BANNERMAN RESOURCES

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CORPORATE UPDATE

September 2016

Important notices

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Technical disclosures and forward looking disclaimers

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. 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 include Ore Reserves (Mineral Reserves).

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

Competent person's statement

The information in this report relating to the Mineral Resources of the Etango Project is based on information prepared by Mr Ian Glacken, extracted from the Company's National Instrument 43-101 – Standards of Disclosure for Mineral Projects technical report entitled "Etango Uranium Project Optimisation Study", dated 24 December 2015 and the report entitled "Etango Uranium Project Optimisation Study November 2015" filed on 11 November 2015, which are available to view on the Company's SEDAR profile at www.sedar.com, and website at www.bannermanresources.com.au (the "Technical Reports"). Mr Glacken is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Glacken is a full-time employee of Optiro Pty Ltd. Mr Glacken 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", and a Qualified Person as defined by Canadian National Instrument 43-101. Mr Glacken 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 Ore Reserves of the Etango Project is based on information prepared by Mr Leon Fouché, extracted from the Technical Reports. Mr Fouché is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Fouché is a full-time employee of the Company. Mr Fouché 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", and a Qualified Person as defined by Canadian National Instrument 43-101. Mr Fouché 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 pertaining to Mineral Resources and Ore Reserves for the Etango deposit is extracted from the Technical Reports. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, which all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

All material assumptions detailed in this report and underpinning the production target and forecast financial information in the DFS Optimisation Study (as previously announced on 11 November 2015 in compliance with Listing Rule 5.16 and 5.17) continue to apply and have not materially changed.

Bannerman at a glance

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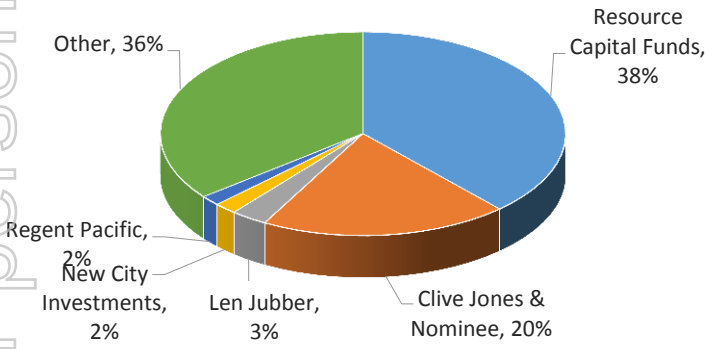
Capital structure	
ASX share price	**A$0.026**
12 month share price range	A$0.025 - 0.06
Shares on issue	712 million
Market capitalisation	**A$18.5M**
Options and performance rights	60 million
Average daily volume (ASX)	0.16 million
Cash (5 Sept 2016)	**A$1.5M**
Debt	A$0M

Share register



Board	
Independent Chairman	Ronnie Beevor
Chief Executive Officer/MD	Brandon Munro
Independent NED	David Tucker
NED (RCF nominee)	Ian Burvill
NED	Clive Jones

Focused on 100% owned Etango uranium project in Namibia

Sector leading valuation leverage to uranium price increases

Largest unaligned uranium project in the world

Simple bulk tonnage, technically de-risked

Etango Project Heap Leach Demonstration Plant

Why uranium?

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Nuclear industry experiencing unprecedented growth through China expansion

Further strong non-OECD growth fuelled by Russia and India

Key source of clean, base load power sees solid growth profile in OECD

Looming supply shortfall with potential short term catalysts

Very few U development projects of scale ready to respond

Dynamics point to abrupt and sustained price correction

It is widely accepted that current decade-low uranium prices are unsustainable and will increase

Now is a compelling time in the cycle for high growth investment

Why are spot and term prices in the doldrums?

