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BANNERMAN RESOURCES LIMITED

ABN 34 113 017 128

NEWS RELEASE

BANNERMAN SIGNIFICANTLY EXPANDS THE ETANGO PROJECT MINERAL RESOURCE ESTIMATE

Perth, Australia - July 20, 2009 – Australian-based uranium mine development and exploration company, Bannerman Resources Limited (ASX: BMN, TSX: BAN, NSX: BMN) ("Bannerman"), continues to advance development of its Etango Uranium Project in Namibia, southern Africa, today announcing an updated mineral resource estimate.

Highlights include:

- 21% increase in **Measured & Indicated** Resources from 89.2Mlbs to **107.7Mlbs** U_3O_8 at an average grade of 208ppm U_3O_8.
- 40% increase in **Inferred** Resources from 37.4Mlbs to **52.4Mlbs** U_3O_8 at an average grade of 197ppm U_3O_8.
- 67% of the total resource estimate is in the Measured & Indicated categories.
- Two thirds of the total resource estimate is located **within 200 metres of surface**.
- Increased mineral resource for the **Oshiveli** deposit comprising **Indicated Resources** of **12.4Mlbs** U_3O_8 and **Inferred Resources** of **8.3Mlbs** U_3O_8. Inaugural mineral resource for the **Onkelo** deposit comprising **Inferred Resources** of **20.2Mlbs** U_3O_8.
- **Resource extension drilling** continues at the Oshiveli and Onkelo deposits.

Note: Mineral resources are reported at a lower cut-off of 100ppm U_3O_8.

Bannerman CEO Len Jubber said: "This substantial increase in the mineral resource estimate continues to elevate the Etango deposit in the ranking of globally significant uranium deposits. The 5km long mineral resource at Etango occurs over a broad width and at shallow depth with approximately two thirds of the resource located within 200 metres from surface."

"Bannerman is continuing with resource extension drilling and is also well advanced with a feasibility study into an open pit uranium mining operation at Etango. Results from the ongoing resource extension drilling will be released as they become available during the second half of 2009," he added.

About Bannerman - Bannerman Resources Limited is an emerging uranium development company with interests in two properties in Namibia, a southern African country considered to be a premier uranium mining jurisdiction. Bannerman's principal asset is its 80%-owned Etango Project situated southwest of Rio Tinto's Rössing uranium mine and to the west of Paladin Energy's Langer-Heinrich uranium mine. Etango is one of the world's largest undeveloped uranium deposits. Bannerman is focused on resource extension drilling and the feasibility assessment of a large open pit mining operation at Etango. More information is available on Bannerman's website at www.bannermanresources.com.au.

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Mineral Resource Update

The July 2009 **Etango Project** mineral resource estimate, at a cut-off grade of 100 parts per million ("ppm") U_3O_8, represents a 26% increase in the contained uranium content compared with the previous February 2009 estimate. Indicated Resources have increased 18% from 89.2 million pounds ("Mlbs") to 105.7Mlbs U_3O_8 and Inferred Resources have increased 40% from 37.4Mlbs to 52.4Mlbs U_3O_8. For the first time, part of the resource estimate is within the Measured category which currently totals 2.0Mlbs U_3O_8.

The updated July 2009 mineral resource estimate for the Etango Project, comprising the **Anomaly A** and adjacent **Oshiveli** and **Onkelo** uranium deposits, is summarised below (and tabulated in full in Table 1 on page 11) at a range of cut-off grades. Bannerman reports its resource estimates at a cut-off grade of 100ppm U_3O_8.

Updated Mineral Resource Estimate – July 2009

	MEASURED & INDICATED RESOURCES				INFERRED RESOURCES			
Lower Cut-off	Tonnes	Grade	Contained U_3O_8		Tonnes	Grade	Contained U_3O_8	
(ppm)	(Mt)	(ppm U_3O_8)	(Tonnes)	(Mlbs)	(Mt)	(ppm U_3O_8)	(Tonnes)	(Mlbs)
100	**235.0**	**208**	**48,900**	**107.7**	**120.7**	**197**	**23,800**	**52.4**
150	176.8	234	41,500	91.3	89.7	221	19,800	43.6
200	105.7	275	29,000	64.0	50.2	257	12,900	28.4

Note: *Figures have been rounded; bulk density of 2.63t/m^3; Ordinary Kriged estimate based on cut 3m (Anomaly A and Oshiveli) and 2m (Onkelo) U_3O_8 composites; Block dimensions of 25mNS x 25mEW x 10mRL (Anomaly A and Oshiveli) and 50mY x 30mX x 10mRL (Onkelo).*

Previous Mineral Resource Estimate – February 2009

	INDICATED RESOURCES				INFERRED RESOURCES			
Lower Cut-off	Tonnes	Grade	Contained U_3O_8		Tonnes	Grade	Contained U_3O_8	
(ppm)	(Mt)	(ppm U_3O_8)	(Tonnes)	(Mlbs)	(Mt)	(ppm U_3O_8)	(Tonnes)	(Mlbs)
100	**195.5**	**207**	**40,500**	**89.2**	**87.0**	**195**	**17,000**	**37.4**
150	146.2	234	34,200	75.4	63.2	221	13,900	30.7
200	86.7	275	23,900	52.6	34.5	259	8,900	19.7

Note: *Figures have been rounded; bulk density of 2.62t/m^3; Ordinary Kriged estimate based on cut 3m U_3O_8 composites; block dimensions of 25mNS x 25mEW x 10mRL.*

The updated mineral resource estimate has been prepared for Bannerman in accordance with the Australian JORC Code guidelines and Canadian National Instrument 43-101 by Coffey Mining Pty Ltd, an independent geological consultant to Bannerman.

