	61.5	157	21
	Basement	80ppm	134.5	175	52
	Sub Total	80ppm	196	169	73



Mineral Resource Estimate

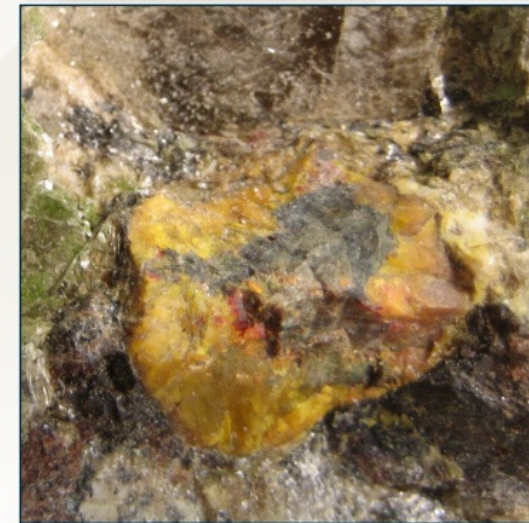


- 80.00000 - 100.00000
- 100.00000 - 120.00000
- 120.00000 - 140.00000
- 140.00000 - 160.00000
- 160.00000 - 180.00000
- 180.00000 - 200.00000
- 200.00000 - 220.00000
- 220.00000 - 240.00000
- 240.00000 - 99999.000

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Marenica Metallurgy

- Ore amenable to significant upgrade:
 - *confirmed by screening, scrubbing and ore sorting test work*
- **375% increase in U_3O_8 grade achieved:**
 - *from a head grade of 232ppm U_3O_8 to a final product grade of 871ppm U_3O_8*
- 90% of the uranium in 37% of the ore
- 96% extraction of uranium achieved from both calcrete and oxidised bedrock though initial leach test work
- Metallurgical Testwork Ongoing
- Plans to Utilise Pilot plant at ANSTO



Road to production – scoping study

- Resource to reserve
 - *+40Mlb U_3O_8 (>80ppm cutoff) SRK in 2010*
- Mining
 - *Conceptual resource optimization*
 - *Annual ore and waste production schedules*
 - *Operating and capital cost models $\pm 35\%$*
 - *Mine Plan, mine layout and access requirements*
- Metallurgy /Process options
 - *Detailed metallurgical testwork (ANSTO)*
 - *Determine capital and operating cost of process route*
- Waste Management/Leaching
- Environmental and Social
- Infrastructure
- Technical and Economic Modeling