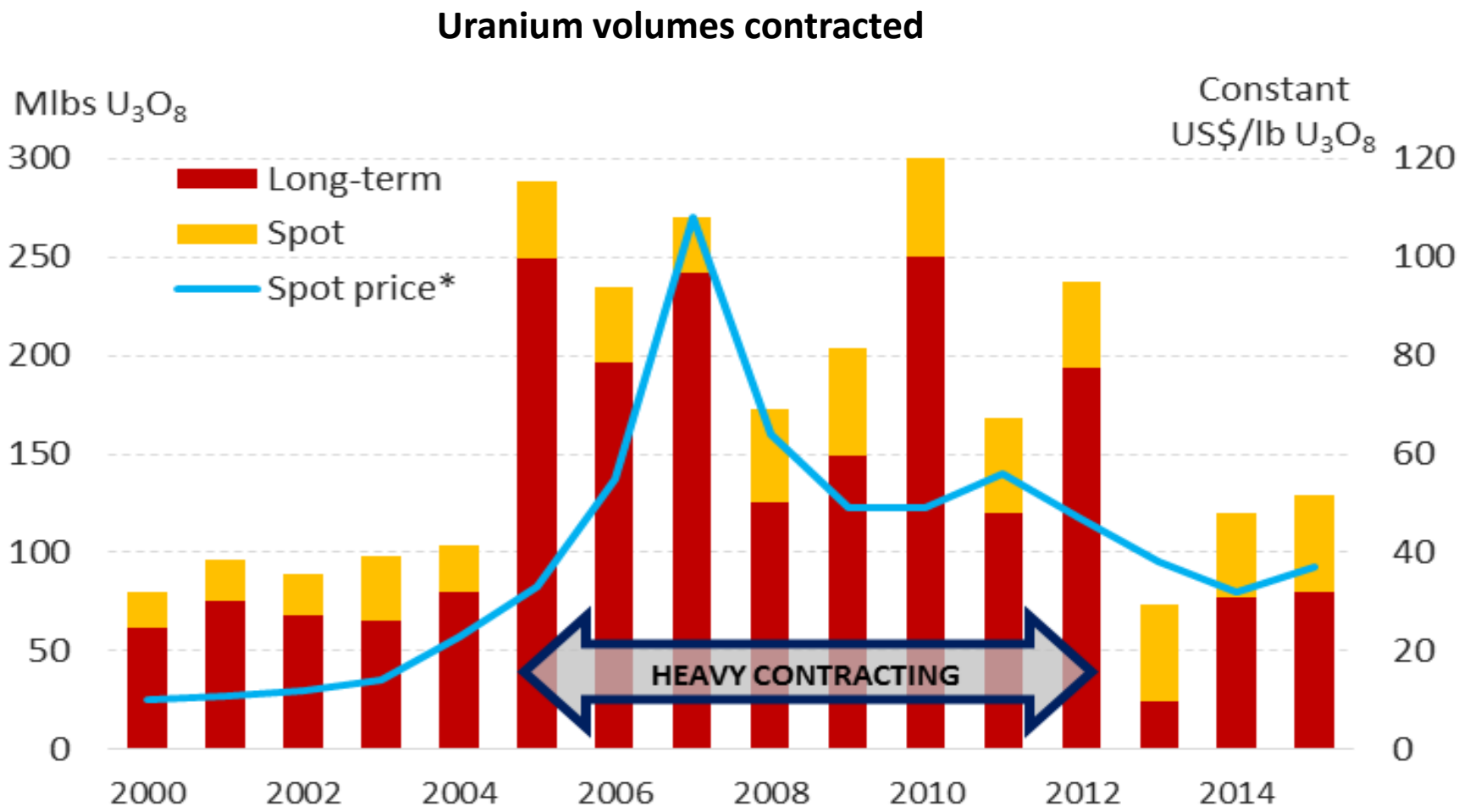
Primary supply (ie mine production) **is less than** primary demand (power generation).

Secondary supply is putting the market into oversupply

- Underfeeding (~50%)
- Sales by Russia and US
- Limited inventory sales

Current spot demand is very low as utilities' inventories sufficient, putting downward pressure on producers selling into market.

Low level of term contracting as producers unwilling to contract at low prices and utilities unwilling to contract at big premiums.