For the first time, the Etango Project mineral resource estimate includes the **Onkelo** deposit which is located immediately along strike to the north of the Oshiveli deposit. The mineral resource estimate for Onkelo, reported above a lower cut-off grade of 100ppm U_3O_8, comprises Inferred Resources of 47.0 million tonnes ("Mt") at 195ppm for 20.2Mlb of U_3O_8.

The mineral resource estimate for the **Oshiveli** deposit, reported above a lower cut-off grade of 100ppm U_3O_8, comprises Indicated Resources of 28.7Mt at 196ppm for 12.4Mlb of U_3O_8 plus Inferred Resources of 19.6Mt at 193ppm for 8.3Mlb of U_3O_8.

The updated July 2009 resource estimate for each of the deposits within the Etango Project is tabulated below at a cut-off grade of 100ppm U_3O_8.

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Updated Mineral Resource Estimate – July 2009

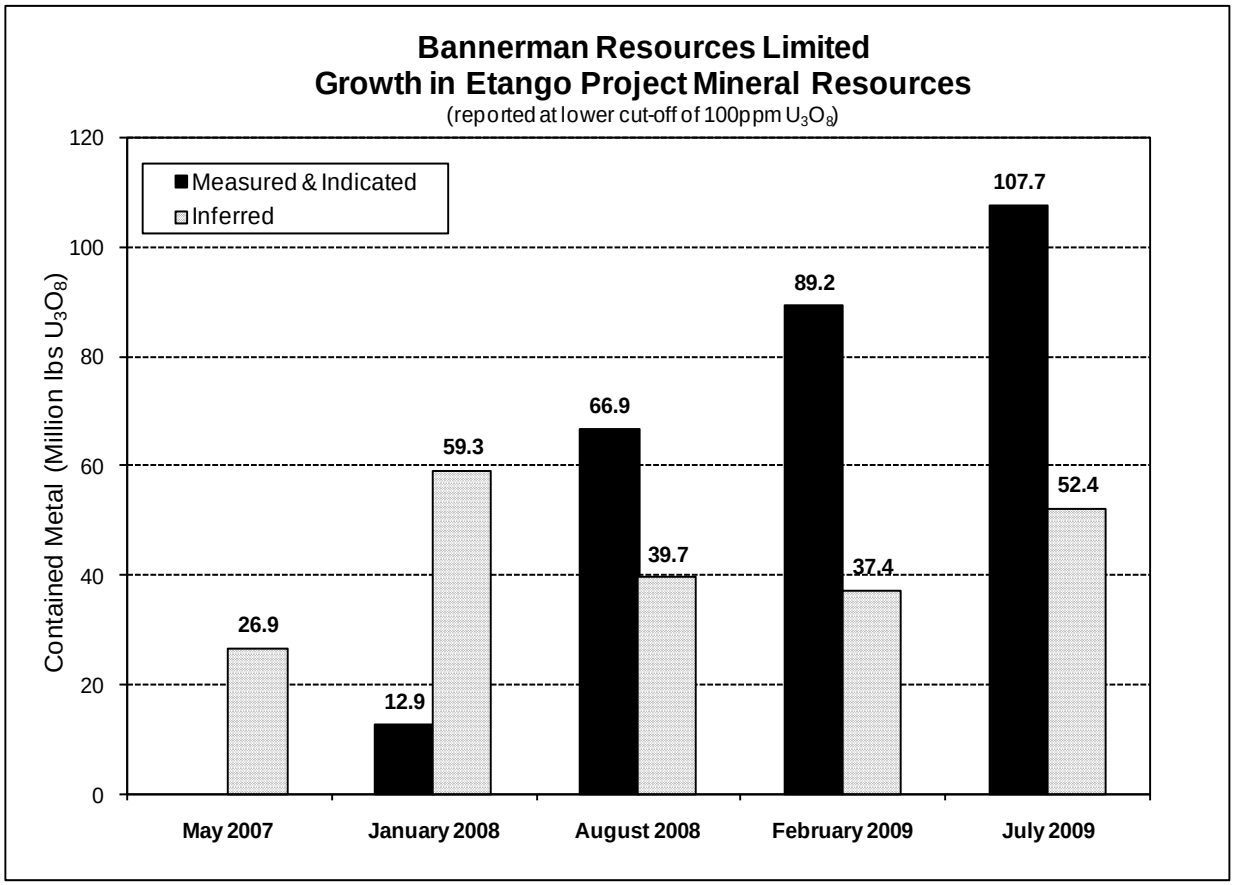
(Reported at a lower cut-off of 100ppm U_3O_8)

