

During the March 2012 quarter, Bannerman Resources Limited (ASX: BMN, TSX: BAN, NSX: BMN) ("**Bannerman**" or the "**Company**") completed a Definitive Feasibility Study (DFS) on its 80%-owned Etango Uranium Project in Namibia, reached agreement with the Namibian state-owned mining company for involvement in the Project, completed the first phase of resource extension drilling and finalised its capital raising initiatives commenced in the previous quarter.

HIGHLIGHTS

- Completion of the Etango Uranium Project DFS in early April 2012, **confirming the viability of a long life and large scale uranium mining project:**
 - **80% conversion** of Measured and Indicated Mineral Resources into **Proved and Probable Ore Reserves** totalling 279.6 million tonnes at an average grade of 194ppm U_3O_8 for **119.3 Mlbs of contained U_3O_8** ;
 - **Production of 7-9 Mlbs U_3O_8** per year for the first five years and **6-8 Mlbs U_3O_8** per year thereafter, for a minimum mine life of 16 years, which would rank Etango as a **global top 10 pure uranium project**; and
 - Positioning Bannerman to take **advantage of expected higher uranium prices** and facilitating advancement of discussions with potential development and off-take partners.
- Signing of a **milestone binding Term Sheet with Namibian state-owned mining company** Epangelo Mining Company (Proprietary) Limited (**Epangelo**) pursuant to which Epangelo may acquire an initial 5% interest and subsequent additional 5% interest in Bannerman's Namibian subsidiary, the sole owner of the Etango Uranium Project.
- Intersection of mine-grade mineralisation in the first phase of **resource expansion drilling** adjacent to the northern part of the Etango deposit. The results indicate the **potential to expand the pit design and extend the mine life**. Further drilling is now underway.
- **Completion of financing initiatives** commenced in the previous quarter:
 - Share Purchase Plan raising the maximum proceeds of A\$4 million;
 - Follow-on institutional share placement to a number of existing institutional shareholders in Australia, Asia and the UK raising gross proceeds of A\$1.8 million; and
 - Receipt of shareholder approvals for the follow-on institutional share placement and a refinancing and extension of the existing convertible note to 31 March 2014.
- **Cash holdings of A\$13.2 million** as at 31 March 2012.

Len Jubber, Chief Executive Officer
30 April 2012

Etango Uranium Project (Bannerman 80%)

Background

The Etango Uranium Project is one of the world's largest undeveloped uranium deposits, located in the premier uranium mining jurisdiction of Namibia which hosts Rio Tinto's Rössing and Paladin's Langer-Heinrich operating uranium mines. Etango is 73km by road from one of the region's busiest deep water ports that's been exporting uranium for over 35 years. Road, rail, electricity and water networks are all located nearby.

Definitive Feasibility Study

Following completion of the Preliminary Feasibility Study Update ("PFS Update") in late 2010, the Definitive Feasibility Study ("DFS") commenced in April 2011 and was completed in early April 2012.

The DFS confirms the viability of the long life and large scale Etango Project and forecasts potential production of 6-9 million pounds ("Mlbs") U_3O_8 per year, placing Bannerman in a strong position to take full advantage of expected higher uranium prices.

Key outcomes from the DFS, as announced to the market on 10 April 2012, are as follows:

- 80% conversion of Measured and Indicated Mineral Resources into Proved and Probable Ore Reserves totalling 279.6 million tonnes at an average grade of 194ppm U_3O_8 for 119.3 Mlbs of contained U_3O_8 , in accordance with Australian JORC and Canadian NI 43-101 reporting standards as at an effective date of April 2012;
- Major DFS improvements over the PFS Update include increasing the plant size from 15 to 20 million tonnes per year, increasing average annual production by 22%, improving mining and material movement efficiencies, better positioning of mine waste dumps and metallurgical test work supporting a higher 86.9% uranium recovery rate;
- Production of 7-9 Mlbs U_3O_8 per year for the first five years and 6-8 Mlbs U_3O_8 per year thereafter, which would rank Etango as a global top 10 pure uranium project;
- Operating and capital costs, even after the 33% increase in plant throughput and price escalation experienced over the last 15 months, increased from the PFS Update estimates by only 8% and 24% (or only 11% when first year PFS mining capital is included) respectively;
- Cash operating costs of US\$41/lb U_3O_8 in the first five years and an average of US\$46/lb U_3O_8 over the life of mine, with programs to seek reductions;
- Cash operating margin of 24% at current long term contract prices (US\$60/lb U_3O_8) and 39% at an assumed base case long term price of US\$75/lb U_3O_8 ;
- At a uranium price of US\$75/lb U_3O_8 , the Etango Project generates operating cashflow of US\$2.7 billion before capital and tax, and free cashflow of US\$923 million after capital and tax;
- Pre-production capital cost of US\$870 million; and
- Minimum open pit mine life of 16 years, with further extensions sought through the conversion of existing Inferred Resources and new drilling programs now underway.