* Industry average price (UxC and TradeTech)
Source: UxC, Cameco

Which means future supply requirements are compounding

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The China behemoth

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Domestic clean power expansion

Today:

- 34 reactors in operation (31 GWe)
- 20 reactors under construction (23 GWe)
- With hydro and renewables, ~10% clean energy

China targeting

- 58 GWe nuclear by 2020
- 120-150 GWe nuclear by 2030
- 20% clean energy by 2030

The problem

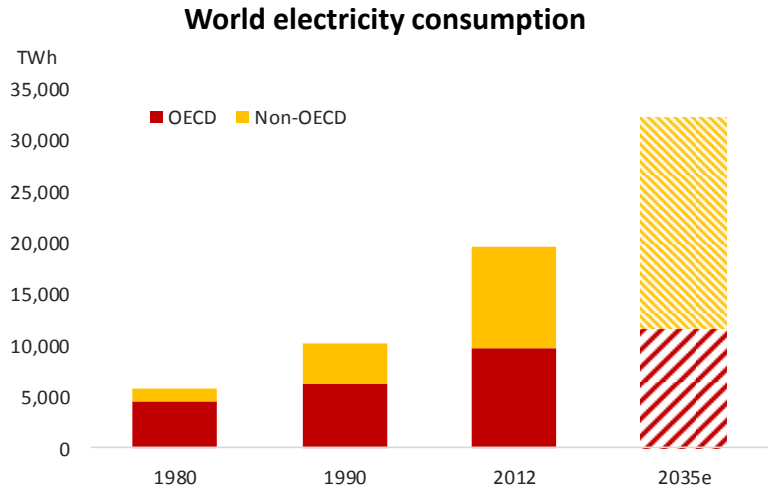
- Better air-quality non-negotiable
- 58GWe target only ~3% of 2020 energy mix
- 120-150GWe target only ~5% of 2030 energy mix
- Hydro and renewables have limited scale growth

China's "ambitious" nuclear growth plans will need to be substantially exceeded.

Nuclear power export priority

- Hi-tech export priorities
  - Nuclear power and high speed commuter tech
- Shifting dynamics of uranium demand are clear
  - Current nuclear reactor fleet is dominated by OECD capacity (>80%)
  - However, 75% of capacity under construction today is domiciled in non-OECD countries
- China looking to deploy in developing world

Therefore China's current stockpiles and production are inadequate for growth plans