Etango Project Deposit	MEASURED & INDICATED RESOURCES			INFERRED RESOURCES		
	Tonnes (Mt)	Grade (ppm U_3O_8)	Contained U_3O_8 (Mlbs)	Tonnes (Mt)	Grade (ppm U_3O_8)	Contained U_3O_8 (Mlbs)
Anomaly A	206.3	210	95.3	54.2	200	23.9
Oshiveli	28.7	196	12.4	19.6	193	8.3
Onkelo	-	-	-	47.0	195	20.2
Total	**235.0**	**208**	**107.7**	**120.8**	**197**	**52.4**

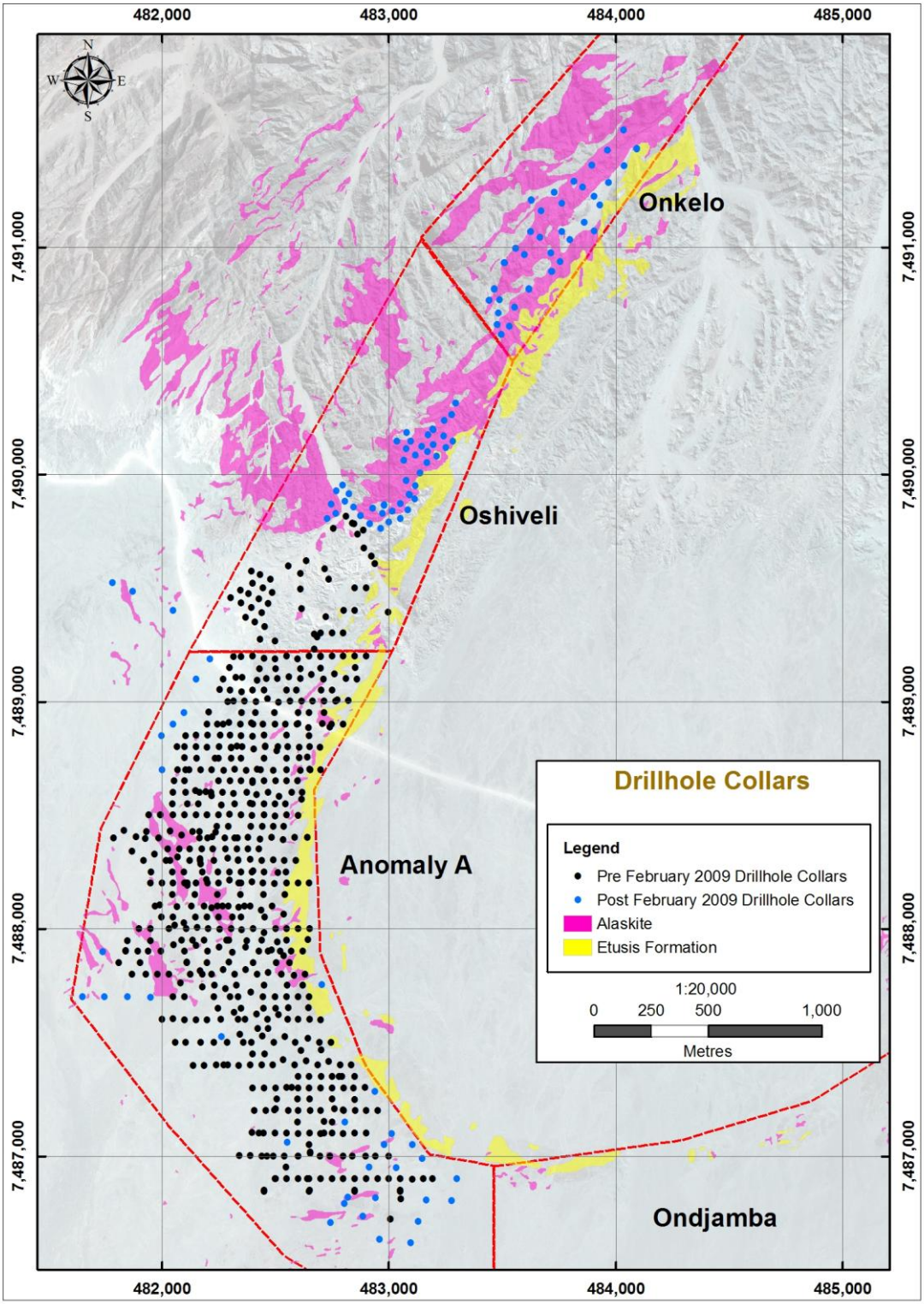
Note: *Figures have been rounded; bulk density of 2.63t/m^3; Ordinary Kriged estimate based on cut 3m (Anomaly A and Oshiveli) and 2m (Onkelo) U_3O_8 composites; Block dimensions of 25mNS x 25mEW x 10mRL (Anomaly A and Oshiveli) and 50mY x 30mX x 10mRL (Onkelo).*

Continued Resource Growth

Bannerman has now completed five resource estimates on approximate half-year intervals since commencing drilling activities at the Etango Project in late 2006. These estimates are depicted in the chart below (using a lower cut-off grade of 100ppm U_3O_8) and demonstrate the growth potential of the Etango Project's resources.