(a) Mining

The conventional open pit mining operation will utilise 550t hydraulic back-hoe excavators and 220 tonne diesel/electric haul trucks. Drilling and blasting will be conducted on 12 metre benches and mining on 4-4.5 metre flitches to minimise ore dilution. With this configuration, the mining rate is scheduled at a maximum 100 million tonnes per year.

The Etango deposit outcrops at surface and, as a result, processing commences three months after the first production blast. The open pit has an average end-of-mine depth of approximately 240 metres below surface, and an average waste to ore strip ratio of 3.3.

(b) Engineering

The DFS sets out details of the site layout and process plant designs and drawings. Figure 1 below shows the proposed site layout for the designed process plant, heap leach pads and associated infrastructure.

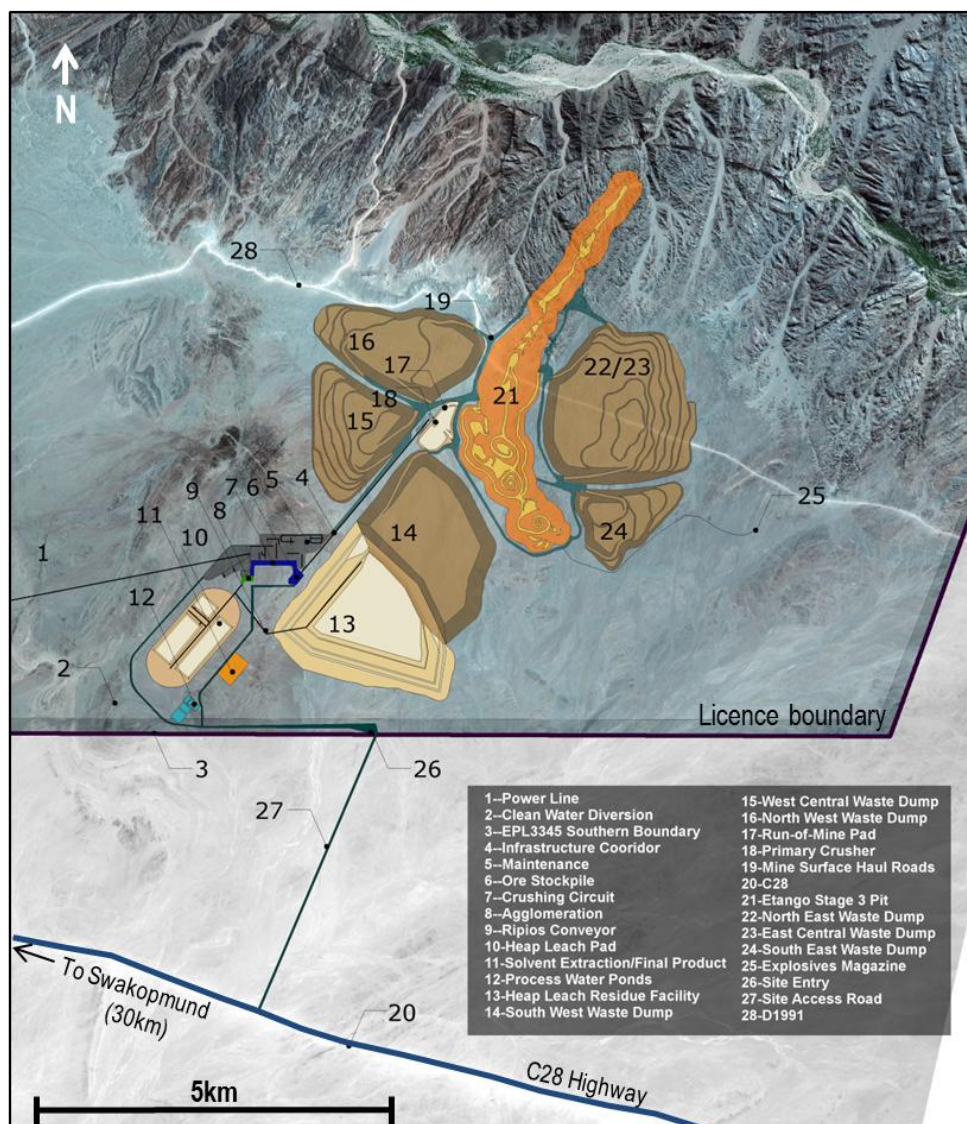


Figure 1: Proposed Etango site layout.

(c) Processing

Metallurgical testing and engineering studies undertaken over the last four years have identified the Etango mineralisation to be most suitable for heap leaching due to the following:

- the absence of clay in the ore;
- the mineralisation is free of acid consuming carbonates (or marble), thereby keeping sulphuric acid consumption relatively low at 18kg/tonne of ore processed;
- the predominant uraninite (UO_2) mineralisation is located at grain boundaries allowing rapid and high recoveries at a relatively coarse crush size; and
- consistent leach characteristics across the entire deposit.

Heap leaching also does not require fine grinding, solid-liquid separation or a tailings storage facility. The process is therefore relatively simple, efficient and cost-effective.

(d) Environmental and Social Impact Assessment

Bannerman has previously received environmental clearances from the Namibian Ministry of Environment and Tourism ("MET") for development of the Etango Project and for the linear infrastructure to service the mine site based on the 2009 Preliminary Feasibility Study and associated Environmental and Social Impact Assessment ("ESIA").