Source: World Energy Outlook 2014, OECD/IEA; Cameco

The market is set to tighten

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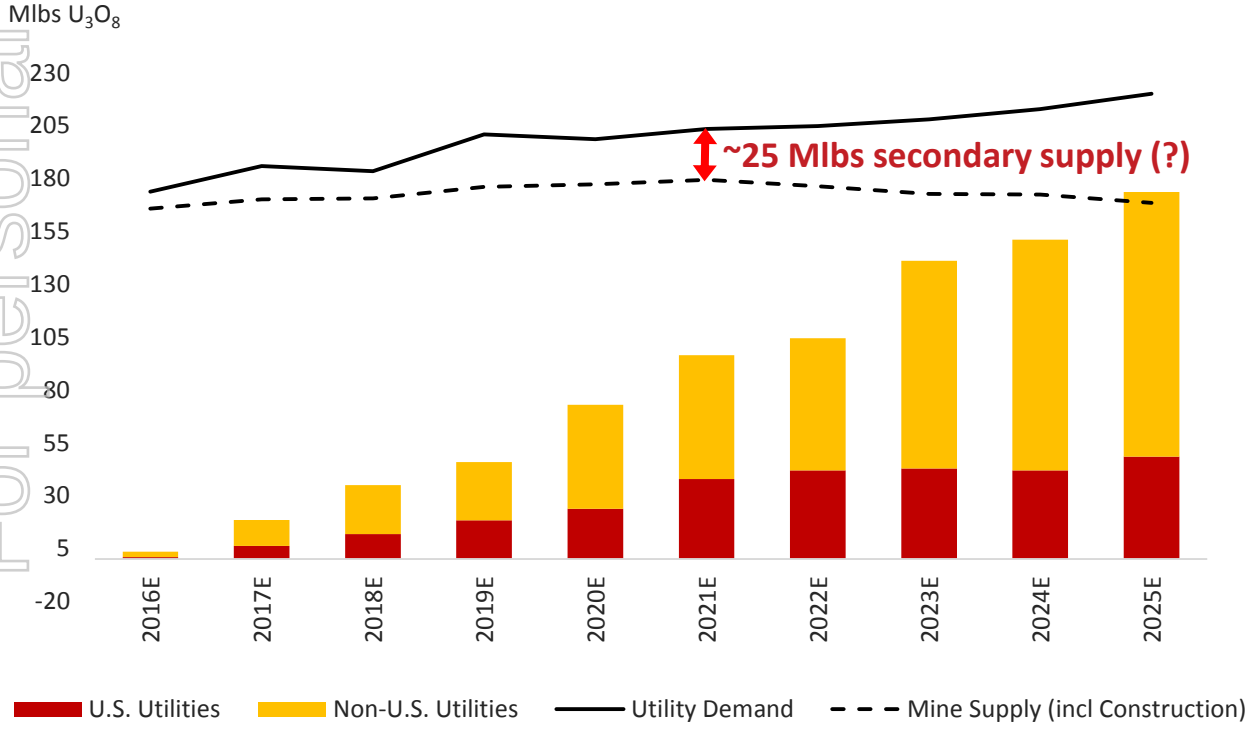
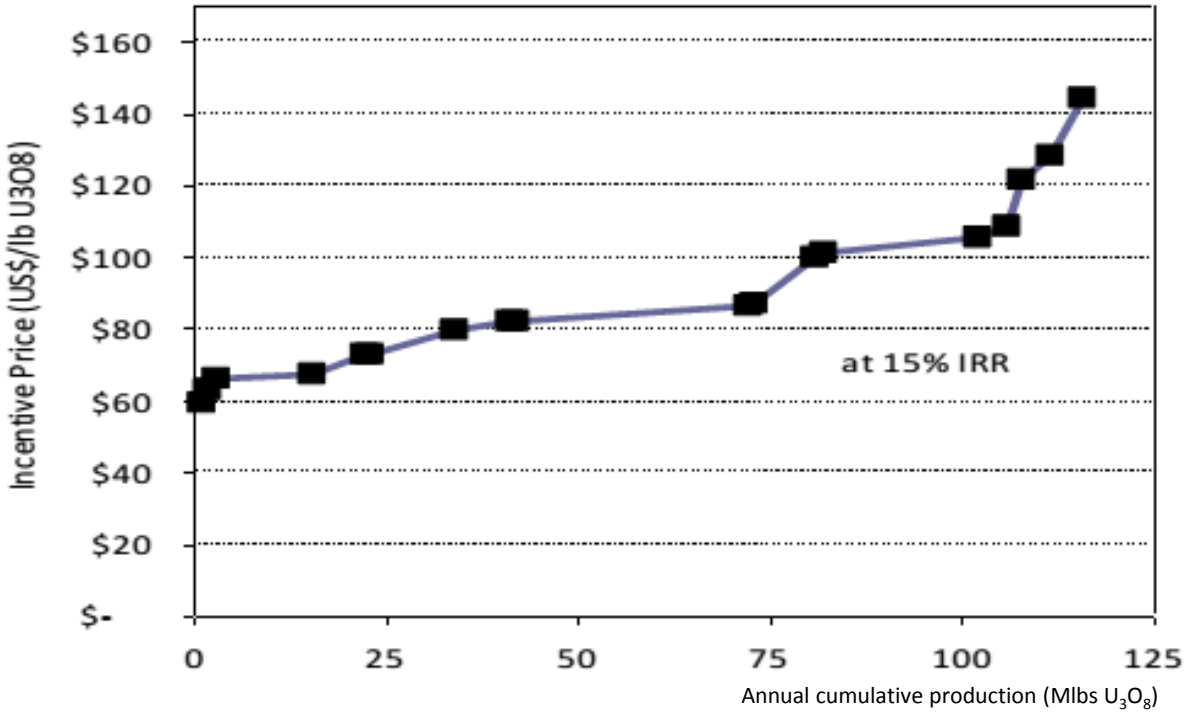
Large uncovered positions plus growing uranium demand

Future uncontracted fuel requirements globally



Source: UXC, Bannerman

Global uranium projects incentive pricing curve



Source: RBC Capital Markets

And mine supply unable to respond adequately at prices below ~US$75/lb

…with potential short term catalysts

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Potential price catalysts

Japanese restarts

Primary supply disruption

- Economic (closure, care and maintenance)
- Physical, climatic, social
- Lack of Kazakh reinvestment

