



ASX/Media Release – 8th June 2011

## DRILLING UPDATE – MARENICA URANIUM PROJECT, NAMIBIA

### KEY POINTS

- In-fill drilling in the Eastern part of the Marenica Resource confirms continuity of mineralisation within an area previously covered only by wide-spaced drilling.
- Positive results support the current Pre-Feasibility Study on the Marenica Uranium Project.
- To date, 62 out of 74 holes probed have returned results of >100ppm eU<sub>3</sub>O<sub>8</sub>, 25% of which were intercepts averaging >200ppm eU<sub>3</sub>O<sub>8</sub>. Better intercepts from the programme included:
  - 19.4m @ 193ppm eU<sub>3</sub>O<sub>8</sub> from 13.6m in MAR1725
  - 10.7m @ 161ppm eU<sub>3</sub>O<sub>8</sub> from 19.3m in MAR1729
  - 13.3m @ 195ppm eU<sub>3</sub>O<sub>8</sub> from 12.0m in MAR1734
  - 13.1m @ 166ppm eU<sub>3</sub>O<sub>8</sub> from 17.5m in MAR1740
  - 10.9m @ 259ppm eU<sub>3</sub>O<sub>8</sub> from 25.6m in MAR1744
  - 13.6m @ 201ppm eU<sub>3</sub>O<sub>8</sub> from 17.3m in MAR1775
- A further 3,000m of drilling will be undertaken at the MA7 Target, located 7km south-east of the Marenica deposit, which was discovered in 2010.
- Initial wide-spaced drilling (600m by 200m) will be undertaken to underpin an initial JORC resource estimate for Target MA7, which has the potential to enhance Marenica's uranium resource inventory.

International uranium company **Marenica Energy (ASX: MEY)** is pleased to provide an update on ongoing resource in-fill and exploration drilling programs at its flagship 75%-owned **Marenica Uranium Project** located in Namibia, southern Africa.

Consistent and encouraging results have been received from in-fill drilling at the East Pit Area, which is located within the current JORC resource.

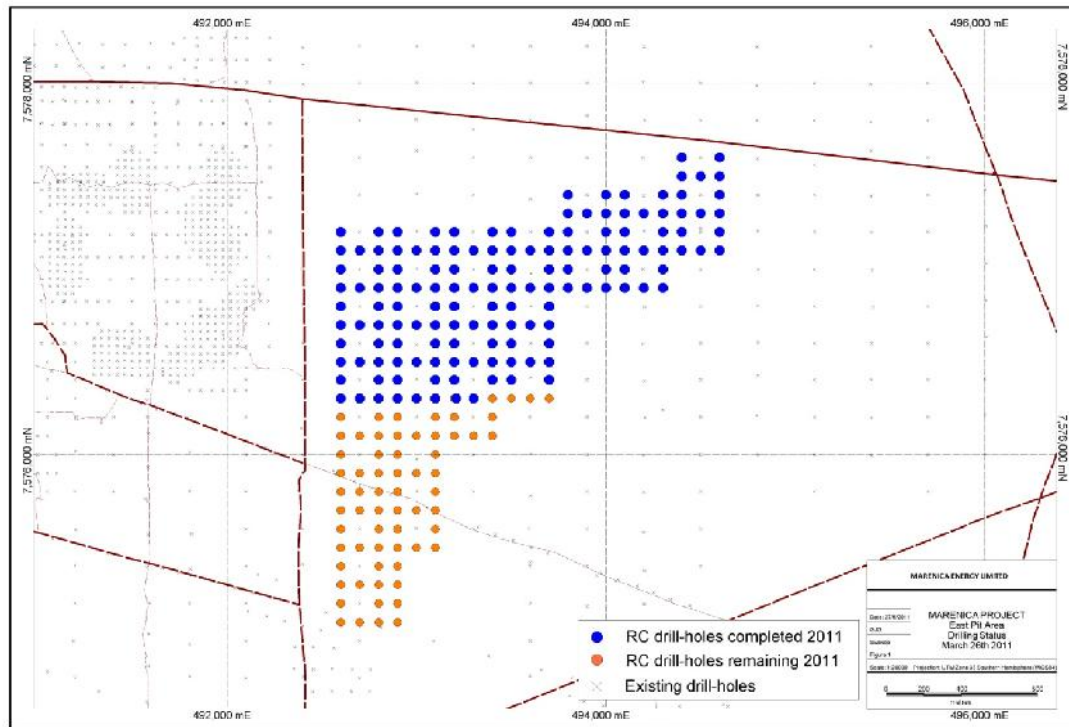
This drilling is designed to in-fill on a 100m by 100m spacing in an area of the resource that was previously covered by widely spaced drilling (300m by 200m), and represents a key component of the current Pre-Feasibility Study (PFS).