The plan below shows the drilling completed to date within each of the Anomaly A, Oshiveli and Onkelo deposits. Drilling completed since the previous mineral resource estimate in February 2009 is highlighted in blue.



The drillhole database used in the July 2009 resource estimate comprises a total of approximately 200,000 metres in 685 reverse circulation (RC) and 72 diamond drillholes. The strike length of the resource model boundaries now totals approximately 5km.

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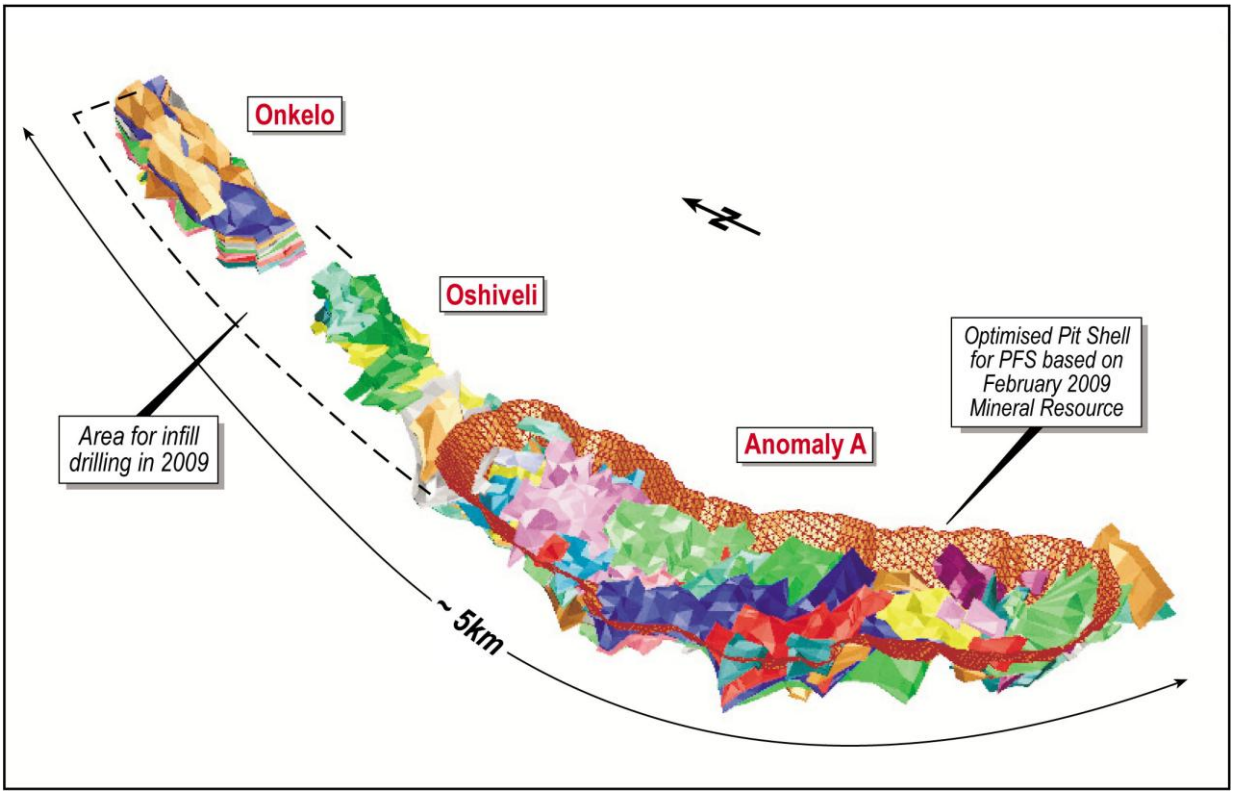
The diagram below is a graphical depiction of the July 2009 resource model zone outlines viewed from the southwest, with a draft pit shell estimated for the preliminary feasibility study based on the previous February 2009 resource estimate.



Further details regarding the July 2009 Etango resource estimate, including the specifics of the separate mineral resource estimates for each of the deposits within the Etango Project, are set out in the following attachment to this news release.

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Etango Project Resource Details

Introduction

Coffey Mining was requested by Bannerman to undertake an updated mineral resource estimation study on the Etango Project in Namibia, southern Africa. The Anomaly A, Oshiveli and Onkelo uranium deposits are located within Bannerman's Etango Project area (in EPL 3345) which is 31km east of the major town of Swakopmund and 47km northeast of the port town of Walvis Bay. Two mineral resource models were constructed, the first for the Anomaly A and Oshiveli deposits and the second for the Onkelo deposit.

Neil Inwood from Coffey Mining visited the Etango Project site and surrounding areas in August 2007 and March 2008. Neil Inwood and Iain Macfarlane are the Competent Persons for the resource estimates and classification.

The resource estimation study included a review of the available drillhole database information, geological models, statistical and geostatistical constraints, grade estimation, and classification of the estimate in accordance to the criteria laid out in Canadian National Instrument 43-101.