The ESIA was updated during the quarter, based on the DFS design and feedback gathered from special interest groups and neighbouring communities through a public consultation process. The assessment concluded that the environmental and social impacts of the Etango Project can be readily managed using industry-standard practices and procedures. The updated ESIA and Bannerman's draft Environmental and Social Management Plan has now been lodged with the MET in support of a new Environmental Clearance for the Etango Project.

Upon receipt of the Environmental Clearance, Bannerman will lodge further information, incorporating the DFS, with the Namibian Ministry of Mines and Energy in support of the existing Etango Mining Licence application.

(e) Mineral Resource Estimate

The Etango Project Mineral Resource estimate reported at a cut-off grade of 100ppm U_3O_8 was prepared by Coffey Mining and released in October 2010. The estimate comprises the following:

Mineral Resource	Measured			Indicated			Inferred		
Deposit	Tonnes (Mt)	Grade (U_3O_8 ppm)	Contained U_3O_8 (Mlbs)	Tonnes (Mt)	Grade (U_3O_8 ppm)	Contained U_3O_8 (Mlbs)	Tonnes (Mt)	Grade (U_3O_8 ppm)	Contained U_3O_8 (Mlbs)
Etango	62.7	205	28.3	273.5	200	120.4	45.7	202	20.3
Ondjamba							85.1	166	31.3
Hyena							33.6	166	12.3
Total	62.7	205	28.3	273.5	200	120.4	164.4	176	63.9

The Mineral Resource estimate is reported at a cut-off grade of 100ppm U_3O_8 . Refer to the Competent Persons Statement at the end of this document for further information. Figures may not add due to rounding.

The Etango Project Mineral Resource estimate is reported inclusive of Ore Reserves (refer below). In accordance with Canadian technical reporting requirements, it is noted that Mineral Resources which are not Ore Reserves do not have demonstrated economic viability.

(f) Ore Reserve Estimate

The maiden Ore Reserve estimate for the Etango Project of 279.6Mt at 194ppm for 119.3Mlbs U_3O_8 is drawn only from the existing Measured and Indicated Mineral Resources. The Ore Reserve estimate represents an 80% conversion rate from Measured and Indicated Resources.