In addition, drilling is scheduled to commence shortly at the MA7 Target Area, located immediately to the south-east of the main resource area.

## Drilling Update

The in-fill Reverse Circulation (RC) drilling programme commenced at the East Pit area in April, and has continued through May, to date 141 holes have been drilled for 8,327m (see Figure 1). This part of the resource was previously drilled at a wide spacing of 300m by 200m and had been included in the optimised pit outlined in the 2010 Scoping Study. This program is designed to infill on a 100m by 100m drill spacing.

For the campaign to date, an average of 225 metres has been drilled per day and at this rate the programme is expected to be completed during June. The holes completed to date and remaining to be drilled are shown in Figure 1 below:



**Figure 1:** The 2011 in-fill RC drilling in the East Pit Area, showing completed and remaining holes

## Geophysical Logging and Results

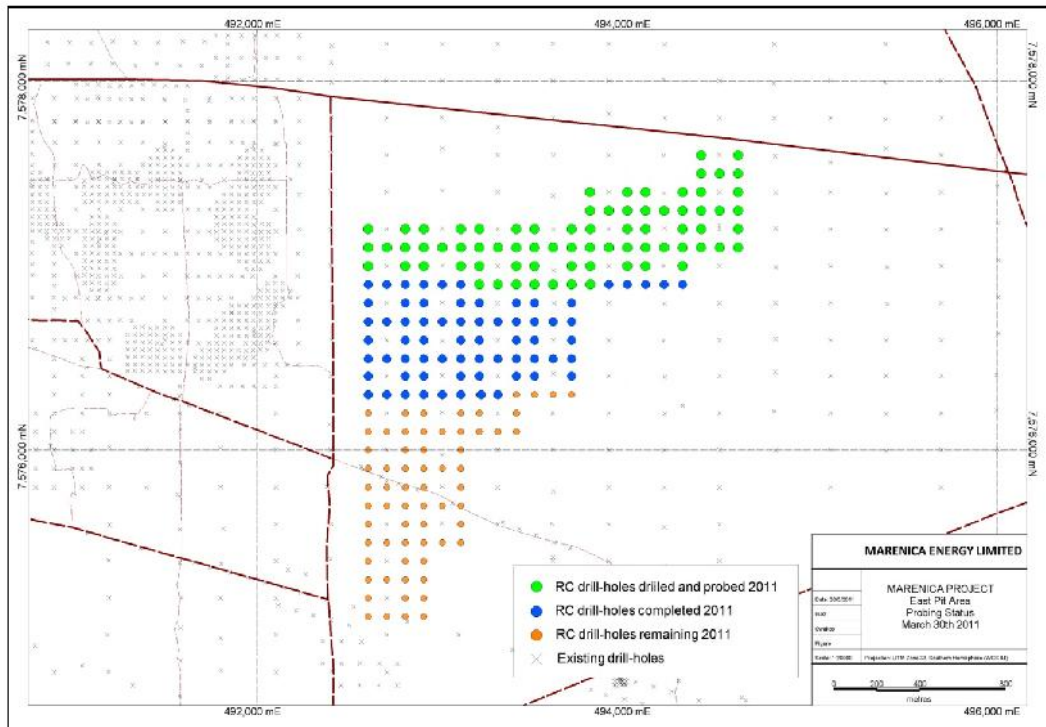
Down-hole geophysical probing of the East Pit Area RC holes by Terratec Geophysical Consultants is continuing. During May, 51 holes for 2,823m were probed. Of the 141 RC holes drilled to date, 74 have been probed (see Figure 2 below).

