

During the June 2010 quarter, Bannerman continued to advance the Definitive Feasibility Study (“DFS”) on its 80%-owned Etango Project in Namibia, reported positive results from near-Project exploration and drilling activities, and stepped up dialogues with a number of potential strategic development partners.

HIGHLIGHTS

- Two Radon cup exploration surveys undertaken across 120km² of the Etango licence identified numerous prospective and previously undrilled anomalies. Drilling results are expected in the coming months.
- Drilling into one of the Radon anomalies at Ondjamba, 2km to the east of the Etango deposit, returned numerous broad resource grade intersections within 100 metres of surface, indicating the potential for a satellite deposit. Further drilling continues.
- Infill drilling within the Oshiveli area of the Etango deposit returned broad higher grade intersections from close to surface, indicating improvements to the resource model in this area. A new resource estimate for the Etango Project is due in late September.
- A mining review based on the updated resource model is progressing well with an expected increase in estimated mineable resources and decrease in estimated mining unit costs.
- Metallurgical testwork continues to confirm fast leach times and low acid consumption, as well as indicating +90% recoveries at significantly coarser grind sizes than previously tested.
- A DFS update encompassing the above work is scheduled for release to the market in the December quarter.
- Appointment of former Rio Tinto senior executive and Rössing Uranium CEO, Dr David Smith, as Chairman of the Board.
- Cash reserves at quarter end of A\$16.6 million (31 March 2010: A\$20.4 million).

Len Jubber, Chief Executive Officer
30 July 2010

Etango Project (Bannerman 80%)

The Etango Project is one of the world's largest undeveloped uranium deposits located in a premier uranium mining jurisdiction in Namibia. Etango has the strategic economic advantage of its proximity to infrastructure including road, rail and electricity networks, one of southern Africa's largest commercial ports, water infrastructure, and to an available labour force. These factors, combined with the significant scale of expected annual production, and low permitting and technical risks, define a long-life project well positioned in a world where nuclear energy and the demand for uranium is projected to grow significantly.

Definitive Feasibility Study

During the June 2010 quarter, activities within the DFS were focused on resource infill and near-Project drilling, the mining review, ongoing metallurgical testwork, and various engineering and environmental activities.

The continued DFS work being undertaken in the current quarter will be reported to the market in a DFS Update scheduled for the December quarter.

a. Resource Infill Drilling

Diamond drilling at Oshiveli in the northern part of the Etango deposit targeted conversion of known Inferred Resource material to Indicated and Measured Resource categories, and also sought to confirm interpreted extensions of the known mineralisation.

Favourable shallow and above-average grade intersections from a further 12 infill diamond drillholes at Oshiveli were reported to the market on 21 July 2010. The results support the geological interpretation and grade assessments in the area. The addition of the intersected mineralisation is expected to enhance the confidence (i.e. classification) of the existing resource estimate in this location. The reported results included the following favourable intersections:

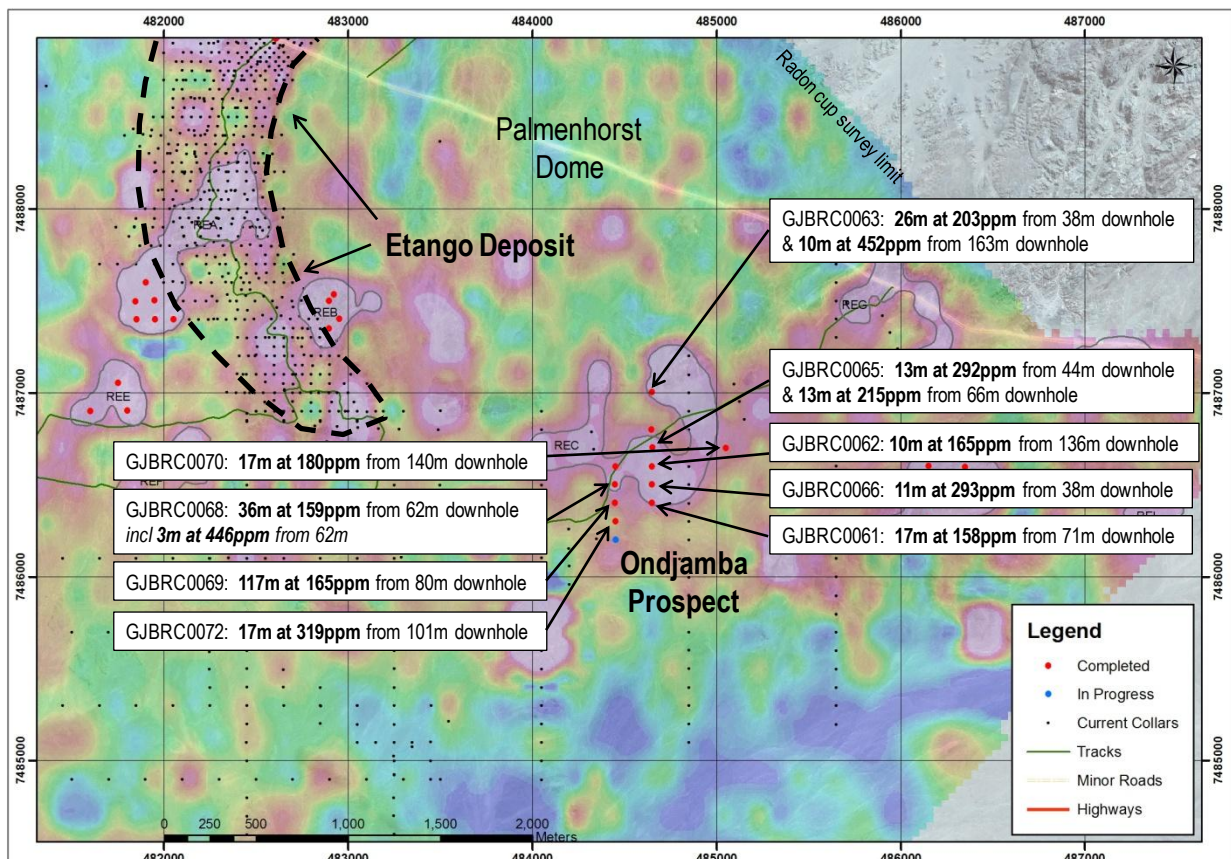
Drillhole No.	From Depth (m downhole)	Downhole Interval (m)	Grade (ppm U ₃ O ₈)
GSHDD0030	Surface	49.4	456
GSHDD0036	0.7	12.0	317
"	83.0	2.4	580
"	100.0	4.7	880
"	113.5	23.0	298
GSHDD0040	36.3	10.6	334

b. Near-Project Drilling

On 10 May 2010, Bannerman announced the results of a RadonX™ survey in areas within and surrounding the Etango deposit. The survey covered an area of approximately 50km² and was successful in identifying a large number of potentially uraniferous areas indicated by anomalous Radon gas measurements. The seven largest of these anomalies have been named "REA" to "REG" (Radon Etango A, etc).

Bannerman commenced reverse circulation (“RC”) drill testing of these anomalies in mid May. The best drilling results were returned from the Ondjamba “REC” Anomaly, approximately 2km to the east of the proposed Etango open pit.

As reported to the market on 21 July 2010, the plan below shows the REC Anomaly drilling results overlaying the Radon gas anomalies in the Etango deposit area. The areas shown in pink and red reflect the highest Radon emissions while the green and blue areas have the lowest. The red dots show the completed RC drillholes. The assay results obtained from the first 12 drillholes confirm the discovery of broad mineralised zones within approximately 100 metres of surface.



Radon gas survey anomaly plan for part of the southern Etango licence area, highlighting RC drilling results (ppm U₃O₈) in the REC Anomaly within the Ondjamba Prospect area

Drilling is continuing in the Ondjamba area, following which preliminary mine optimisation work is planned to test the economic viability of a potential satellite open pit at Ondjamba. If deemed economic, the area will be infill drilled and incorporated into the DFS currently underway.

c. Resource Growth

Bannerman announced a resource update at the end of the previous quarter. The March 2010 Mineral Resource Estimate, quoted at a cut-off grade of 100 parts per million (“ppm”) uranium oxide or U₃O₈, comprises **Measured & Indicated Resources of 142.1Mlbs U₃O₈** at an average grade of 223ppm U₃O₈, and **Inferred Resources of 20.0Mlbs U₃O₈** at an average grade of 216ppm U₃O₈, as tabulated below.

