

BANNERMAN SIGNIFICANTLY EXPANDS ETANGO PROJECT URANIUM RESOURCE

Perth, Australia – Bannerman Resources Limited (ASX: BMN, TSX: BAN, NSX: BMN) ("**Bannerman**" or the "**Company**") is pleased to announce that an updated and substantially larger mineral resource estimate has been completed for the Etango Project.

Highlights:

- **31% increase** in total contained metal.
- **Measured and Indicated resources** total **336.2Mt at 201ppm for 148.7Mlbs U₃O₈**, and **Inferred resources** total **164.6Mt at 176ppm for 63.9Mlbs U₃O₈**. The estimate is reported at a cut-off grade of 100ppm U₃O₈.
- The updated resource estimate includes Inferred resources for the **Ondjamba and Hyena satellite deposits** for the first time.
- Adoption of Ordinary Kriging methodology, resulting in more tonnes at a lower grade than the previous estimate, is considered a more prudent approach for modeling the Etango deposit.
- The increased resource estimate has the **potential to extend the total Project mine life**.

"The 31% increase in the Etango resource follows the recent successful application of the RadonX™ exploration method in areas where desert sand cover has rendered the more frequently used radiometric methods ineffective," said Mr Len Jubber, Bannerman's CEO. "The discovery of the Ondjamba and Hyena deposits has encouraged our confidence in the targets identified from the RadonX™ survey. We continue to investigate other prospects that could potentially continue to expand the size of the Etango Project."

"Importantly, we have taken the prudent decision to revert to the Ordinary Kriging resource modeling approach following a review of the study activities to date. It should however be noted that radiometric truck scanning technology in use at existing hard rock open pit uranium mines presents the opportunity to conduct selective mining, and hence optimise the project economics."

"The continued resource growth comes as no surprise and the globally significant scale, demonstrably low technical risk and excellent location of the Etango Project underpins our belief in its strategic value at a time when the nuclear energy sector is growing rapidly" highlighted Mr Jubber.

Investors can access a Boardroom Radio interview by Bannerman CEO, Len Jubber, in relation to the resource update by typing brr.com.au/event/71021 into their web browser.

Overview

The October 2010 mineral resource estimate, reported at a cut-off grade of 100 parts per million ("ppm") U_3O_8 , comprises Measured and Indicated resources of 336.2 million tonnes ("Mt") at 201ppm for 148.7 million pounds ("Mlbs") of contained U_3O_8 , and Inferred resources of 164.6Mt at 176ppm for 63.9Mlbs of contained U_3O_8 .

