

Highlights

- Continued advancement of the Etango Project preliminary feasibility study into an open pit mining and processing operation for the production of **5-7Mlbs per year of U₃O₈** over a **+15 year** mine life.
- More encouraging results from testwork on two processing alternatives, (1) **heap leaching** and (2) **tank leaching of a low mass pull high-grade flotation concentrate**, with Bannerman expecting to announce the results of these tests in the current quarter.
- Significant expansion of the Etango Project mineral resource estimate to comprise **Measured & Indicated Resources of 107.7Mlbs U₃O₈** at an average grade of 208ppm U₃O₈, and **Inferred Resources of 52.4Mlbs U₃O₈** at an average grade of 197ppm U₃O₈, reported at a cut-off grade of 100ppm U₃O₈.
- Drilling into the Etango Project now totals in excess of 240,000 metres, providing good geological confidence. The gap between the Etango deposits has now been closed resulting in a total mineralised **strike length of 6km**.
- Commencement of the public consultation process as part of finalising the environmental permitting documentation. Bannerman aims to lodge a mining licence application with the Namibian Government before the end of the year.
- Early exploration success with the intersection of a new alaskite-hosted mineralised zone named **"Hyena"** located 1km south of the Anomaly A deposit. The initial success is indicative of the prospectivity of the nearby areas which have not previously been drill tested.
- Cash reserves as at 30 September 2009 of **A\$30 million**.
- **Additions to the Board and management team** completing Bannerman's evolution to a **development company**.

L Jubber, Chief Executive Officer
30 October 2009

Etango Project (Bannerman 80%)

Feasibility Study

Overview

During the quarter, Bannerman announced an expanded mineral resource estimate for the Etango Project and continued to advance the preliminary feasibility study ("PFS") with activities focused upon further detailed mine optimisation and two alternative processing routes, as follows:

- Heap leach processing using an on/off pad with conventional stacking and reclamation equipment; and
- Tank leach processing of a low mass pull high-grade concentrate derived from flotation beneficiation.

Metallurgical testwork on the above processing alternatives has continued to show encouraging results with Bannerman expecting to announce the results of these tests in the current quarter. Larger heap leach column testing has confirmed previously achieved leach rates with modest acid consumption ($\leq 15\text{kg acid/tonne}$) for processing recoveries of between 85-90%. If flotation beneficiation is confirmed to be technically and commercially robust, an agitated tank leach process flowsheet incorporating a flotation circuit delivering a low mass pull and high-grade concentrate is expected to be a lower cost and risk alternative to heap leaching. Key operational advantages of a flotation circuit include a significant reduction in the volume of material processed through the agitated leach circuit and a related reduction in acid consumption.

Bannerman continued to drill aggressively during the quarter with up to seven drill rigs operating on site during the period. Infill and extensional resource definition drilling continued to achieve encouraging results at Onkelo and Oshiveli to the north of Anomaly A, and has effectively closed the gap between these areas such that the total mineralised strike length is now approximately 6km. In addition, Bannerman's geological team successfully identified a new zone of mineralisation 1km to the south of the Anomaly A deposit, known as Hyena. Drilling at the Hyena Prospect is at an early stage but, importantly, reflects the prospectivity of the nearby areas within the Etango exclusive prospecting licence area.

Updated Mineral Resource

Bannerman released an updated mineral resource estimate for the Etango Project in July, comprising the Anomaly A and adjacent Oshiveli and Onkelo areas. Reported at a cut-off grade of 100 parts per million ("ppm") U_3O_8 , the mineral resource estimate for the Etango Project now comprises Indicated Resources of 105.7Mlbs U_3O_8 and Inferred Resources of 52.4Mlbs U_3O_8 . In addition, 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 is summarised on the following page at a range of cut-off grades and by each deposit within the Etango Project area.

The updated mineral resource estimate was 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. During the quarter, Bannerman also filed a technical report relating to the resource estimate in accordance with Canadian National Instrument 43-101.