Of the 74 holes probed to date, 62 holes returned significant intercepts above a 100ppm eU<sub>3</sub>O<sub>8</sub> total count (TC) of which 15 intercepts were above 200ppm eU<sub>3</sub>O<sub>8</sub> (see Table 3).

Better intercepts from the programme included:

- **19.4m @ 193ppm eU<sub>3</sub>O<sub>8</sub>** from 13.6m in MAR1725
- **3.8m @ 364ppm eU<sub>3</sub>O<sub>8</sub>** from 13.5m in MAR1726
- **10.7m @ 161ppm eU<sub>3</sub>O<sub>8</sub>** from 19.3m in MAR1729
- **7.7m @ 262ppm eU<sub>3</sub>O<sub>8</sub>** from 16.4m in MAR1733
- **13.3m @ 195ppm eU<sub>3</sub>O<sub>8</sub>** from 12.0m in MAR1734
- **5.6m @ 248ppm eU<sub>3</sub>O<sub>8</sub>** from 34.0m in MAR1736
- **8.5m @ 202ppm eU<sub>3</sub>O<sub>8</sub>** from 15.3m in MAR1738
- **13.1m @ 166ppm eU<sub>3</sub>O<sub>8</sub>** from 17.5m in MAR1740

- 10.9m @ 259ppm eU<sub>3</sub>O<sub>8</sub> from 25.6m in MAR1744
- 5.0m @ 228ppm eU<sub>3</sub>O<sub>8</sub> from 29.2m in MAR1752
- 6.8m @ 216ppm eU<sub>3</sub>O<sub>8</sub> from 29.4m in MAR1771
- 13.6m @ 201ppm eU<sub>3</sub>O<sub>8</sub> from 17.3m in MAR1775



**Figure 2:** Progress of the East Pit Area RC down-hole gamma probing program undertaken by Terratec Geophysical consultants.

All significant results (>100ppm eU<sub>3</sub>O<sub>8</sub>) from the drilling program are presented in Appendix, Table 1.

### **Target MA7 Drilling**

In-fill RC drilling over the MA7 anomaly, which is located 7km south-west of the Marenica deposit (see Figure 3 attached), is expected to commence during the second half of June, immediately following completion of the East Pit in-fill drilling programme.

Approximately 3,000m of RC drilling is planned for the MA7 area, which will result in a 300m x 200m drill coverage over the mineralised area. It is anticipated that a preliminary Inferred Resource will be calculated following the completion of the programme.

For further information contact John Young, CEO at Marenica Energy Limited; PH: +61 8 9321 7355