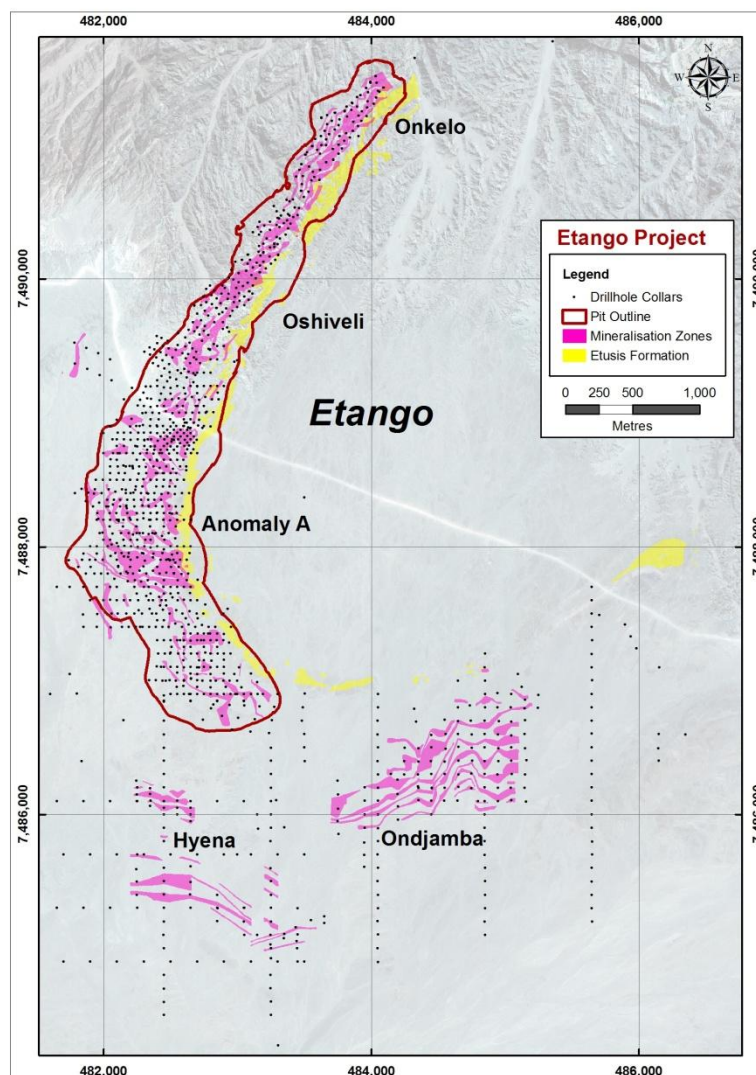
Total contained metal content has increased 31% from the previous (March 2010) resource estimate.

The mineral resource estimate has been prepared 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. A mineral resource estimation report, prepared by Coffey Mining, follows this introduction as a Technical Attachment.

Drilling Density

Total drilling in the vicinity of the **Etango** deposit and utilised in the latest mineral resource estimate is approximately 247,000 metres. This drilling comprises 913 reverse circulation and 145 diamond drillholes.

The drillhole spacing within the Etango deposit ranges from 50m x 100m down to 25m x 50m in the starter pit areas. Chemical assays were undertaken for 93% of the Etango samples assayed, with radiometric assays used for the balance. As a result, the degree of geological continuity and confidence that can be attached to the Etango deposit is such that the Measured and Indicated Resource categories of the Etango deposit comprise 81% of the Etango deposit mineral resource.



The **Ondjamba** drillhole database comprises 125 RC drillholes for approximately 22,200 metres. The drillhole spacing ranges from 100m x 200m down to 100m x 100m. Chemical assays were undertaken for 58% of the Ondjamba samples assayed, with factored radiometric data used for the balance.

The **Hyena** drillhole database comprises 148 RC and 4 diamond drillholes for approximately 15,300 metres. Of these, 47 RC and 3 diamond drillholes for approximately 9,100 metres were used in the deposit model. The drillhole spacing ranges from 100m x 200m down to 50m x 25m. Chemical assays were undertaken for 67% of the Hyena samples assayed, with factored radiometric data used for the balance.

Mineral Resource Estimate

The updated mineral resource estimate is tabulated below, firstly by individual deposit area (at a cut-off grade of 100ppm U₃O₈) and, secondly, for the total Project estimate at a range of cut-off grades.

Etango Project Mineral Resource Estimate October 2010

By deposit reported at a cut-off grade of 100ppm U₃O₈

Deposit	Measured Resources				Indicated Resources				Inferred Resources			
	Tonnes	Grade	Contained U ₃ O ₈		Tonnes	Grade	Contained U ₃ O ₈		Tonnes	Grade	Contained U ₃ O ₈	
	(Mt)	(ppm U ₃ O ₈)	(Tonnes)	(Mlbs)	(Mt)	(ppm U ₃ O ₈)	(Tonnes)	(Mlbs)	(Mt)	(ppm U ₃ O ₈)	(Tonnes)	(Mlbs)
Etango	62.7	205	12,900	28.3	273.5	200	54,600	120.4	45.7	202	9,200	20.3
Ondjamba	-	-	-	-	-	-	-	-	85.1	166	14,200	31.3
Hyena	-	-	-	-	-	-	-	-	33.6	166	5,600	12.3
Total	62.7	205	12,900	28.3	273.5	200	54,600	120.4	164.6	176	29,000	63.9

Note: Figures may not add due to rounding; Ordinary Kriged estimate based upon 3m cut composites; bulk density of 2.64t/m³; and panel dimensions of 25mNS by 25mEW by 10mRL.