Approach for value realisation

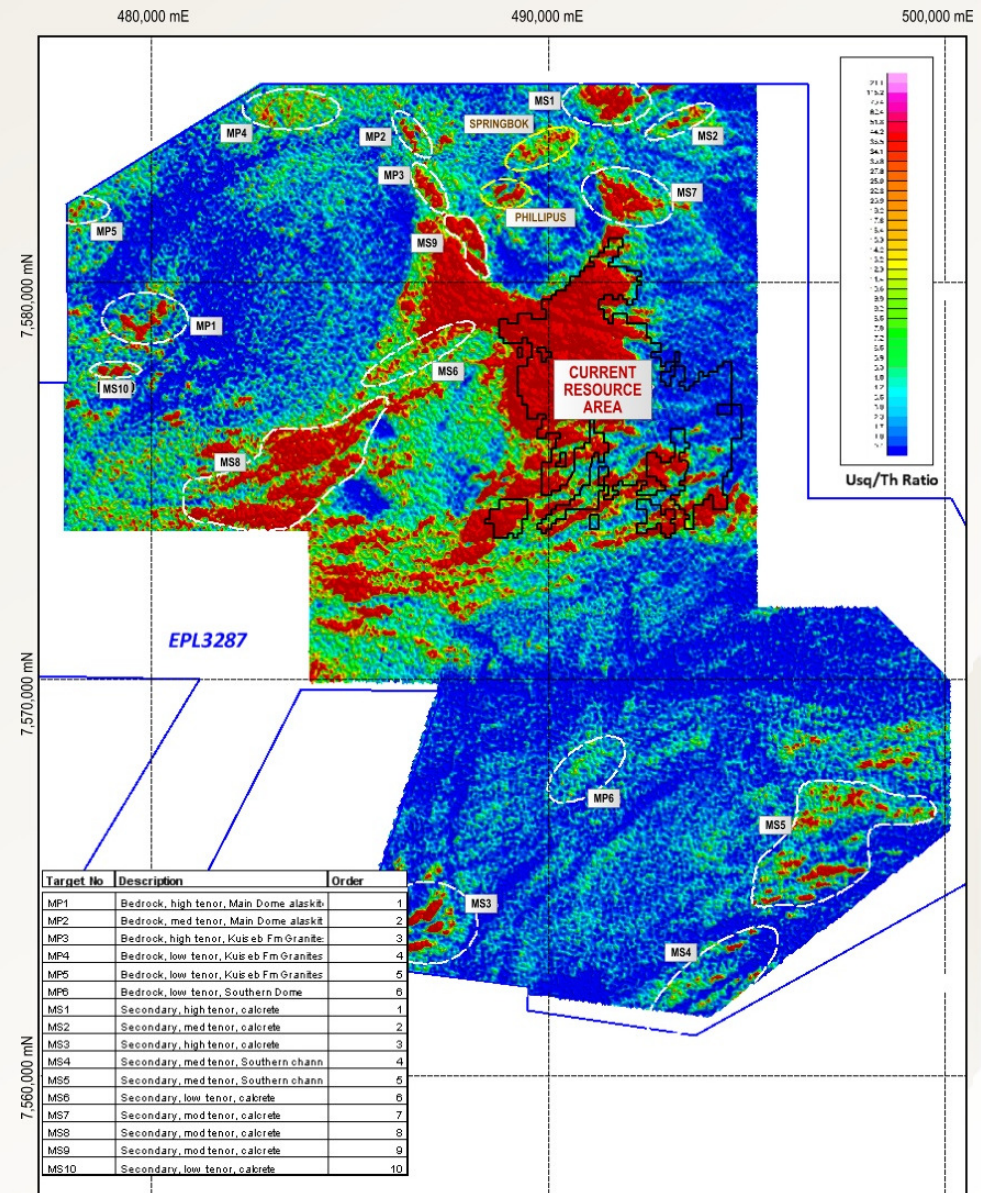
- **Scoping Study Results**
- **Timetable of results:**
 - ✓ Revised resources, mid-April 2010
 - ✓ Whittle optimization, late April 2010
 - ✓ Metallurgical results complete, late April 2010
 - ✓ Financial modelling early May 2010
 - ✓ Desk reviews, geotechnical, hydrogeology & environmental May 2010
 - ✓ Draft scoping review by 26/5/2010
- Develop **commercialisation path** a view to exploit existing uranium infrastructure in the local region this will reduce CAPEX
- **Additional 7,000m of exploration** drilling in 1H 2010 targeting secondary uranium mineralisation for additional resources