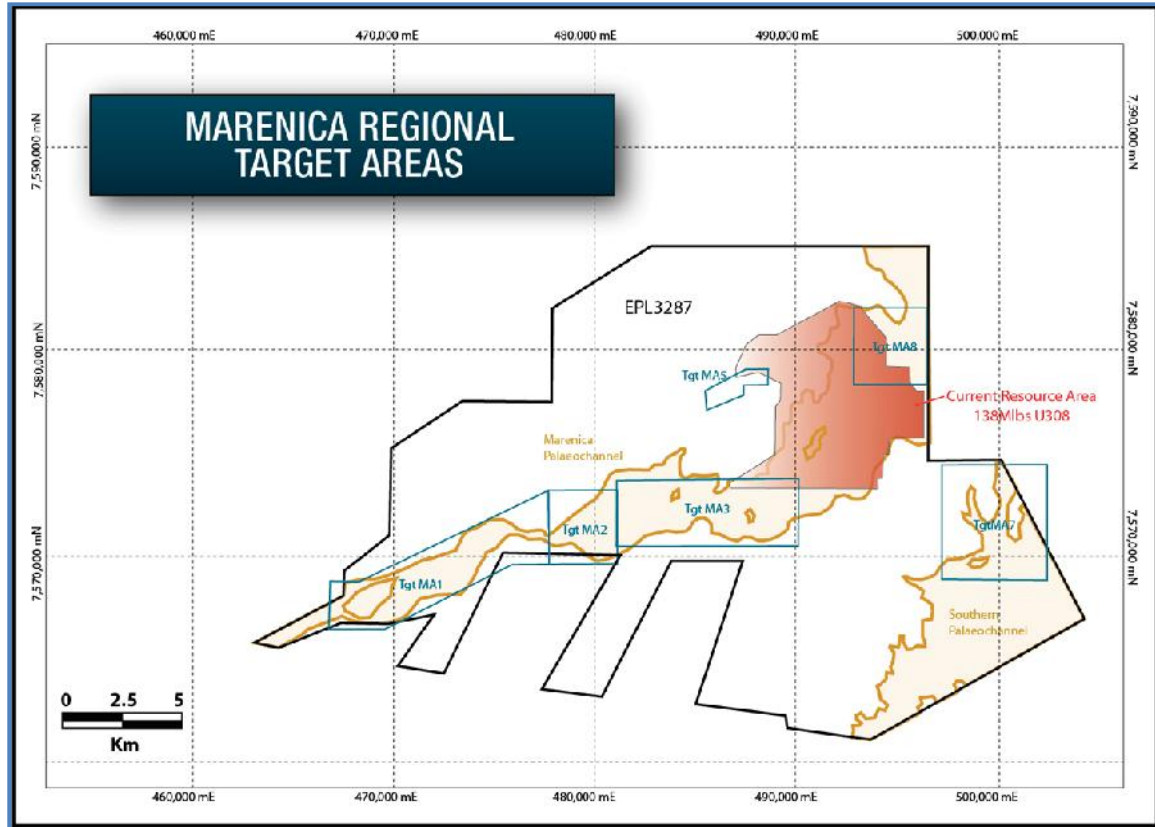
### **Notes**

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 Ltd 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.

Where eU<sub>3</sub>O<sub>8</sub> 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 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. Preliminary testwork completed for the company by ANSTO Minerals indicates that the Marenica deposit is in secular equilibrium (viz. disequilibrium is not apparent).

**Figure 3 – Marenica Uranium Project, with location of Regional Target Areas**



**Appendix**

**Table 1: Significant intercepts from RC drilling in the East Pit Area.**

Hole_ID	UTM_East	UTM_North	Dip	Azim	Hole Depth (m)	From (m)	To (m)	Intercept (m)	eU308 (ppm)
MAR1698	494600	7577600	-90	0	59	32.19	33.69	1.5	146.62
MAR1699	494600	7577500	-90	0	58	45.6	47.5	1.9	295.81
MAR1700	494500	7577500	-90	0	58	28.08	36.68	8.6	160.22
MAR1701	494400	7577500	-90	0	61	25.83	29.03	3.2	110.36
MAR1702	494600	7577400	-90	0	53	32.17	36.27	4.1	173.58
MAR1705	494100	7577400	-90	0	68	24	29.1	5.1	125.63
MAR1705	494100	7577400	-90	0	68	30.1	33.3	3.2	117.61
MAR1706	494000	7577400	-90	0	82	20.63	26.13	5.5	196.24
MAR1706	494000	7577400	-90	0	82	30.53	32.83	2.3	105.99
MAR1707	493800	7577400	-90	0	74	31.94	34.94	3.0	129.98
MAR1708	494600	7577300	-90	0	52	33.1	37.4	4.3	224.86
MAR1709	494500	7577300	-90	0	60	24.69	25.79	1.1	186.86
MAR1709	494500	7577300	-90	0	60	27.69	31.49	3.8	112.62
MAR1710	494400	7577300	-90	0	66	23.83	25.43	1.6	132.03
MAR1711	494300	7577300	-90	0	88	27.45	30.15	2.7	108.55
MAR1711	494300	7577300	-90	0	88	65.35	68.95	3.6	241.99
MAR1713	494100	7577300	-90	0	62	19.38	25.48	6.1	187.08
MAR1713	494100	7577300	-90	0	62	27.18	30.08	2.9	124.01
MAR1714	494000	7577300	-90	0	80	19.13	23.03	3.9	169.87
MAR1714	494000	7577300	-90	0	80	31.13	33.83	2.7	102.73
MAR1715	493900	7577300	-90	0	88	21.74	24.04	2.3	113.30
MAR1715	493900	7577300	-90	0	88	24.54	27.54	3.0	107.52
MAR1716	493800	7577300	-90	0	88	21.98	25.88	3.9	132.45
MAR1718	494400	7577200	-90	0	60	30.49	31.79	1.3	142.11
MAR1721	494000	7577200	-90	0	59	23.76	30.76	7.0	193.37
MAR1721	494000	7577200	-90	0	59	32.76	34.86	2.1	123.64
MAR1722	493800	7577200	-90	0	80	20.57	22.27	1.7	175.56
MAR1723	493700	7577200	-90	0	67	17.66	24.36	6.7	152.98
MAR1723	493700	7577200	-90	0	67	26.06	29.76	3.7	200.14
MAR1724	493500	7577200	-90	0	58	32.44	34.74	2.3	116.35
MAR1725	493400	7577200	-90	0	56	13.56	32.96	19.4	193.48
MAR1726	493200	7577200	-90	0	59	13.49	17.29	3.8	363.75
MAR1726	493200	7577200	-90	0	59	19.79	21.09	1.3	139.71
MAR1727	493100	7577200	-90	0	62	17.48	19.38	1.9	159.38