Total estimate reported at a range of cut-off grades

Cut-off Grade (ppm U ₃ O ₈)	Measured Resources				Indicated Resources				Inferred Resources			
	Tonnes	Grade	Contained U ₃ O ₈		Tonnes	Grade	Contained U ₃ O ₈		Tonnes	Grade	Contained U ₃ O ₈	
	(Mt)	(ppm U ₃ O ₈)	(Tonnes)	(Mlbs)	(Mt)	(ppm U ₃ O ₈)	(Tonnes)	(Mlbs)	(Mt)	(ppm U ₃ O ₈)	(Tonnes)	(Mlbs)
100	62.7	205	12,900	28.3	273.5	200	54,600	120.4	164.6	176	29,000	63.9
125	56.6	215	12,200	26.8	238.6	212	50,700	111.7	143.9	185	26,600	58.6
150	47.5	230	10,900	24.0	193.7	230	44,500	98.1	106.1	201	21,400	47.1

Note: Figures may not add due to rounding; Ordinary Kriged estimate based upon 3m cut composites; bulk density of 2.64t/m³; and panel dimensions of 25mNS by 25mEW by 10mRL.

The resource estimate is based on the Ordinary Kriging methodology without the additional Uniform Conditioning stage which was incorporated in the previous resource estimate. Review of the resource modeling approach has indicated that the level of selective mining (represented by the smaller mining units

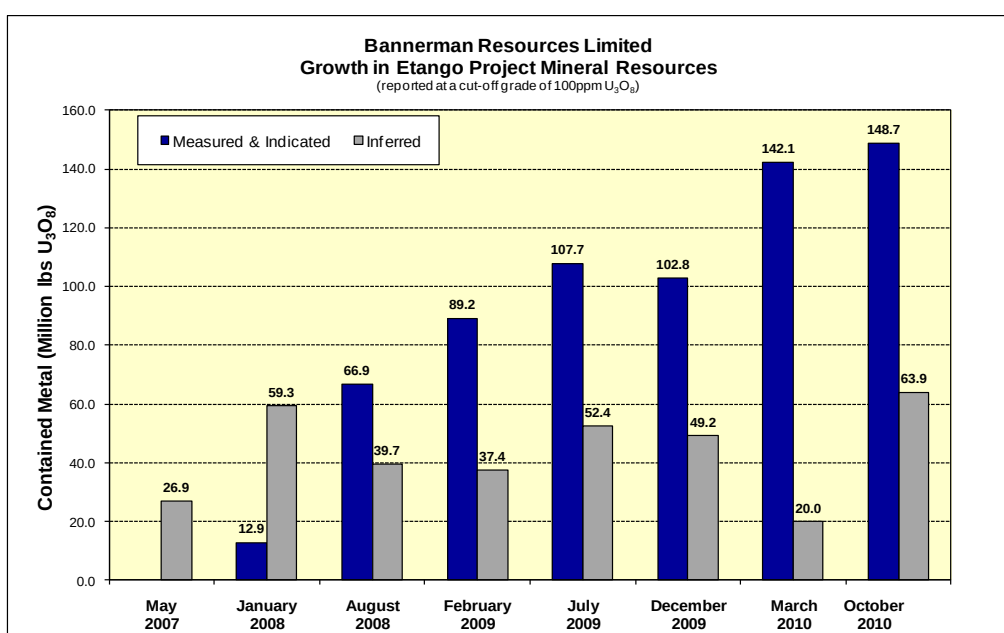
reflected in the Uniform Conditioning approach) is likely to overstate the actual grades of the in-situ mineralisation. As a result, the Ordinary Kriging methodology without Uniform Conditioning is considered by Bannerman and its technical consultants to provide a prudent mineral resource estimate, and will form the basis of the upcoming feasibility study update.