Updated Mineral Resource Estimate by Cut-off Grade – July 2009

(Reported at selected cut-off grades)

Cut-off Grade (ppm U ₃ O ₈)	MEASURED RESOURCES				INDICATED RESOURCES				INFERRED RESOURCES			
	Tonnes (Mt)	Grade (ppm U ₃ O ₈)	Contained U ₃ O ₈		Tonnes (Mt)	Grade (ppm U ₃ O ₈)	Contained U ₃ O ₈		Tonnes (Mt)	Grade (ppm U ₃ O ₈)	Contained U ₃ O ₈	
			(Tonnes)	(Mlbs)			(Tonnes)	(Mlbs)			(Tonnes)	(Mlbs)
100	3.8	240	900	2.0	231.2	207	47,900	105.7	120.7	197	23,800	52.4
150	3.5	249	900	1.9	173.3	234	40,600	89.4	89.7	221	19,800	43.6
200	2.7	269	700	1.6	103.0	275	28,300	62.3	50.2	257	12,900	28.4

Updated Mineral Resource Estimate by Deposit – July 2009

(Reported at a cut-off of 100ppm U₃O₈)

Etango Project Area	MEASURED RESOURCES			INDICATED RESOURCES			INFERRED RESOURCES		
	Tonnes (Mt)	Grade (ppm U ₃ O ₈)	Contained U ₃ O ₈	Tonnes (Mt)	Grade (ppm U ₃ O ₈)	Contained U ₃ O ₈	Tonnes (Mt)	Grade (ppm U ₃ O ₈)	Contained U ₃ O ₈
			(Mlbs)			(Mlbs)			(Mlbs)
Anomaly A	3.8	240	2.0	202.5	209	93.3	54.2	200	23.9
Oshiveli	-	-	-	28.7	196	12.4	19.6	193	8.3
Onkelo	-	-	-	-	-	-	47.0	195	20.2
Total	3.8	240	2.0	231.2	207	105.7	120.8	197	52.4

Note: Figures may not add due to rounding; bulk density of 2.63t/m³; Ordinary Kriged estimate based on cut 3m (Anomaly A and Oshiveli) and 2m (Onkelo) U₃O₈ composites; Block dimensions of 25mNS x 25mEW x 10mRL (Anomaly A and Oshiveli) and 50mY x 30mX x 10mRL (Onkelo).

Resource Definition Drilling

Bannerman has to date completed over 240,000 metres of drilling at the Etango Project, with the majority of this being reverse circulation ("RC") drilling into the Anomaly A area. Over 96% of results are chemically assayed and diamond drilling constitutes 12% of the total drilling completed to date. The drilling into each deposit area is tabulated below:

	RC Drilling (drillholes)	RC Drilling (metres)	Diamond Drilling (drillholes)	Diamond Drilling (metres)
Anomaly A	622	143,258	82	25,047
Oshiveli	151	39,818	10	2,651
Onkelo	92	18,983	11	2,398
Hyena	64	10,436	-	-
TOTAL*	929	212,495	103	30,096

* Excludes historical and initial reconnaissance drilling.