Etango Project Mineral Resource Estimate March 2010

Reported Cut-off (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) (Mlbs)		Tonnes (Mt)	Grade (ppm U ₃ O ₈)	Contained U ₃ O ₈ (Tonnes) (Mlbs)		Tonnes (Mt)	Grade (ppm U ₃ O ₈)	Contained U ₃ O ₈ (Tonnes) (Mlbs)	
100	54.9	221	12,100	26.8	234.1	223	52,200	115.3	42.0	216	9,100	20.0
150	39.6	259	10,300	22.6	166.5	264	44,000	96.8	27.8	262	7,300	16.1
200	25.6	305	7,800	17.2	108.5	312	33,800	74.6	18.0	311	5,600	12.4

Note: Figures may not add due to rounding; bulk density of 2.64t/m³; Uniform Conditioning estimate; Panel dimensions of 50mNS x 25mEW x 10mRL and SMU dimensions of 12.5mNS x 12.5mEW x 5mRL with Information Effect.

A new resource update for the Etango Project is planned for the end of September 2010 to incorporate the results of the recent infill drilling at Oshiveli and, as applicable, the results of the drilling within the Ondjamba area.

d. Mining Review

A detailed mining review during the quarter focused on incorporating the benefits of the increased March 2010 mineral resource estimate and further refinement of the mine design and forecast production schedule, with the objective of reducing the estimated mining unit operating costs.

The following enhancements have been analysed and will be incorporated in the DFS Update:

- The adoption of owner-mining and larger loading and haulage equipment;
- Improved early period cashflows associated with mine scheduling changes leading to an extended initial period for processing of above-average resource grades;
- Further cost reduction opportunities through improved mine scheduling, in-pit waste dumping and stockpile management strategies;
- Updated mining consumable cost estimates; and
- Investigation of the use of electrically-powered haul trucks.

d. Process Development

Bannerman continued its metallurgical testwork and engineering studies through the June quarter with the focus upon leach variability tests and definition of the optimal grind size for an agitated tank leach flowsheet. The testwork completed to date continues to demonstrate that the Etango ore leaches quickly even at coarse grind sizes (0.3mm to 1.0mm). Maintenance of good metallurgical recoveries at the coarser grind sizes, 0.7mm to 1.0mm, indicates the potential for reduced energy inputs, easier solid-liquid separation and thus lower processing costs. Analysis indicates that a whole-of-ore agitated tank leach flowsheet incorporating a coarser grind size may be preferable to a combined flotation and tank leach flowsheet. Engineering studies are currently underway pursuing these opportunities.

Further development of the alternative heap leach processing route also continues, including 7 metre column and permeability testwork as well as engineering and cost estimation refinements.

Work also commenced in the quarter on initial designs and cost estimates for various tailings storage facility options, including hydraulically placed, mechanically stacked and co-disposed tailings.

e. Infrastructure

Discussions continue with the Namibian water, power and port utilities regarding future infrastructure requirements.

In relation to water supplies, during the quarter Bannerman became a founding member of the “Erongo Mining Water Users Group” consisting of senior representatives from NamWater and a number of uranium companies. The purpose of the Users Group is to investigate the preferred technical and economic solutions for a coastal desalination plant with the capacity to ensure sufficient water for current and future demands.

Environmental and Social Impact Assessment

As previously reported, early in the quarter Bannerman received notification of formal environmental clearance from the Namibian Ministry of Environment and Tourism (“**MET**”) for development of the Etango Project as described in the Environmental and Social Impact Assessment (“**ESIA**”). The ESIA was conducted in accordance with the Environmental Protection Act of Namibia, and was based on an open pit mining operation focused on the Anomaly A deposit, with processing undertaken by heap leach methods. It is envisaged that following finalisation of the processing flowsheet and completion of the DFS, a final ESIA will be lodged and an amendment to the environmental clearance requested.

During the quarter, Bannerman also completed the “Linear Infrastructure Scoping Study” into road, water, power and possible rail infrastructure requirements for the Etango Project. Public consultations were completed in Namibia in late July.

Mining Licence

In late 2009, Bannerman lodged a Mining Licence application for the Etango Project with the Namibian Ministry of Mines and Energy, with the application based on the Company’s December 2009 Preliminary Feasibility Study. Bannerman continues to liaise closely with the Namibian Government regarding the grant of the Mining Licence.

Regional Exploration

Bannerman is now actively engaged in regional exploration activities in Namibia and Botswana. All of Bannerman’s exploration properties lie in close proximity to known uranium mines, deposits and anomalies including Rössing, Langer Heinrich and others in Namibia and Letlhakane and Foley in Botswana.