The Etango Measured and Indicated resource represents a 16% increase in tonnage, 10% decrease in average grade and 5% increase in contained metal from the March 2010 resource estimate.

It should be noted that the selective mining capability derived through the use of radiometric haul truck scanners and the fact that over 90% of the Etango mineralisation is located within the clearly visible alaskite rock units will potentially offset the adverse impact of normal mining dilution. Mining review work will be focused on this aspect going forward.

Resource Growth

Bannerman has now completed eight resource estimates on approximate half-year intervals since commencing drilling activities at the Etango Project in late 2006. The chart below depicts the consistent growth of the Etango resource since the first estimate in 2007:



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 Bannerman'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 report relating to the Mineral Resources of the Etango Project is based on a resource estimate completed by Mr Neil Inwood, and the information in this report relating to the Mineral Resources of the Ondjamba and Hyena deposits is based on a resource estimate completed by Mr Neil Inwood and Mr Steve Le Brun. Both Mr Inwood and Mr Le Brun are full time employees of Coffey Mining Pty Ltd. Each of Messrs. Inwood and Le Brun 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 Le Brun consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Resource Estimation Study on the Deposits Located within the Etango Project Area

Introduction

Coffey Mining was requested by Bannerman Resources Limited ("Bannerman") to undertake an updated resource estimation study on the Etango deposit and a maiden resource estimate on the Ondjamba and Hyena deposits in Namibia. These deposits are located within Bannerman's Etango Project Area (within EPL 3345) which is 31km east of the major town of Swakopmund and 47km northeast of the port town of Walvis Bay. The Ondjamba deposit is located approximately 1km along strike to the southeast of the Etango deposit, and the Hyena deposit is located approximately 1km to the south of the Etango deposit.

Neil Inwood from Coffey Mining visited the Etango site and surrounding areas several times in 2007, 2008, 2009 and 2010, and is the Competent Person for the resource estimate 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 the JORC (2004) Code and Canadian National Instrument 43-101.

Deposit Geology

Uranium occurrences within the Etango Project are located along the western and southern flanks of the Palmenhorst Dome, which consists of pre-Damara basement, with a core of reddish leucocratic gneiss (quartz, microcline and accessory plagioclase biotite) that is commonly referred to as the 'red granite gneiss'. The central gneiss is surrounded by migmatites and other basement rock types.

Uranium mineralisation at Etango, Ondjamba and Hyena is located mainly 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 minerals. Accessory minerals include 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 (UO₂) but minor betafite 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 and uranophane occur as replacements 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

Etango

The drillhole database in the vicinity of the Etango estimation consists of 913 RC and 145 diamond drill holes totalling 246,950m. An extra 10 RC and 17 Diamond holes have been added to the resource database since the March 2010 update. Only drillholes drilled by Bannerman have been used in the estimate. 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 total of 58,065 chemical (93%) and radiometric (7%) assays were used in the estimate.

Ondjamba

The drillhole database in the vicinity of the estimation consists of 125 RC drill holes totalling 22,231m. The drillholes were drilled typically at 60° to the north (UTM grid) with a drill spacing ranging from 100m by 100m to 200m by 100m.

A combination of chemical assaying (11,609 samples - 58% of the total) and factored radiometric data (8,252 1m composites – 42% of the total) were used for the estimation. The radiometric data was factored such that the mean of the eU_3O_8 data matched that of the chemical data. Within the mineralisation domains, 3,220 chemical (88%) and 422 radiometric (12%) assays were used.