Deposit Geology

Uranium occurrences in the Etango Project (Anomaly A, Oshiveli and Onkelo deposit areas) are located along the western flank of the Palmenhorst Dome. The Palmenhorst Dome consists of pre-Damara basement, with a core of red leucocratic gneiss (quartz, biotite, microcline and accessory plagioclase feldspar) that is commonly referred to as the "red granite gneiss". This central gneiss is surrounded by migmatites and other basement rock types.

Uranium mineralisation at Etango is mainly located in the post-F3 alaskite granites. Minor uranium mineralisation is also found in the metasedimentary sequences close to the alaskite contacts. The major mineralised alaskite bodies are associated with the lower part of the Khan Formation and occur within 400m of the contact between the Etusis and Khan Formations.

The alaskites consist mainly of quartz and feldspar with minor, but variable, accessory mineral contents, including; ilmenite, biotite, apatite, topaz, garnet, tourmaline, uraninite, betafite, zircon and monazite. Quartz varies in colour from colourless through smoky to almost black (indicating the presence of higher grade uranium mineralisation).

The dominant primary uranium mineral is uraninite (UO_2) but minor betafite $(Ca,U)_2(Ti,Nb,Ta)_2O_6(OH)$ is also present. The primary uranium mineralisation occurs as disseminations within rock fractures, at crystal interfaces, and as inclusion within other minerals. Secondary uranium minerals such as autunite $Ca(UO_2)_2(PO_4)_2 \cdot 10\text{-}12H_2O$ and uranophane $Ca(UO_2)_2(SiO_3OH)_2 \cdot 5H_2O$ occur as replacement of the primary minerals or as coatings along fractures. The uraninite is commonly associated with chloritised biotite in the alaskites within the lower Khan Formation and with ilmenite and magnetite within foliated alaskites.

Resource Database

The drillhole database in the vicinity of the Anomaly A and Oshiveli estimation consists of 628 RC and 72 diamond drill holes totalling 187,635m, while the drillhole database in the vicinity of the Onkelo estimation consists of 57 RC holes for 11,913m. A total of 24 holes were also drilled for other purposes, including; 11 for metallurgical testwork, 9 for geotechnical studies and 4 for hydrogeological testing. The lithological contacts in these holes were considered for geological modelling, even though the holes had not been assayed.

For the July 2009 resource update only drillholes drilled by Bannerman were used in the estimate.

At Anomaly A and Oshiveli, the drillholes were drilled typically at 60° to the east (UTM grid), with a drill spacing ranging from 25m by 50m to 50m by 100m. A combination of chemical assaying (XRF and ICP-39,843 samples - 96% of the total) and factored radiometric data (1,599 1m composites) were used in the estimation.

At Onkelo, the drillholes were drilled in three orientations to allow for the topography, these orientations typically being vertical, at 60° to the southeast (UTM grid) or at 60° to the northwest. Many of the inclined holes were paired, sharing collar positions but drilled in directions 180° from each other. A combination of chemical assaying (3,821 data or 97.6% of the total dataset) and factored radiometric data (92 data) was used for the estimation.

Coffey Mining has reviewed the drilling database and QAQC and considers it appropriate for use in the current estimate.

A density value of 2.63t/m^3 was used for the mineralised zones. This value was chosen after analysis of 2,389 density determinations by water immersion and calliper methods from within the mineralised zones at Anomaly A and Oshiveli.

All primary RC and diamond core samples were sent to SGS Johannesburg for crushing, pulverisation and chemical analysis. SGS Johannesburg is a SANAA accredited laboratory (T0169). Samples were analysed by pressed pallet X-ray fluorescence ('XRF') for U_3O_8, Nb, Th. Some pulverised samples were also analysed for uranium in Perth, Australia by SGS.

Geological Modelling

To establish appropriate grade continuity, the mineralisation model for the Anomaly A, Oshiveli and Onkelo deposits was based upon a nominal 75ppm U_3O_8 mineralisation halo.

The mineralisation constraints were generated based upon sectional interpretation and three dimensional analyses of the available drilling data. The vast majority of the uranium mineralisation is associated with the alaskite bodies and follows the trends of the alaskite contacts. The alaskite contacts were considered at the time of modelling and used to guide modelling of the mineralisation shapes. The mineralisation boundaries within the alaskite bodies were often extended to the alaskite contacts for up to 3m, even if these intervals were not mineralised above the nominal 75ppm U_3O_8 cut-off.

The mineralised zones for Anomaly A and Oshiveli (Figure 1) were modelled as 56 distinct zones (3m to 168m thick) with a northerly trend. The zones dip from -30° to -40° to the west. Individual zones were modelled from 150m to 1,400m long. Figure 2 shows a typical cross sectional interpretation of the Anomaly A deposit. Mineralised zones which did not have more than two drillhole intersections on two consecutive sections and for which a strong geological continuity could not be established, were typically not estimated.

The mineralised zones for Onkelo (Figure 3) were modelled as ten distinct domains (3m to 35m thick) with a north easterly trend. The domains dip at about -25° to the northwest. Individual domains modelled were from 300m to 1,100m long. Mineralised zones which did not have more than two drillhole intersections on two consecutive sections and for which a strong geological continuity could not be established, were typically not estimated.