Ore Reserve	Proved			Probable			Total		
Deposit	Tonnes (Mt)	Grade (U_3O_8 ppm)	Contained U_3O_8 (Mlbs)	Tonnes (Mt)	Grade (U_3O_8 ppm)	Contained U_3O_8 (Mlbs)	Tonnes (Mt)	Grade (U_3O_8 ppm)	Contained U_3O_8 (Mlbs)
Etango	64.2	194	27.4	215.3	193	91.8	279.6	194	119.3

Figures may not add due to rounding.

The Ore Reserve is stated at an effective date of April 2012 and was estimated in accordance with the standards and guidelines in the Australian JORC Code and Canadian National Instrument 43-101 with a modelled mining loss of 2.6% of metal, mining dilution of 4.9% of the total ore tonnes, a cut-off grade of 70ppm U₃O₈, a processing recovery of 84.5%, a metal price of US\$75/lb U₃O₈ and the DFS cost estimates outlined herein.

(g) Potential Mine Life Extensions

There is considerable potential for the project mine life to be extended as the DFS has been limited to the following inputs:

- Measured and Indicated Resources of 336.2Mt at 201ppm for 148.8Mlbs U₃O₈. The existing Inferred Resource of 164.6Mt at 176ppm for 63.9Mlbs U₃O₈ has been excluded from the DFS but may be upgraded to Indicated status in the future and added to the mine plan;
- Pit optimisations at future higher uranium prices would enable an expansion of the mine design and significant extensions to mine life, based initially on existing Indicated and Inferred Resources but also on resources delineated in the future; and
- Processing throughput of 20Mt per year. The heap leach pad could be configured to process additional tonnes through raising the heap height and/or an expansion of the pad itself.

A recent geological review has identified the potential to define further mineral resources within the Etango Project area that could extend the Etango mine life in excess of 20 years, including:

- The area immediately to the west of the Etango deposit where recent drilling confirmed the continuation of the existing shallow dipping lode structure;
- The higher grade zone immediately adjacent to the contact between the Khan-Chuos formations which is open at depth below the designed pit;
- Within the Ondjamba and Hyena deposits to the immediate south where both deposits remain open along strike and at depth and the potential exists for future drilling to confirm the two deposits are in fact joined;
- The Ompo prospect to the east of the Etango deposit where mineralisation has been intersected in previous drilling; and
- To the north, within the 500km² Etango Exclusive Prospecting Licence, three more targets at Gohare, Ombuga and Rössingberg where mineralisation has previously been intersected.

Epangelo Agreement

A binding Term Sheet was signed in early April 2012 with Namibian state-owned mining company, Epangelo Mining Company (Pty) Limited (**Epangelo**) for Epangelo (or its nominee) to acquire an initial 5% interest and, upon a mine development decision, a further of 5% interest in Bannerman's Namibian subsidiary which owns 100% of the Etango Project.

The key terms are as follows:

- Epangelo can acquire 5% of Bannerman's 80%-owned Namibian subsidiary, Bannerman Mining Resources (Namibia) (Pty) Ltd (**BMRN**), by acquiring interests from the existing BMRN shareholders on a pro-rata basis for the look-through value of the Etango Project calculated at a Bannerman share price of A\$0.225 per Bannerman share. This equates to sales proceeds for Bannerman of approximately A\$3.9 million. The post-acquisition shareholdings in BMRN will be Bannerman (76%), Epangelo (5%) and the existing private shareholder (19%);
- Epangelo has four months to obtain the necessary acquisition finance from the Development Bank of Namibia or another financing institution acceptable to BMRN's shareholders, and then to acquire the BMRN shares. During this four month period, other conditions such as Epangelo's own due diligence investigations, the signing of full-form documentation and receipt of regulatory approvals (as required) are also to be satisfied;