Hyena

The drillhole database in the vicinity of the estimation consists of 148 RC and 4 diamond drill holes totalling 15,262m. Of those drillholes, 47 RC and 3 diamond drill holes totalling 9,061m were directly used for the deposit model. The drillholes were drilled typically at 60° to the north (UTM grid) or vertically with a drill spacing ranging from 50m by 25m to 200m by 100m.

A combination of chemical assaying (6,803 samples - 67% of the total) and factored radiometric data (3,311 1m composites – 33% of the total) were used for the estimation. Within the mineralisation domains 1,616 chemical (99%) and 20 radiometric (1%) assays were used.

QA/QC, Density and Sampling

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

A density value of $2.64t/m^3$ was used for the mineralised zones. This value was determined after analysis of 8,883 density determinations from the mineralised zones in the Etango area by water immersion and calliper methods. Only a limited number of bulk density determinations, from the three diamond holes at Hyena, were supplied. A density value of $2.64t/m^3$ was used for the mineralised zones after comparison with the nearby Etango deposit.

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

Geological Modelling

To establish appropriate grade continuity, the mineralisation model for the Etango, Ondjamba and Hyena deposits was based upon a nominal 75 ppm U_3O_8 mineralisation outline.

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 alaskites 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. 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.

Etango

The mineralised zones were modelled as 110 distinct zones (3m to 135m thick, averaging 20m thick) with a northerly trend, as shown in **Figure 1** below. 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 sectional interpretation.

Figure 1
Etango Deposit
September 2010 Modelled Mineralised Zones

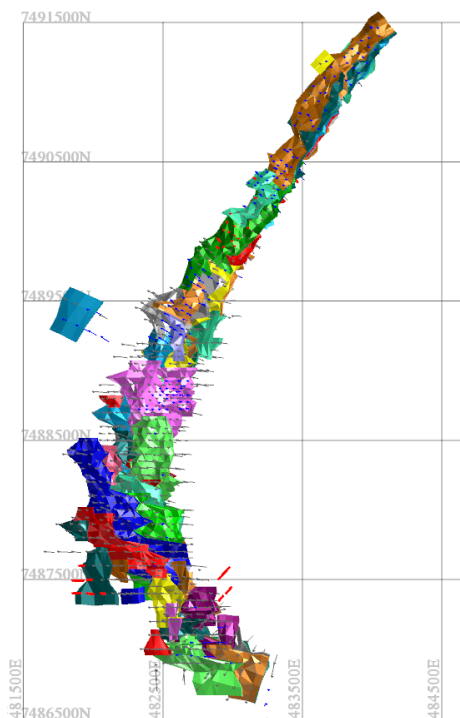
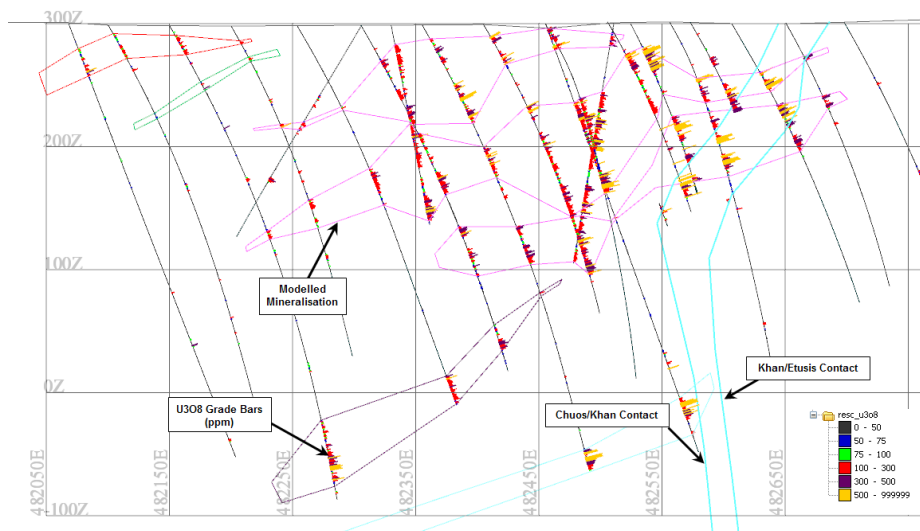