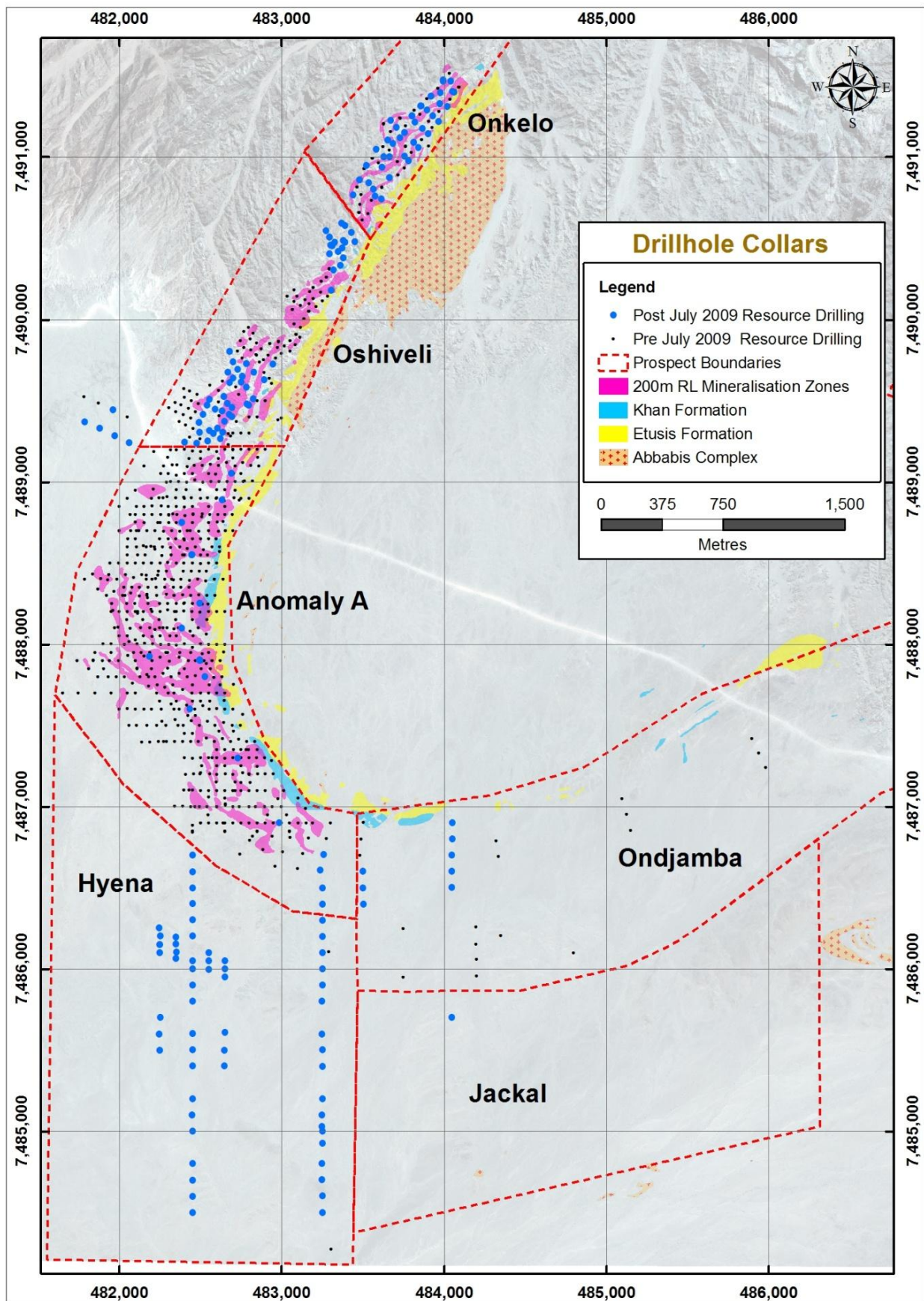
Drilling during the quarter at **Onkelo** confirmed the near-surface broad zones of uranium mineralisation encountered in previous drilling. The drilling has also effectively filled the previously undrilled gap between the Onkelo and Oshiveli areas. Reported highlights at Onkelo included:

Drillhole No.	From Depth (m downhole)	Downhole Interval (m)	Grade (ppm U ₃ O ₈)
GNKDD0001	150.6	13.0	300
GNKDD0003	21.8	10.8	243
GNKDD0004	From surface	83.3	236
including	72.0	11.3	616
GNKDD0005	141.3	13.5	304
"	161.6	31.2	385
GNKDD0007	From surface	18	231
GNKDD0008	26.6	44.9	270
"	152.0	39.3	299
GNKRC0060	72	30	230
GNKRC0066	149	13	543
GNKRC0069	9	11	287
GNKRC0071	71	49	226
GNKRC0074	13	24	251
GNKRC0077	23	21	365
"	50	20	540
GNKRC0078	5	15	381
GNKRC0080	21	65	231
GNKRC0082	38	31	331
including	38	13	561
GNKRC0087	110	16	435
GNKRC0090	From surface	16	324
"	82	14	296
GNKRC0092	14	77	356

The following plan shows the Etango Project area and the location of the resource definition and step-out drilling completed by the end of the quarter. The substantial drilling completed to date has provided good confidence in the geological understanding of the Etango Project and has recently identified near-surface extensions in the northern areas which are expected to improve the Etango Project's economics. The drilling has also extended the known mineralised strike length to approximately 6km.



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Drilling at **Oshiveli** also continued to return encouraging results with the delineation of broad higher grade near-surface zones, including the following reported results:

Drillhole No.	From Depth (m downhole)	Downhole Interval (m)	Grade (ppm U ₃ O ₈)
GSHRC0112	137	27	379
GSHRC0113	117	36	247
GSHRC0115	123	78	230
GSHRC0117	93	36	416
including	99	5	2,037
GSHRC0121	161	23	292
GSHRC0122	310	38	379
including	320	15	531
GSHRC0123	74	38	227
GSHRC0124	178	51	255
GSHDD0003	82	8.8	1,218
"	158.0	35.7	334
GSHRC0126	48	17	242
GSHRC0127	194	38	325
GSHRC0128	232	17	294
"	257	49	227
"	312	40	337
GSHRC0130	190	14	280
GSHRC0131	217	12	275
GSHRC0133	40	32	255
"	129	39	266
"	184	10	477
"	218	10	463
GSHRC0134	30	11	366
"	129	45	225
"	181	14	254
GSHRC0136	216	37	373
"	277	52	361
GSHRC0138	76	24	540
GSHRC0139	88	21	381
GSHRC0140	27	21	223
"	99	32	308
including	117	12	579
GSHRC0141	14	24	639
including	16	10	1,215
GSHRC0142	5	14	265
"	53	20	213
"	88	18	348