Marenica exploration 2010

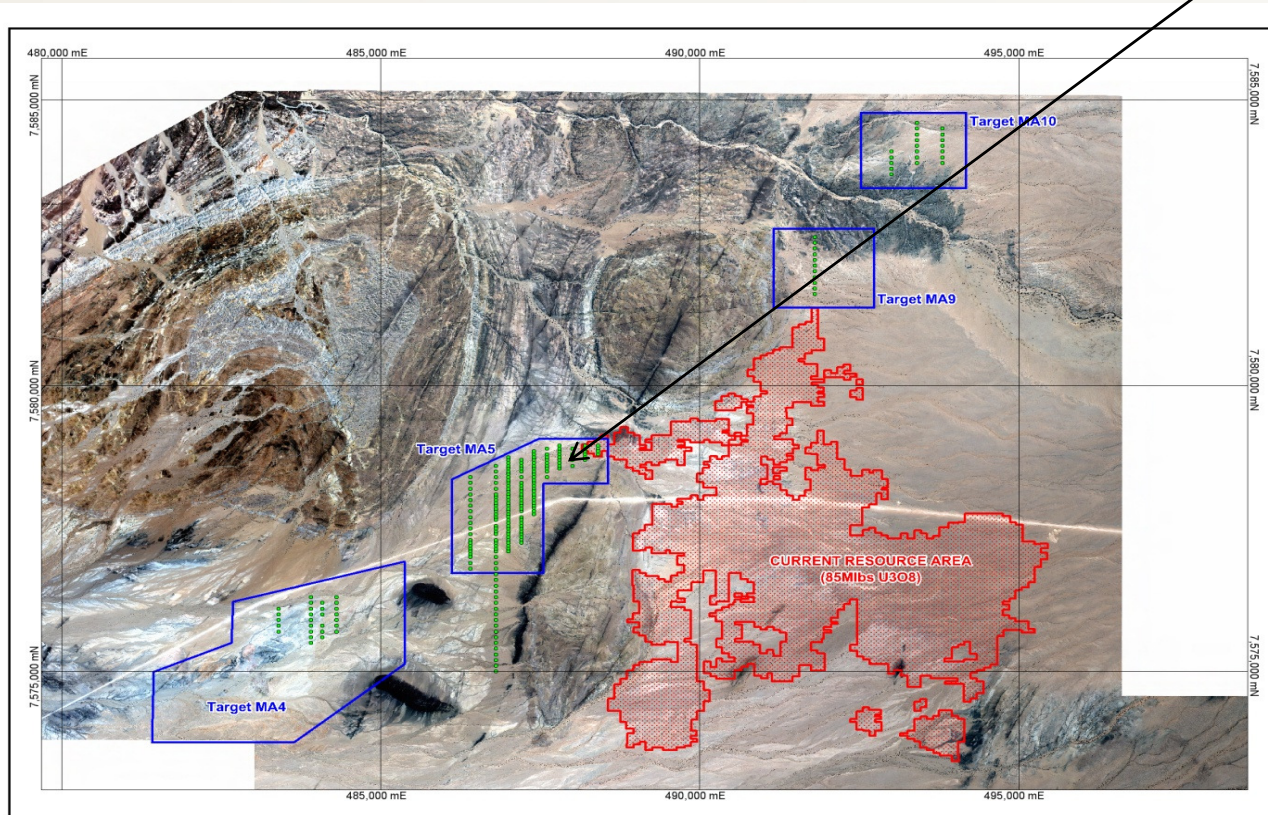
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- *NEW Airborne Radiometric Survey* – 16 new radiometric anomalies in both palaeo-channel and bedrock terrains
- *Aircore Drilling* – to start mid-February:
 - *to test peripheral targets to the Marenica paleochannel*
 - *Additional palaeochannel targets in the south-eastern area, adjacent to the prospective southern dome*
- RC Drilling planned – to test selected hard rock primary uranium targets – many based on detailed ground mapping, using the new radiometrics