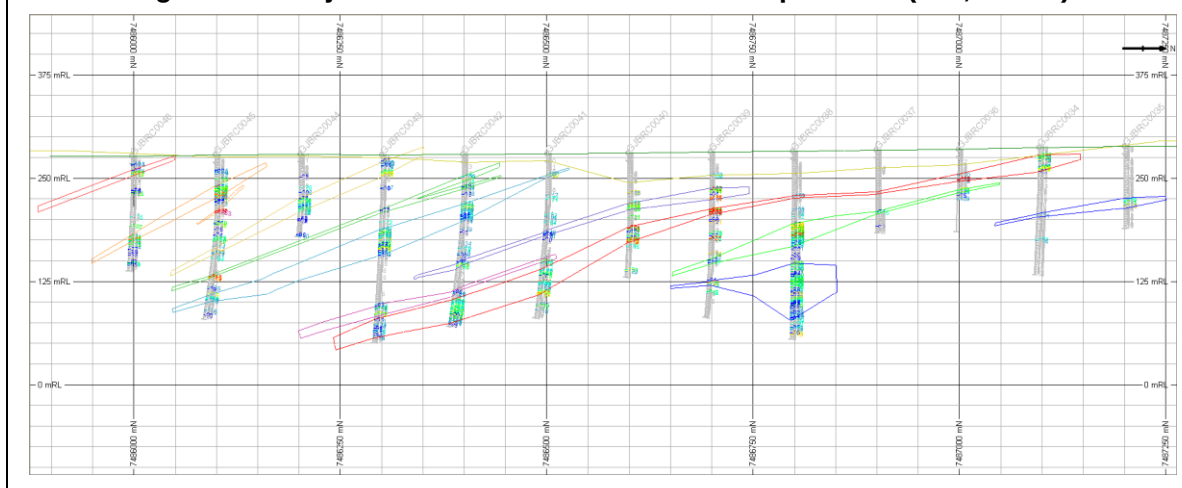
Figure 2 – Etango Deposit, East-West Sectional Interpretation (7,488,800mN)



Ondjamba

The mineralised zones at Ondjamba were modelled as 12 distinct zones (ranging from 1m to 70m thick, averaging 11m thick) with a SW-NE trend. The zones dip from -30° to -40° to the south-east. Individual zones were modelled from 150m to 1,750m long. **Figure 3** shows a typical sectional interpretation.

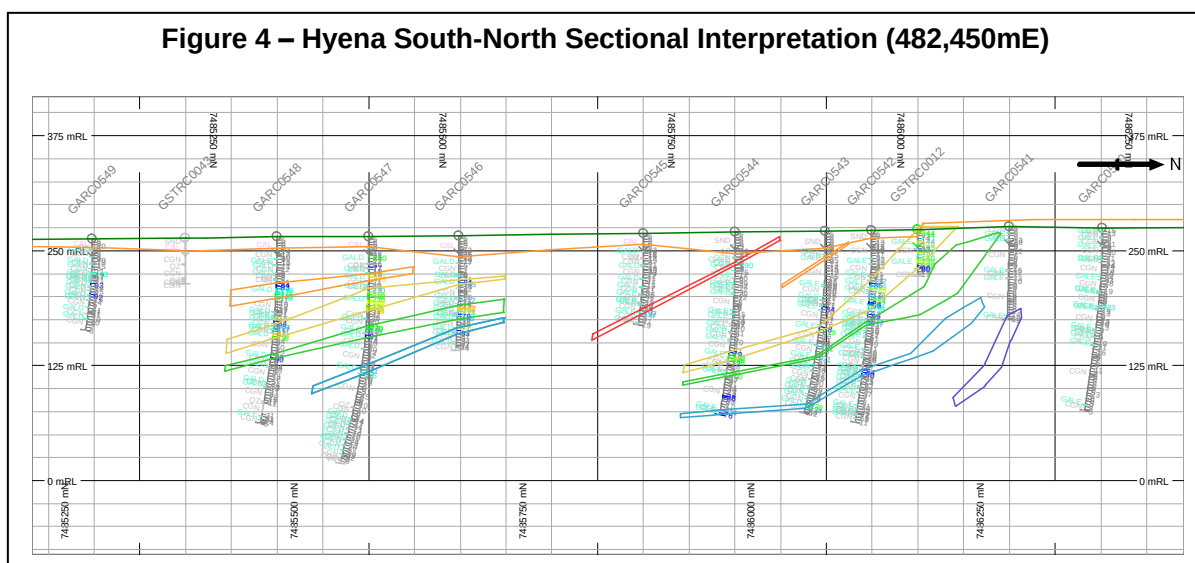
Figure 3 – Ondjamba South-North Sectional Interpretation (484,850mE)