- Epangelo shall appoint one representative to the BMRN Board. Epangelo's representative will resign from the Board should the acquisition not be completed within the four month period;
- Upon Epangelo acquiring its 5% interest, it shall meet its pro-rata share of BMRN's expenditure. If Epangelo is unable to fund its share of BMRN's expenditure for the period from the initial acquisition up to a future decision to mine, Bannerman shall loan such funds to Epangelo with this loan to be repaid from future BMRN dividends and other distributions. The loan will accrue interest at LIBOR+6%pa and be secured via a pledge over Epangelo's shares in BMRN;
- Epangelo also holds a future one-time option at the time of a mine development decision to acquire a further 5% of BMRN for a 2.5% discount to the look-through market value at that time;
- If Epangelo does not contribute its pro-rata share of cash calls after a mine development decision is made, it shall dilute ultimately to nil in accordance with an agreed "dilution and sale" formula;
- Pre-emptive rights shall exist in favour of non-selling BMRN shareholders; and
- Bannerman will assist in Epangelo's capacity building programs through secondments of Epangelo personnel to the Etango Project team and through education and training initiatives.

The agreement with Epangelo reflects the constructive relationship between Bannerman, Epangelo and the Government of Namibia in relation to the future development of the Etango Project. Bannerman will work actively with Epangelo over the coming months to finalise Epangelo's initial investment and to pursue the next steps for advancing the Etango Project.

Exploration

Etango Licence (Bannerman 80%)

The Etango Exclusive Prospecting Licence (EPL3345) covers an area of approximately 500km² and contains numerous known uranium occurrences. During the Quarter, Bannerman continued its focus on exploration efforts in the Onkelo West area at the northern end of the Etango Deposit.

Etango Deposit

As reported during the quarter, Bannerman completed a reverse circulation drilling program in the Onkelo West area, located immediately to the west of the northern part of the Etango Deposit. The program was drilled within 200 metres of the DFS open pit design boundary and indicated the potential for mineralisation to extend beyond the planned pit boundary for a strike length of up to 4km to the south.

The result not only opened up the potential to expand the open pit to the west but it also created the possibility of potential pit expansions to mine mineralisation to the west and to access down-dip extensions of mineralisation close to the Chuos-Khan Formation contact where the highest grade mineralisation is typically found in the Etango Deposit.

The next phase of the resource extension drilling program has already commenced targeting deeper high grade and possible western extensions of the Anomaly A area of the Etango deposit. Results are scheduled to be reported in the June 2012 quarter.

Swakop River Project (Bannerman 80%)

The Swakop River Exclusive Prospecting Licence (EPL3346) covers an area of approximately 800km² and contains palaeochannel targets with uranium mineralisation in calcrete sediments. The licence surrounds Paladin Energy's Langer-Heinrich operation on three sides. No work was undertaken on the licence in the quarter.