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Figure 1– July 2009 Mineralised Zones and Drilling
Anomaly A and Oshiveli Deposits

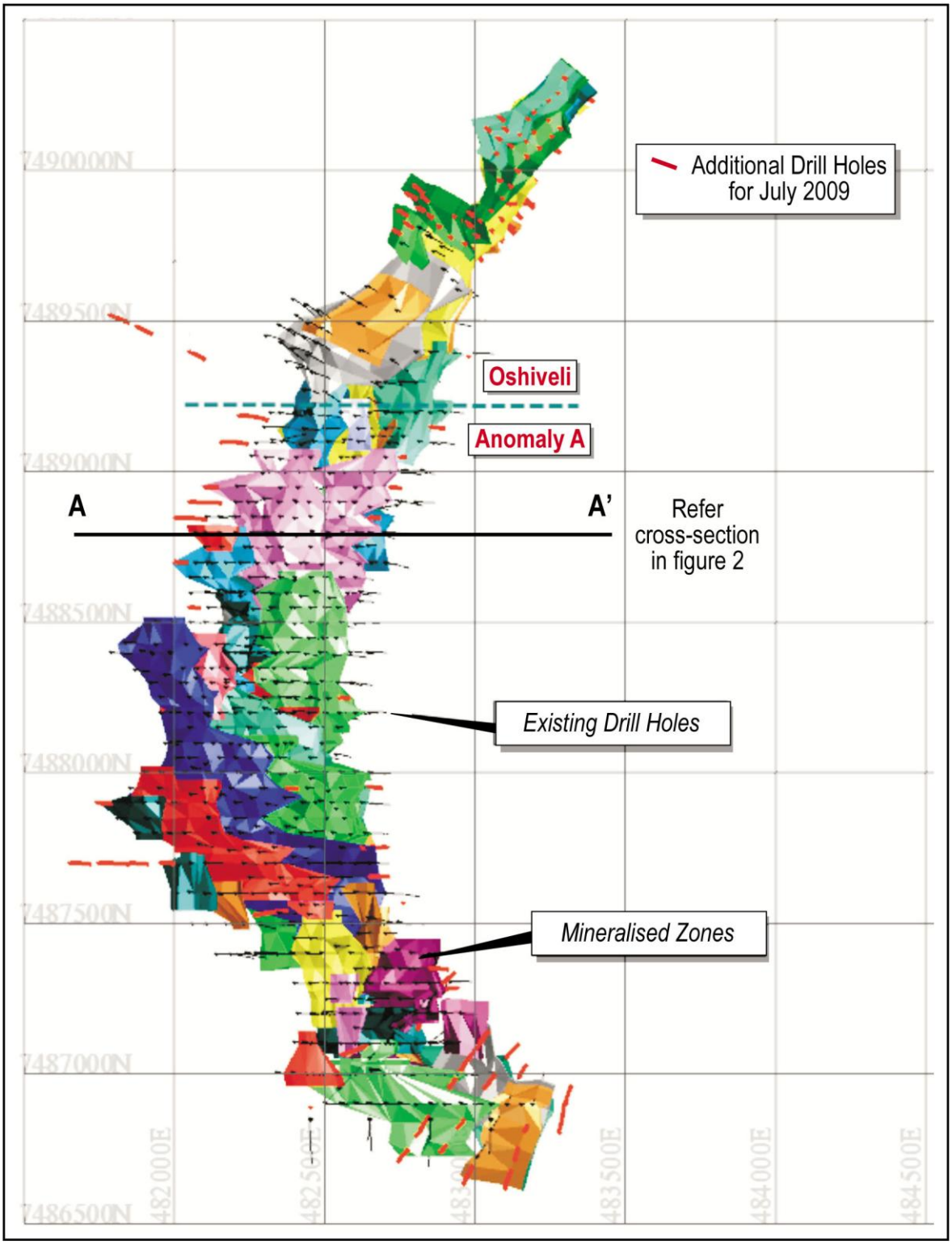

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Figure 2 – Anomaly A Sectional Interpretation (7,488,800mN)