Drilling is continuing in the Onkelo and Oshiveli areas with the results expected to be incorporated into a new mineral resource estimate for the 6km strike length of the known mineralisation in early 2010.

Mine Design

Pit optimisation, mine design and production scheduling work has been conducted on the updated resource model released in July. Physical and cost estimates are being made for both contract and owner mining scenarios for inclusion into the PFS.

Sterilisation drilling continued in areas where the proposed infrastructure, including waste dumps and the processing plant, is planned to be located.

Infrastructure and Utilities

Discussions continued with the Namibian water utility, NamWater, regarding fresh water supplies and infrastructure requirements for water delivery to site. Information for the PFS regarding volumes and prices has been gathered for further review, with average water usage presently estimated at approximately 3-5GL per year. Bannerman notes that French uranium and nuclear group Areva on 28 October 2009 formally opened its new 20GL desalination plant north of the town of Swakopmund, providing further flexibility in the region for future water off-take arrangements.

Proposals have also been received from the Namibian power utility, NamPower, for the required power infrastructure and supply to the Etango site.

Environmental and Social Impact Assessment

During the quarter, Bannerman finalised its draft Environmental and Social Impact Assessment ("ESIA") documentation for commencement of the public consultation process in accordance with Namibian regulations. Following the end of the quarter, public meetings to discuss and receive questions on the ESIA were held in Windhoek, Swakopmund, Arandis and Walvis Bay. Bannerman has to date received good support from local communities.

Permitting

Bannerman is now in the process of finalising the ESIA and the associated Environmental and Social Management Plan.

Bannerman aims to lodge an application for a Mining Licence for the Etango Project prior to the end of the year.

Exploration

Etango Project (Bannerman 80%)

The Etango deposit, comprising the Anomaly A, Oshiveli and Onkelo resource areas, covers an area of approximately 5km² and lies wholly within Exclusive Prospecting Licence ("EPL") 3345. EPL 3345 covers a total area of approximately 500 km².

Following the end of the quarter, Bannerman announced the intersection of a new alaskite-hosted mineralised zone named "**Hyena**" located 1km south of Anomaly A. The identification of this mineralised zone occurred during the initial phases of step-out exploration drilling to the south of the Anomaly A deposit. To date, results have been returned from 42 RC drillholes at Hyena with 20 of these drillholes intersecting significant mineralisation. In particular, the intersections in drillholes GHYRC0007 and GHYRC0008 are shallow, broad and high grade.

Reported highlights from the drilling at the Hyena Prospect include:

Drillhole No.	From Depth (m downhole)	Downhole Interval (m)	Grade (ppm U ₃ O ₈)
GARC0546	76	15	237
GARC0547	57	28	208
GHYRC0007	84	16	1,021
GHYRC0008	65	35	314
GHYRC0011	56	84	210
"	151	32	263

The Hyena zone was discovered by the pattern drilling of lines of vertical exploration drillholes across the general strike of the stratigraphy in the area immediately to the south of Anomaly A, which is all under desert sand cover. Both of the two lines drilled have intersected significant uranium mineralisation occurring in up to two or three separate zones in each line, and step-out drilling from the initial anomalous results is now in process.

Swakop River Project (Bannerman 80%)

The Swakop River licence covers an area of approximately 800 km² and contains extensive paleo-channel targets with uranium mineralisation in calcretised sediments. These calcretised sediments are similar to those hosting uranium mineralisation in the adjacent Langer Heinrich paleo-channel.

No drilling work was undertaken on the Swakop River licence area during the quarter. The application for the statutory two-year renewal of the Swakop River EPL (EPL 3346) was filed early in the year in accordance with the stipulated renewal application timeframes and in conjunction with the renewal application for EPL 3345. Renewal of this title is expected in due course.