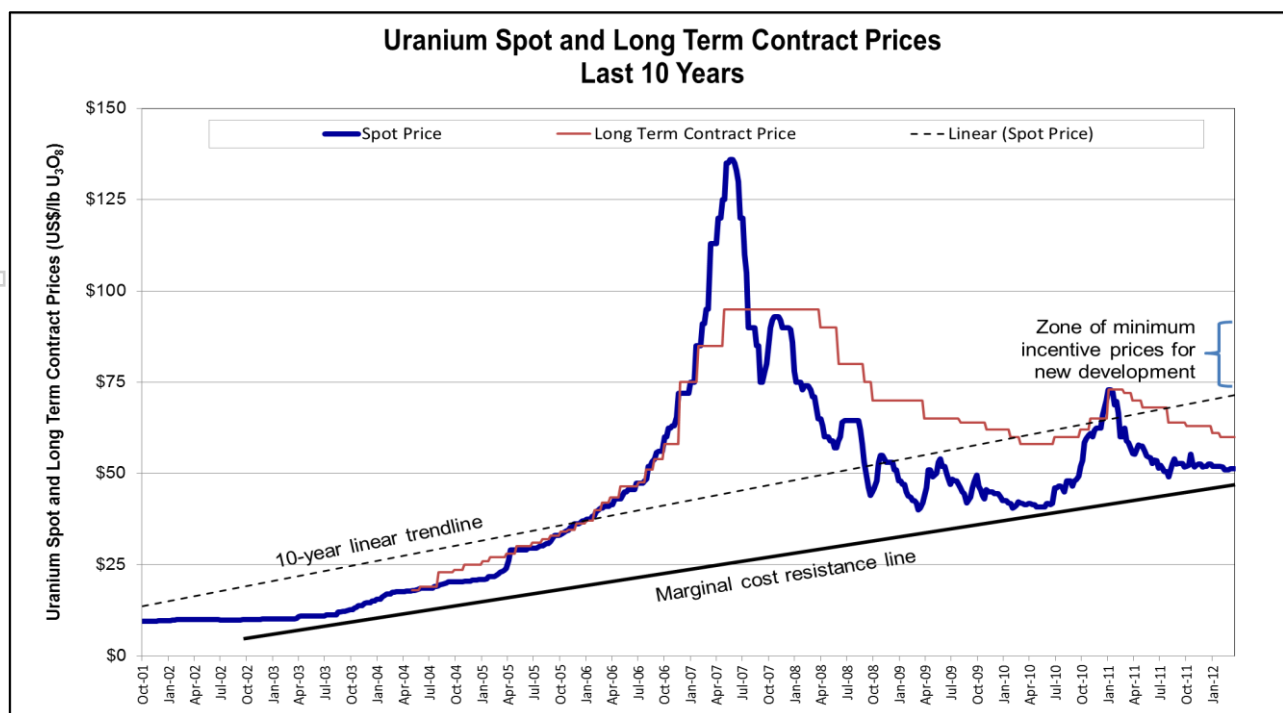
Uranium Market

It is now over one year since the tragic natural disasters in Japan on 11 March 2011 and the resultant operating issues with the Fukushima Daiichi nuclear power facility. Since that time, uranium spot and long term contract prices have weakened, reflecting the comments and actions of certain governments regarding the suspension or slow-down of their nuclear power build programs.

However, in 2012 it is emerging that although a minority of nuclear power generating countries may seek reductions or deferrals of their own nuclear programs, the clean nature of nuclear power for base load

electricity generating capacity remains a key alternative and growth area for the world's industrialised and fast-developing nations. Recent key events supporting Bannerman's view of higher uranium prices include:

- **Japan** – Only one of the existing 51 nuclear reactors in Japan is currently operating, placing considerable stress on Japan's trade balance due to significantly increased imports for its fossil fuel power generation facilities. Japan's Trade Minister recently approved the re-start of two reactors in western Japan and approvals from the local authorities are being sought. The re-starting of Japan's reactors, in particular for the northern hemisphere summer months, represents a key short term catalyst for the uranium market;
- **Commitment to nuclear power** – Various nations have in recent months confirmed their commitment to nuclear power. In particular, the National Energy Administration of China forecast that China's nuclear energy capacity will increase to 80 million kilowatts by 2020, compared with approximately 12 million kilowatts currently. Also in the quarter, India's Power Minister announced that India is seeking to increase its nuclear power capacity to 63 million kilowatts by 2032, from the current installed capacity of approximately 4 million kilowatts. Other nations to reaffirm their commitment to nuclear power include the United Arab Emirates, Saudi Arabia and the US where in March the Nuclear Regulatory Commission issued construction and operating licences for two more nuclear reactors;
- **Secondary supplies** - The world's current annual uranium production is significantly less than annual demand from nuclear power utilities, with the shortfall presently satisfied through the sale of uranium from inventories and secondary sources. A key secondary source has been the 1993 "Megatons to Megawatts" program between Russia and the USA for the down-blending of highly enriched uranium from dismantled Russian nuclear warheads. This program is due to end in 2013 and is unlikely to be renewed at its present volumes; and
- **Incentive prices for new mine development** – In addition to the impact of reducing secondary supplies, Bannerman believes that as a result of the complexity of expanding existing operating mines and bringing new uranium mines into production, new production sources are unlikely to come on stream at the costs and to the extent currently anticipated by market participants. Mining of uranium is subject to many of the same cost pressures as other mining operations but, unlike other commodities, uranium mining carries significantly increased environmental and safety management obligations and associated development timeframes. The development of new mines and the expansion of existing operations will, in Bannerman's view, require higher uranium prices to incentivise development and expansion commitments.



Pricing source: Ux Consulting

Corporate

Share Purchase Plan

Bannerman closed its Share Purchase Plan (“SPP”) at the end of January 2012 over-subscribed, successfully raising the maximum proceeds of A\$4 million.