Hyena

The mineralised zones at Hyena were modelled as 19 distinct zones in 4 separate domains, (ranging from 2m to 63m thick, averaging 12.6m thick) with a W-E trend. Three domains exhibit a southerly dip from -30° to -40° to the south, with domain 3 exhibiting a near vertical W-E trend. Individual zones were modelled from 150m to 1,750m long. **Figure 4** shows a typical sectional interpretation.

Figure 4 – Hyena South-North Sectional Interpretation (482,450mE)



Grade Estimation

The samples captured within the mineralisation shapes were composited to a regular 3m downhole composite length. Based on the 3m composite data, statistical and geostatistical investigations were completed to derive appropriate estimation parameters such as high-grade cuts, variogram model parameters, and search ranges.

For Etango, a range of upper cuts were applied to the 3m composites for 34 zones prior to estimation, these cuts ranged from 650ppm to 1,200ppm U_3O_8 . The effect of the upper cuts was to decrease the mean grade of the 3m composites from individual zones by between 1% and 9%.

For Ondjamba, a single upper cut of 700ppm U_3O_8 was applied to the 3m composites for all zones prior to estimation. The effect of the upper cuts was to decrease the mean grade of the 3m composites by $<1\%$.

For Hyena, only domain 3 exhibited any significant high grade tail in the population distributions, therefore an upper cut of 850ppm U_3O_8 was applied to the 3m composites for Hyena domains 1, 2 and 4, and an

upper cut of 1,250ppm was applied to domain 3 prior to estimation. The effect of the upper cuts was to decrease the mean grade of the 3m composites by <1% for domains 1, 2 and 4 and 22% for domain 3.

Three dimensional block models were constructed for the purposes of grade estimation for each deposit. 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 6.25mN by 6.25mE by 1.25mRL was undertaken for Etango, and was limited to 3.125m N by 3.125m E by 1.25m RL at Ondjamba and Hyena in order to achieve appropriate volume definition of the mineralisation.

Ordinary Kriging ("OK") was chosen as the appropriate method for estimating grade based upon the cut 3m U₃O₈ composites. Detailed variography was used to inform the estimation search parameters with three search passes used. The bulk of the blocks were filled within the first and second search passes.

For Ondjamba, correlograms for the combined zones assays were derived and applied to the individual zones with hard boundaries (each zone was only estimated using assays within the same zone). For Hyena, due to an insufficient number of assays available to generate interpretable correlograms, variogram (correlogram) parameters were derived from the Etango deposit models and applied to all zones individually with hard assay boundaries. In all cases, search axes, being 240m x 160m x 80m for Ondjamba and 120m x 80m x 40m for Hyena, were orientated into the dip plane of the mineralisation. Second and third search passes at 2x and 3x multipliers were applied.