Botswana Project (Bannerman 100%)

Bannerman controls three Prospecting Licences (131/2005 to 133/2005) for uranium, precious metals, base metals and platinum group minerals in Botswana. These licences are referred to as the *Serule South*, *Serule North* and *Dukwe* Licences and are located in the Foley and Sua Pan regions in Botswana. The tenements cover an area of 2,308km². No work was undertaken on the Botswana titles during the quarter, and Bannerman is reviewing the next phase of exploration.

Corporate

Executive and Board Appointments

Bannerman's executive team was further aligned with the Company's business strategy through the appointment of Mr John Turney to the role of Project Director with overall responsibility for development of the Etango Project. Mr Turney has 35 years' diversified experience primarily with Homestake Mining Company and Barrick Gold Corporation in mining and milling operations and project development in the US, Canada, South America, Australia and Africa. In addition, his most recent role was that of General Manager Leaching at Bateman Engineering based in Australia. In the past ten years, Mr Turney led the successful development of the Cowal gold project in Australia and the Tulawaka gold project in Tanzania, as well as other development and capital project roles for both Homestake and Barrick. The appointment of Mr Turney has added substantially to Bannerman's capability at this important feasibility assessment stage of the Etango project development program.

As previously reported, during the quarter Mr Ronnie Beevor was appointed as a non-executive director and also as Chairman of the Company's Audit Committee. Mr Beevor is an investment banker having been Head of Investment Banking at NM Rothschild & Sons (Australia) Limited between 1997 and 2002. He has had an extensive involvement in the natural resources industry, both in Australia and internationally. He was previously a non-executive director of ASX-listed Oxiana Limited which successfully developed the Sepon gold-copper project in Laos as well as the Prominent Hill copper-gold project in South Australia.

Cash Position

The Company's cash balance as at 30 September 2009 was A\$30 million.

Annual General Meeting

The Company's Annual General Meeting will be held on Tuesday 24 November at 10:30am Perth time at the Duxton Hotel Perth, lower lobby, 1 St Georges Terrace, Perth, Western Australia. The Notice of Meeting has been mailed to shareholders and contains resolutions relating to receipt of the annual financial statements, adoption of the remuneration report, election of directors, approval of the issue of options to a non-executive director, approval of employee and director option plans, and approval of a proportional takeover provision.

Annual Report

Following the end of the quarter, Bannerman also mailed its 2009 Annual Report to shareholders. The report summarises the activities completed during the year and provides guidance regarding the expected activities in the months ahead.

Corporate Branding

As showcased in the 2009 Annual Report and in this Quarterly Report, Bannerman has refreshed its corporate brand in conjunction with the Company's evolution from its exploration roots to a business capable of developing the Etango Project. The Company's new logo and corporate branding retains some of the old features but also introduces new images which reflect Bannerman's focus on Namibia and in particular upon the region in which it operates. The Company's website will also shortly be updated.



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 mine. Etango is one of the world's largest undeveloped uranium deposits. Bannerman is focused on the feasibility assessment and development of a large open pit uranium operation at Etango. More information is available on the Company's website at www.bannermanresources.com.

For further information please contact:

Len Jubber

Chief Executive Officer
Perth, Western Australia
Tel: +61 (0)8 9381 1436
admin@bannermanresources.com.au

Peter Kerr

Chief Financial Officer
Perth, Western Australia
Tel: +61 (0)8 9381 1436

Ann Gibbs

Investor Relations
Toronto, Ontario, Canada
Tel: +1 416 388 7247
ann@bannermanresources.com

Certain disclosures in this report, including management's assessment of Bannerman Resources Ltd'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 the Company'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 the Company'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.

The Company has not completed definitive 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.

The information in this release that relates to the exploration results of the projects owned by Bannerman Resources Ltd is based on information compiled by Mr Kieron Munro, Head of Geology of Bannerman and a full time consultant to the Company. Mr Munro is a Member of the Australian Institute of Geoscientists, a Recognised Professional Organisation by the Australasian Joint Ore Reserves Committee, who 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 as a Qualified Person for purposes of National Instrument 43-101 of the Canadian Securities Administrators. Mr Munro consents to the inclusion in the release 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 Anomaly A and Oshiveli deposits is based on a resource estimate completed by Mr Neil Inwood and the information in this news release that relates to the Mineral Resources of the Onkelo deposit is based on a resource estimate completed by both Mr Iain Macfarlane and Mr Neil Inwood who are full time employees of Coffey Mining Pty Ltd. Messrs. Inwood and Macfarlane 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 a Competent Person 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 Canadian National Instrument 43-101. Messrs. Inwood and Macfarlane consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.