The SPP allowed eligible shareholders to subscribe for up to A\$15,000 worth of new Bannerman shares at a price of A\$0.225 per share or the Canadian dollar equivalent of C\$0.233 per share. Approximately 17.8 million new Bannerman shares were issued pursuant to the SPP in early February 2012.

Follow-on Institutional Share Placement

A share placement subsequent to the SPP of a further 8 million shares at the SPP issue price to existing institutional investors raised an additional A\$1.8 million. This placement, also completed in February 2012, was in addition to the A\$8.2 million institutional placement of 36.5 million shares completed in the previous quarter.

Convertible Note Refinancing and Extension

All necessary shareholder approvals (refer below) for the refinancing and roll-over of Bannerman’s existing convertible note with Resource Capital Fund IV LP (RCF) were obtained and associated documentation executed in March 2012. The principal under the new note is A\$8 million with a maturity date of 31 March 2014. The conversion price is A\$0.28125 per share and the 8%pa coupon interest is payable quarterly through the issue of new Bannerman shares or in cash in certain circumstances.

General Meeting of Shareholders

Bannerman convened a general meeting of shareholders on 13 March 2012 to seek shareholder ratification for the follow-on institutional share placement and approval for the amendment and restatement of the RCF convertible note. The resolutions put to shareholders at the general meeting were duly carried on a show of hands.

Cash Position

The Company’s cash reserves as at 31 March 2012 totalled A\$13.2 million (31 December 2011: A\$12.3 million).

Issued Securities

The Company’s issued share capital as at 31 March 2012 comprised 297,244,208 ordinary shares. Following the end of the quarter, in accordance with the shareholder approvals obtained at the general meeting of shareholders (refer above), Bannerman issued approximately 2.3 million shares to RCF for the convertible note extension fee and coupon interest on the note up to 31 March 2012, taking the Company’s total issued shares to 299,538,975 ordinary shares.

In addition, the Company has on issue 8,365,466 performance rights issued under the shareholder-approved Employee Incentive Plan (“EIP”) and Non-Executive Director Share Incentive Plan, and 14,129,950 unlisted options. The EIP performance rights are dependent upon various performance targets and continuous employment periods, and the options, some of which also have related performance targets and continuous employment periods, have a weighted average exercise price of A\$1.13 per share.

For further information please contact:

Len Jubber

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

Tim Haughan

Investor Relations Manager
Perth, Western Australia
Tel: +61 (0)8 9381 1436
admin@bannermanresources.com.au

Media

David Tasker
Professional Public Relations
Tel: +61 (0)433 112 936
david.tasker@ppr.com.au

Spyros Karellas

Investor Relations
Toronto, Ontario, Canada
Tel: +1 416 800 8921
spyros@pinnaclecapitalmarkets.ca

About Bannerman - Bannerman Resources Limited is an emerging uranium development company with uranium interests in Namibia, a southern African country which is 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.

Technical Disclosures

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, sedar.com. Readers are cautioned not to place undue reliance on forward-looking statements. Bannerman 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.

Mineral Resources which are not Ore Reserves do not have demonstrated economic viability.

The information in this report that relates to the exploration results of the projects owned by Bannerman is based on information compiled by Mr Martinus Prinsloo, Exploration Superintendent of Bannerman. Mr Prinsloo is a Member and a Chartered Professional of the Australasian Institute of Mining and Metallurgy, 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 Prinsloo consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report relating to the Mineral Resources of the Etango Project is based on a resource estimate compiled or reviewed by Mr Brian Wolfe, a full time employee of Coffey Mining Pty Ltd. Mr Wolfe is a Member of the Australian Institute of Geoscientists 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 Wolfe consents, and provides corporate consent for Coffey Mining Pty Ltd, 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 relating to the Ore Reserves of the Etango Project is based on information compiled or reviewed by Mr Harry Warries, a full time employee of Coffey Mining Pty Ltd. Mr Warries is a Fellow 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 Warries consents, and provides corporate consent for Coffey Mining Pty Ltd, to the inclusion in this report of the matters based on his information in the form and context in which it appears.