Hole_ID	UTM_East	UTM_North	Dip	Azim	Hole Depth (m)	From (m)	To (m)	Intercept (m)	eU3O8 (ppm)
MAR1727	493100	7577200	-90	0	62	20.28	22.38	2.1	108.58
MAR1728	492900	7577200	-90	0	84	13.65	15.45	1.8	140.66
MAR1728	492900	7577200	-90	0	84	15.75	20.45	4.7	162.51
MAR1729	492800	7577200	-90	0	86	11.57	18.37	6.8	163.35
MAR1729	492800	7577200	-90	0	86	19.27	29.97	10.7	160.82
MAR1731	492600	7577100	-90	0	72	15.09	18.39	3.3	135.20
MAR1731	492600	7577100	-90	0	72	19.59	21.39	1.8	136.36
MAR1732	492700	7577100	-90	0	84	14.63	20.83	6.2	136.36
MAR1733	492800	7577100	-90	0	86	13.07	14.57	1.5	122.55
MAR1733	492800	7577100	-90	0	86	16.37	24.07	7.7	262.27
MAR1734	492900	7577100	-90	0	88	11.96	25.26	13.3	195.14
MAR1734	492900	7577100	-90	0	88	26.26	29.96	3.7	206.74
MAR1735	493000	7577100	-90	0	67	12.35	15.35	3.0	204.67
MAR1736	493100	7577100	-90	0	58	10.33	14.63	4.3	115.92
MAR1736	493100	7577100	-90	0	58	15.73	22.63	6.9	147.09
MAR1736	493100	7577100	-90	0	58	28.43	34.03	5.6	247.55
MAR1737	493200	7577100	-90	0	55	13.22	20.32	7.1	127.07
MAR1738	493300	7577100	-90	0	48	15.33	23.83	8.5	202.00
MAR1738	493300	7577100	-90	0	48	25.13	29.73	4.6	191.13
MAR1738	493300	7577100	-90	0	48	31.23	33.43	2.2	107.98
MAR1738	493300	7577100	-90	0	48	35.23	37.73	2.5	102.98
MAR1739	493400	7577100	-90	0	46	13.05	22.55	9.5	187.64
MAR1740	493500	7577100	-90	0	41	17.5	30.6	13.1	165.78
MAR1741	493600	7577100	-90	0	50	19.08	22.08	3.0	134.23
MAR1742	493700	7577100	-90	0	55	15.27	20.17	4.9	138.18
MAR1742	493700	7577100	-90	0	55	21.57	24.97	3.4	117.30
MAR1742	493700	7577100	-90	0	55	33.87	35.37	1.5	118.19
MAR1743	493800	7577100	-90	0	69	20.2	26.2	6.0	133.58
MAR1744	493900	7577100	-90	0	66	25.6	36.5	10.9	258.91
MAR1745	494000	7577100	-90	0	49	22.16	31.66	9.5	143.83
MAR1745	494000	7577100	-90	0	49	34.06	36.96	2.9	180.80
MAR1746	494100	7577100	-90	0	50	23	24	1.0	149.65
MAR1747	494200	7577100	-90	0	58	24.07	25.77	1.7	153.51
MAR1747	494200	7577100	-90	0	58	27.57	35.67	8.1	151.65