The exploration work now underway includes low-cost ground-based geological mapping, Radon cup surveys, ground radiometric surveys and electromagnetic geophysical surveys. In the past, exploration in these areas was based on the concept of discovering uranium mineralisation by radiometric surveys, either airborne or on the ground, and the programs now underway will complement this work by better testing areas of cover and surface depleted rocks which were not amenable to radiometric surveys.

Etango Project (Bannerman 80%)

The Etango licence (EPL 3345) covers an area of approximately 500km² and contains numerous known uranium occurrences. During June and July 2010, Bannerman extended its RadonX™ survey program to the Rössingberg Prospect area approximately 8km to the north of the Etango deposit. The survey area in this location covers approximately 70km² and comprised approximately 2,800 cups on a 100m x 200m grid pattern.

The RadonX™ cup survey method is a cost-effective method for identifying the potential for uranium mineralisation down to a depth of up to 100 metres beneath desert sands and surface material. The presence of cover and depleted surface material has previously prevented detection of uranium mineralisation through field mapping or radiometric geophysics.

The diagrams on the following page show the Etango licence area on the left and the Radon survey results on the right, with the areas coloured pink and red reflecting the higher tenor Radon survey anomalies. The previously-reported Radon survey contours for the Etango area are also shown for reference.

It is notable that the Rössingberg Radon anomalies lie in two main trend lines running northeast to southwest, roughly coincident with the previously identified radiometric anomalies. There are high tenor Radon anomalies in numerous areas which have never been drilled.

The Rössingberg trend represents a large mineralised system up to 16km long, with the potential for an undiscovered major deposit. The best anomalism appears to lie in the centre of the Rössingberg survey area, in a location with minimal radiometric anomalism.

A drilling program is scheduled to test the identified Radon anomalies at Rössingberg.

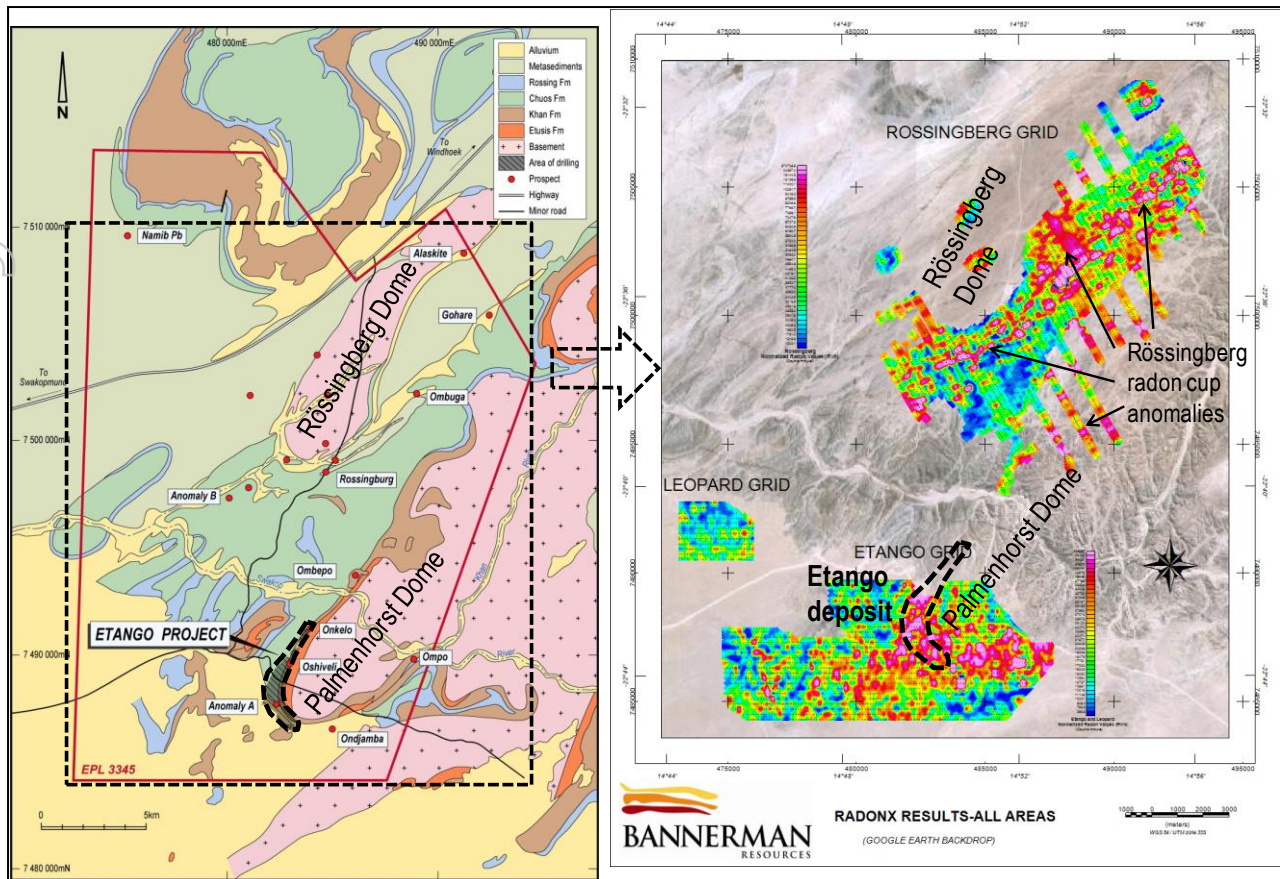
Swakop River Project (Bannerman 80%)