Resource

Categorisation of the grade estimate was undertaken on the basis of the criteria laid out in the JORC (2004) Code and Canadian National Instrument 43-101 ("CNI43-101"). The Resource was classified as Measured, Indicated or Inferred using the criteria determined during the validation of the grade estimates, with detailed consideration of the CNI43-101 categorisation guidelines.

Etango

A Measured category was assigned based on blocks estimated in pass one or two of the estimate, for mineralised zones with a strong geological understanding, consistent mineralisation shape and grade tenor, good OK estimation quality (as defined by a high slope of regression), and a nominal minimum drillhole coverage of 50m by 25m. Blocks were classified as Indicated considering issues such as geological and grade continuity and within a nominal 50m by 50m drillhole spacing. Blocks not classified as Indicated were classified as Inferred. An in-situ bulk density value of 2.64t/m³ was used when reporting the resource.

The reported resource for the Etango Uranium Deposit reported above various cut-offs is summarised below in **Table 1**. Based upon the style of modelling undertaken and the understood economics of the deposit, it is recommended that the resource be reported above 100ppm U₃O₈.

Table 1 Etango Deposit, Namibia September 2010 Resource Estimate OK Model Reported at various cut-offs using a bulk density of 2.64t/m³ Panel dimensions of 25m N by 25m E by 10m RL					
Classification	Lower Cut	Tonnes Above Cut-off (Mt)	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (t)	Contained U ₃ O ₈ (M lb)
Inferred	100	45.7	202	9,200	20.3
	125	40.3	214	8,600	19.0
	150	34.7	226	7,800	17.3
Indicated	100	273.5	200	54,600	120.4
	125	238.6	212	50,700	111.7
	150	193.7	230	44,500	98.1
Measured	100	62.7	205	12,900	28.3
	125	56.6	215	12,200	26.8
	150	47.5	230	10,900	24.0
Note: Figures have been rounded. lb to kg = x 2.20462					

Ondjamba and Hyena

Blocks were classified as Inferred considering issues such as geological and grade continuity and within a nominal 100m by 100m drillhole spacing. Blocks not classified as Inferred were left as Unclassified. Two zones at Ondjamba and five zones at Hyena were not classified where drillhole spacing became too broad. A default in-situ bulk density value of 2.64t/m³ was used when reporting the resource.

The reported resource for the Ondjamba and Hyena deposits reported above various cut-offs are summarised below in Tables 2 and 3. Based upon the style of modelling undertaken and the understood economics of the deposit, it is recommended that the resource be reported above 100ppm U₃O₈. If cutoff grades substantially higher than the Coffey Mining preferred cutoff grade are to be used for public reporting (e.g. > 150ppm U₃O₈ ppm U₃O₈), the resource classification will need to be reviewed to accommodate the different risk profile.

Table 2 Ondjamba Deposit, Namibia - September 2010 Resource Estimate Reported at various cut-offs using a bulk density of 2.64 t/m ³ Ordinary Kriged estimate based upon 3m cut U ₃ O ₈ composites Block dimensions of 25m NS by 25m EW by 10m RL			
Lower Cut	Tonnes Above Cut-off (Mt)	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (M lb)
Inferred			
75	86.6	165	31.5
100	85.1	166	31.3
125	73.5	174	28.3
150	50.8	190	21.3
Note: Figures have been rounded.			

Table 3 Hyena Deposit, Namibia - September 2010 Resource Estimate Reported at various cut-offs using a bulk density of 2.64 t/m ³ Ordinary Kriged estimate based upon 3m cut U ₃ O ₈ composites Block dimensions of 25m NS by 25m EW by 10m RL			
Lower Cut	Tonnes Above Cut-off (Mt)	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (M lb)
Inferred			
75	33.8	165	12.3
100	33.6	166	12.3
125	30.1	172	11.4
150	20.6	186	8.4
Note: Figures have been rounded.			