Hole_ID	UTM_East	UTM_North	Dip	Azim	Hole Depth (m)	From (m)	To (m)	Intercept (m)	eU3O8 (ppm)
MAR1749	494400	7577100	-90	0	56	20.67	24.17	3.5	122.49
MAR1750	494500	7577100	-90	0	50	31.69	34.89	3.2	131.26
MAR1752	494300	7577000	-90	0	50	21.13	24.73	3.6	103.04
MAR1752	494300	7577000	-90	0	50	29.23	34.23	5.0	228.09
MAR1753	494100	7577000	-90	0	55	32.48	37.08	4.6	110.36
MAR1754	494000	7577000	-90	0	45	32.15	33.55	1.4	131.66
MAR1755	493800	7577000	-90	0	63	21.89	24.49	2.6	168.95
MAR1756	493700	7577000	-90	0	51	17.16	21.46	4.3	115.72
MAR1756	493700	7577000	-90	0	51	29.46	32.46	3.0	118.18
MAR1756	493700	7577000	-90	0	51	35.86	38.76	2.9	113.81
MAR1757	493500	7577000	-90	0	31	13.76	17.56	3.8	122.82
MAR1757	493500	7577000	-90	0	31	21.06	23.86	2.8	103.03
MAR1758	493400	7577000	-90	0	33	15.01	20.61	5.6	126.28
MAR1758	493400	7577000	-90	0	33	27.81	29.51	1.7	139.07
MAR1759	493200	7577000	-90	0	57	12.9	19.8	6.9	129.77
MAR1759	493200	7577000	-90	0	57	21.7	24	2.3	112.26
MAR1759	493200	7577000	-90	0	57	29.5	31.8	2.3	131.88
MAR1760	493100	7577000	-90	0	54	15.31	19.81	4.5	134.93
MAR1760	493100	7577000	-90	0	54	32.31	34.31	2.0	106.63
MAR1761	492900	7577000	-90	0	88	12.92	16.12	3.2	121.15
MAR1761	492900	7577000	-90	0	88	17.82	22.62	4.8	132.56
MAR1761	492900	7577000	-90	0	88	23.42	29.22	5.8	166.01
MAR1762	492800	7577000	-90	0	89	11.79	19.49	7.7	163.29
MAR1762	492800	7577000	-90	0	89	29.49	32.69	3.2	256.84
MAR1763	492600	7577000	-90	0	74	12.3	19.8	7.5	149.30
MAR1763	492600	7577000	-90	0	74	21.1	24.9	3.8	122.32
MAR1770	493200	7576900	-90	0	56	15.57	24.47	8.9	133.80
MAR1770	493200	7576900	-90	0	56	35.47	37.07	1.6	124.52
MAR1771	493300	7576900	-90	0	46	15.56	23.26	7.7	124.03
MAR1771	493300	7576900	-90	0	46	23.96	27.66	3.7	144.33
MAR1771	493300	7576900	-90	0	46	29.36	36.16	6.8	216.38
MAR1772	493400	7576900	-90	0	40	15.75	17.65	1.9	105.51
MAR1775	493700	7576900	-90	0	47	17.32	30.92	13.6	201.07
MAR1776	493800	7576900	-90	0	52	23.31	30.91	7.6	163.17

**Notes on the drilling results table**

Intervals are calculated from data provided by Terratec Geophysical Consultants, using a down-hole spectral gamma-probe. eU3O8 values are based on total-count logging, with data collected at 10cm intervals. Intervals reported are a minimum of 1m, with lower cut of 100ppm eU3O8. A maximum internal waste of 2m at less than 100ppm eU3O8 is allowed for each interval.