The Swakop River licence (EPL 3346) covers an area of approximately 800km² and contains extensive paleo-channel targets with uranium mineralisation in calcretised sediments. These calcretised sediments are similar to those hosting uranium mineralisation at the adjacent Langer Heinrich operation.

During the June quarter, Bannerman completed a geophysics survey along ten long lines within the Elspe Channel. These lines successfully delineated a number of drainage channels and an earlier branch of the Swakop River, under an extensive alluvial fan of sand gravel and boulders adjacent to the Langer Heinrich Mountain. Work on interpreting the results and designing the next phase of exploration will be completed in the current quarter.

Botswana Project (Bannerman 100%)

Bannerman owns three Prospecting Licences (131/2005 to 133/2005) covering an area of 1,100km² 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. As scheduled, a RadonX™ survey will be conducted during the September quarter.



Geology and RadonX™ survey results maps within the Etango licence area showing the location of the Rössingberg trend in relation to the Etango project and the colour-contoured results of the Rössingberg and Etango Radon cup surveys

Corporate

Cash Position

The Company's cash balance as at 30 June 2010 was A\$16.6 million (31 March 2010: A\$20.4 million).

Development and Off-take Partner Opportunities

Bannerman's financing plan for the Etango Project comprises a mixture of project debt and equity financing, in combination with finance and off-take buying commitments from a suitable end-user and/or strategic development partner.

During the quarter, Bannerman continued to expand existing dialogues as well as open new discussions with uranium end-users and potential development partners from a number of geographic regions. The purpose of these discussions is to engage with partners seeking to acquire strategic uranium off-take rights via participation in the financing and operation of the Etango Project.

Board Appointment

On 5 May 2010, Bannerman announced the appointment of Perth-based Non-Executive Director Dr David Smith as Chairman of the Board. Dr Smith joined the Bannerman Board in November 2009, following more

than 30 years' experience in technical, operational and senior management roles with the Rio Tinto organisation, including: President of Rio Tinto Atlantic covering the Simondou Project in Guinea, West Africa; Managing Director of Rio Tinto's extensive Pilbara iron ore operations in Western Australia; and Chief Executive Officer of Rössing Uranium Limited in Namibia.

Management Appointments

As previously announced, during the quarter Bannerman made two appointments to the DFS project team. Mr Paul Henharen was appointed Project Study Manager with responsibility for project management and completion of the DFS, and Mr Paul Thompson was seconded from Coffey Mining to oversee the DFS mining review. Mr Peter Christians resigned as Chief Operating Officer following a redistribution of executive responsibilities, and is thanked for his contribution over the last two years.

Issued Securities

No issues of shares, options or other equity securities were made during the quarter, and 1,150,000 employee options lapsed and were cancelled. As at 30 June 2010, the Company had 201.7 million shares and 21.8 million unlisted options on issue, with the options having a weighted average exercise price of A\$2.45 per share.

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.

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Technical Disclosures

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, 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 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 relating to the geology and 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 Canadian National Instrument 43-101. 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 release relating to the Mineral Resources of the Etango Project is based on a resource estimate completed by Mr Neil Inwood and Mr Brian Wolfe who are full time employees of Coffey Mining Pty Ltd. Each of Messrs. Inwood and Wolfe 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 Wolfe consent to the inclusion in this release of the matters based on their information in the form and context in which it appears.