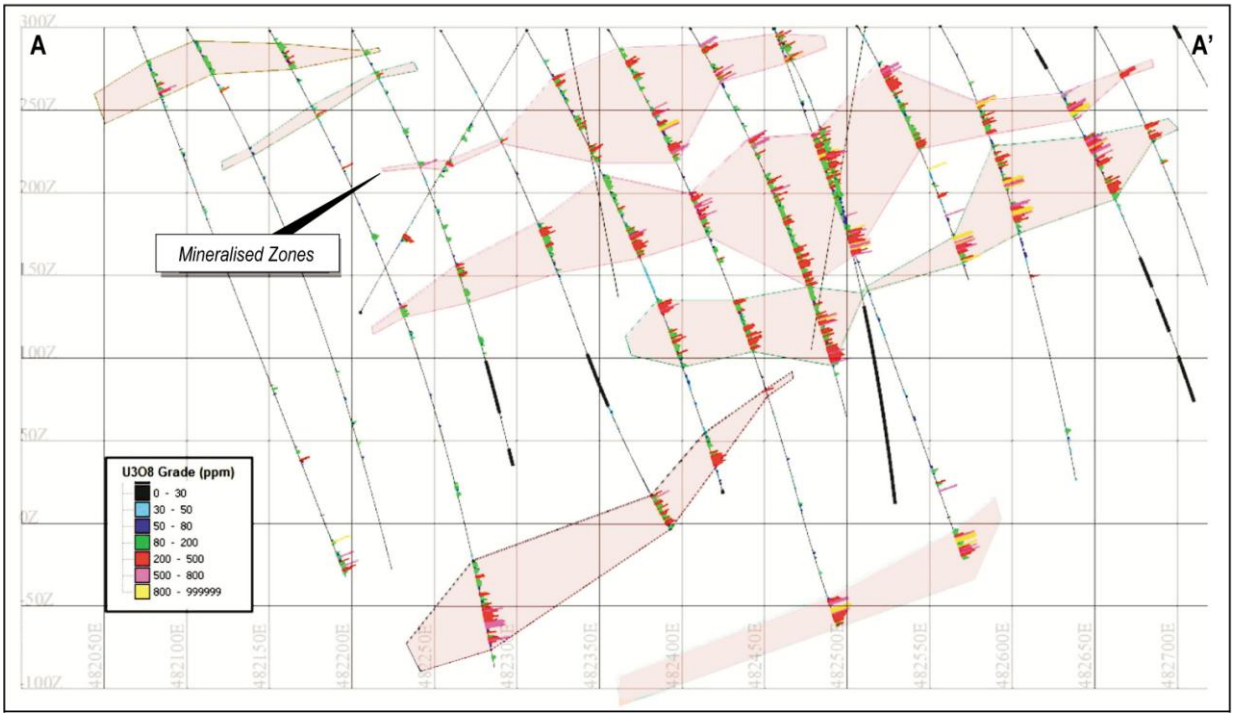
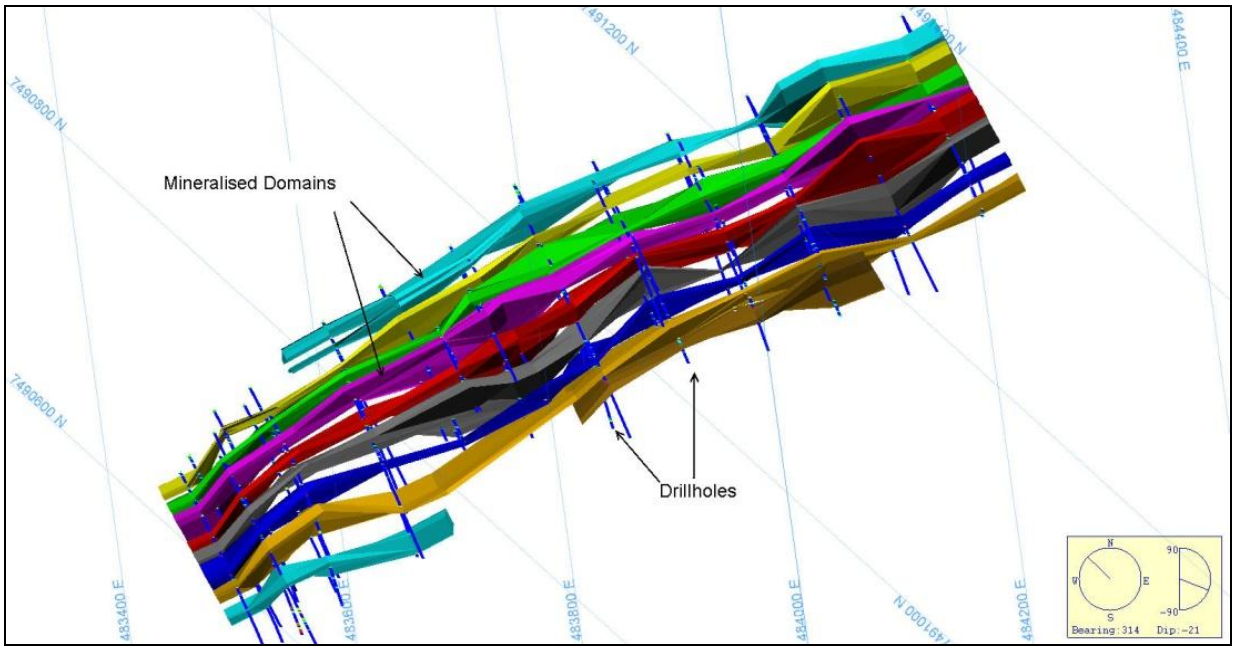


Figure 3 – July 2009 Mineralised Domains and Drilling
Onkelo Deposit



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Grade Estimation

The samples captured within the mineralisation shapes were composited to a regular 3m (Anomaly A and Oshiveli) and 2m (Onkelo) downhole composite length. Based on the composite data, a statistical and geostatistical investigation was completed to derive appropriate estimation parameters such as high-grade cuts, variogram model parameters and search ranges. A range of upper cuts were applied to the composites prior to estimation, these cuts ranged from 550ppm to 1,150ppm U_3O_8 for Anomaly A and Oshiveli and from 660ppm to 1,250ppm U_3O_8 for Onkelo. The effect of the upper cuts was to decrease the mean grade of the composites from individual zones at Anomaly A and Oshiveli by between 1% and 15%, and by between 1% and 6.5% at Onkelo.