Early Exploration Success

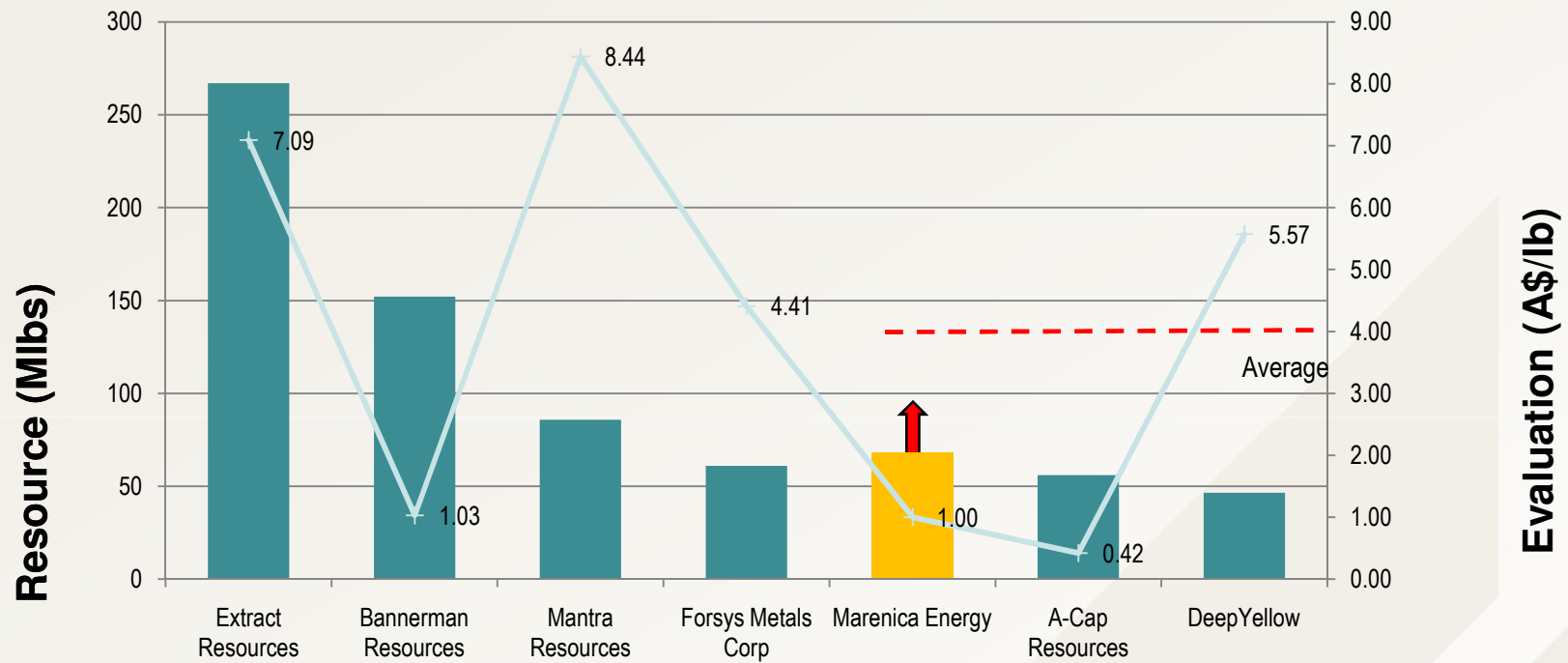
Hole_ID	UTM_East	UTM_North	Dip	Azim	Depth(m)	From	To	Interval	eU3O8 (ppm)
MAC0031	488400	7578900	-90	0	5.8	3.42	4.82	1.4	211.4
MAC0035	488000	7578900	-90	0	6.0	1.29	2.69	1.4	118.3
MAC0040	487600	7578900	-90	0	6.0	2.66	4.56	1.9	112.8
MAC0043	487600	7578650	-90	0	12.0	3.85	5.25	1.4	259.2
MAC0143	487600	7578750	-90	0	3.5	1.10	2.80	1.7	143.5
MAC0144	487800	7578950	-90	0	12.0	2.42	5.42	3.0	106.4



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Marenica Project – Value

Peer Comparables



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Production Comparison



	Bannerman	DeepYellow	Forsys Metals Corp	Marenica Energy
Market Cap'n	106	250	373	68
A\$ per/lb	\$1.03	\$5.57	\$4.41	\$0.96
Project	Etango	Reptile	Valencia	Marenica
Status	DFS	Drilling	DFS	SS
Type	Alaskite	Secondary / Skarns	Alaskite	Secondary
Depth	to 320m	Various	to 375m	to 40m
Resources				
Measured or Ind	205 mt	9	158	31
Inferred	103 mt	78	15	196
Total (U3O8)	308 MT	87	173	227
Grade (U3O8)	222	241	160	170
Uranium Contained	69,000	21,067	27,850	38,566
Mill Lbs	152	47	61	85
Cut Grade	100ppm	100-200ppm	100ppm	80ppm
Studies				
Process	mill,float, SX	n/a	Cix,SX	Alk Leach
CAPEX	555	n/a	332	<\$110m
per tonnes capacity	\$37 pt	n/a	39.5	\$11pt
Capacity	15 Mt	n/a	8 Mt	10 Mt
Production pa	3500	1500	1360	1200
Head Grade	211	400	156	170
Recovery %	80%	n/a	88%	85%
First prod	2013	n/a	2012	2013/14
Waste:ore	3.5:1	n/a	2:01	3:01
Op costs	\$41 per lb	n/a	\$29 p/lb	\$35 p/lb
Minelife	16 yrs +	n/a	15 yrs	15 yrs



Marenica Uranium Project, Namibia

"Forging Ahead in 2010"