For the Anomaly A and Oshiveli estimates, a three dimensional block model was constructed for the purposes of grade estimation. A parent block size of 25mN by 25mE by 10mRL was selected as the appropriate block size based on the current average data spacing and the geostatistical investigations completed. Sub-celling to 12.5mN by 12.5mE by 1.25mRL was undertaken to achieve appropriate volume definition of the mineralisation.

For the Onkelo estimate, a three dimensional block model, rotated at 45^0 from the north, was constructed for the purposes of grade estimation. A parent block size of 50mY by 30mX by 10mRL was selected as the appropriate block size based on the current average data spacing and the geostatistical investigations completed. Sub-celling to 5mY by 5mX by 2.5mRL was undertaken to achieve appropriate volume definition of the mineralisation.

Ordinary Kriging was chosen as the appropriate method for estimating grade based upon the cut U_3O_8 composites. Detailed variography was used to inform the estimation search parameters with three search passes used. The bulk of the blocks filled within the first and second search passes.

Mineral Resource

Categorisation of the grade estimates was undertaken on the basis of the criteria laid out in the JORC Code (2004) and Canadian National Instrument 43-101 ("NI43-101"). The resource was classified as Measured, Indicated and Inferred using the criteria determined during the validation of the grade estimates, with detailed consideration of the NI43-101 categorisation guidelines.

Blocks were classified as Measured or Indicated considering issues such as geological and grade continuity and within a nominal 25m by 25m to a 50m by 50m drillhole spacing. Blocks not classified as Measured or Indicated were classified as Inferred. An in situ bulk density value of 2.63t/m^3 was used when reporting the resources.

The mineral resource tabulation for the Anomaly A, Oshiveli and Onkelo deposits is shown in Table 1 below, at various cut-offs:

Table 1
Anomaly A, Oshiveli and Onkelo Uranium Deposits, Etango Project, Namibia - July 2009 Resource Estimate

Reported by Prospect at various cut-offs using a bulk density of 2.63 t/m^3

Ordinary Kriged estimates based upon 3m (Anomaly A and Oshiveli) and 2m (Onkelo) cut U_3O_8 composites

Block dimensions of 25mNS by 25mEW by 10mRL (Anomaly A and Oshiveli) and 50mY by 30mX by 10mRL (Onkelo)

Lower Cut	Tonnes Above Cut-off (Mt)	U_3O_8 (ppm)	Contained U_3O_8 (M lb)
Anomaly A (South of 7489200)			
Inferred			
100	54.2	200	23.9
150	41.1	223	20.2
200	24.0	257	13.6
Indicated			
100	202.5	209	93.3
150	153.8	235	79.6
200	91.5	276	55.6
Measured			
100	3.8	240	2.0
150	3.5	249	1.9
200	2.7	269	1.6
Oshiveli (North of 7489200)			
Inferred			
100	19.6	193	8.3
150	15.2	212	7.1
200	8.0	247	4.3
Indicated			
100	28.7	196	12.4
150	19.5	229	9.8
200	11.5	267	6.7
Onkelo			
Inferred			
100	47.0	195	20.2
150	33.4	222	16.3
200	18.3	261	10.5

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Regulatory Disclosures:

The information in this report that relates to the Mineral Resources of the Anomaly A and Oshiveli deposits is based on a resource estimate completed by Mr Neil Inwood who is a full time employee of Coffey Mining Pty Ltd. Mr Inwood is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and types of deposits under consideration and to the activity which is being undertaken 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", and is an independent consultant to Bannerman and a Qualified Person as defined by Canadian National Instrument 43-101. Mr Inwood consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Mineral Resources of the Onkelo deposit is based on a resource estimate completed by Mr Iain Macfarlane and Mr Neil Inwood who are full time employees of Coffey Mining Pty Ltd. Messrs. Macfarlane and Inwood are Members of The Australasian Institute of Mining and Metallurgy and have sufficient experience relevant to the style of mineralisation and types of deposits under consideration and to the activity which is being undertaken to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", and are independent consultants to Bannerman and Qualified Persons as defined by NI 43-101. Messrs Macfarlane and Inwood consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Bannerman has not completed feasibility studies on its projects. Accordingly, there is no certainty that such projects will be economically successful. Mineral resources that are not ore reserves do not have demonstrated economic viability.

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. The following are important factors that could cause Bannerman's actual results to differ materially from those expressed or implied by such forward looking statements: fluctuations in uranium prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; general market conditions; the uncertainty of future profitability; and the uncertainty of access to additional capital. Full descriptions of these risks can be found in Bannerman's various statutory reports, including its Annual Information Form available on the SEDAR website, www.sedar.com. Readers are cautioned not to place undue reliance on forward-looking statements. Bannerman Resources Ltd 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.