Geopolitical disruption

- Kazakhstan, Niger
- Regulatory responses to climate change urgency

Secondary demand increases

- China recommences stockpiling
- India enters market

Secondary supply contracts

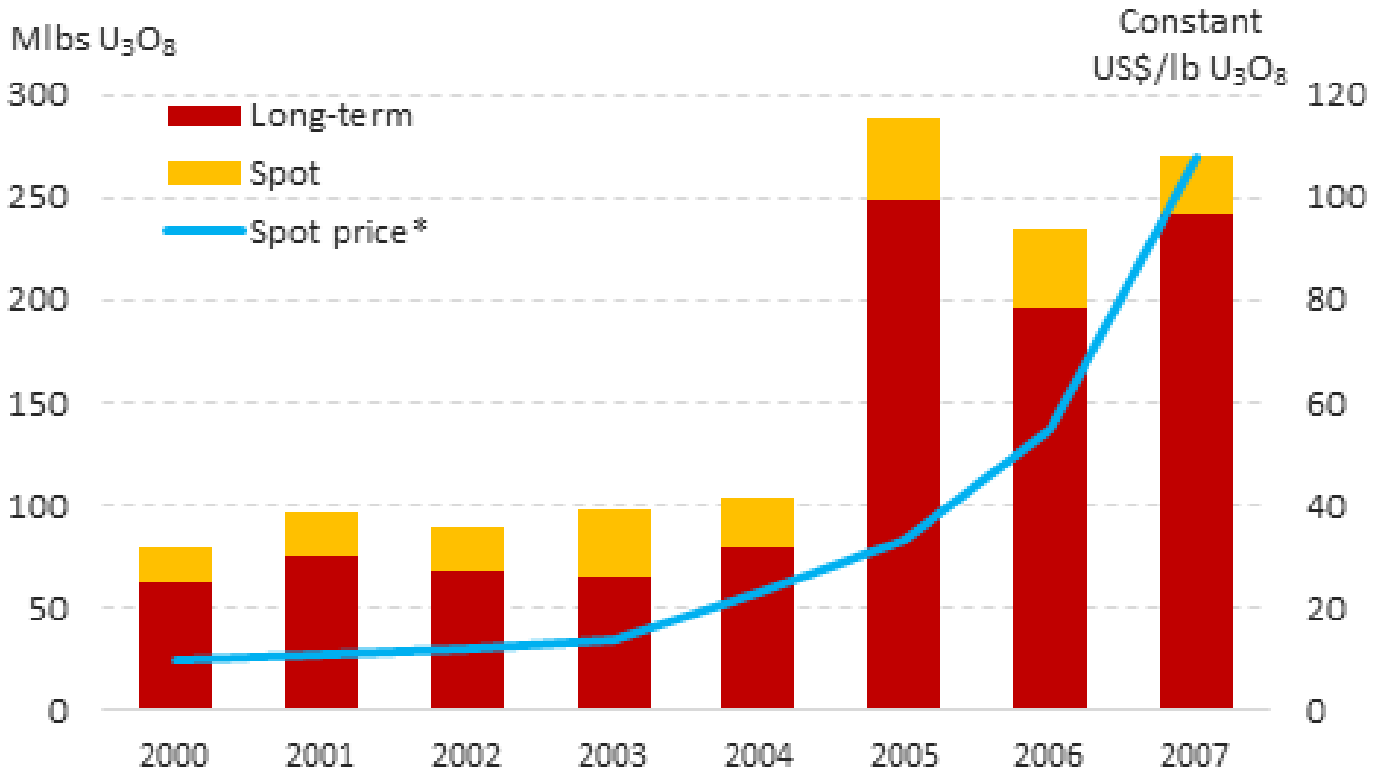
- Russian supply, reduction in underfeeding

Term contracting increases

- US and EU utilities enter market at same time

Will recent history repeat itself?

Uranium volumes contracted and price 2000-2007



* Industry average price (UxC and TradeTech)
Source: UxC, Cameco

Dynamics today are more sustainable: in 2007 there was no significant China demand and 20% of supply came from down-blended warheads

Why Bannerman?

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World class resource scale with high strategic value

A simple, largely de-risked project with granted environmental permitting

Competitive and robust project economics

Sector leading valuation leverage to forecast uranium price increases

Namibia a globally significant producer and first class operating jurisdiction

The right team to deliver full economic value from Etango

World class resource and project scale

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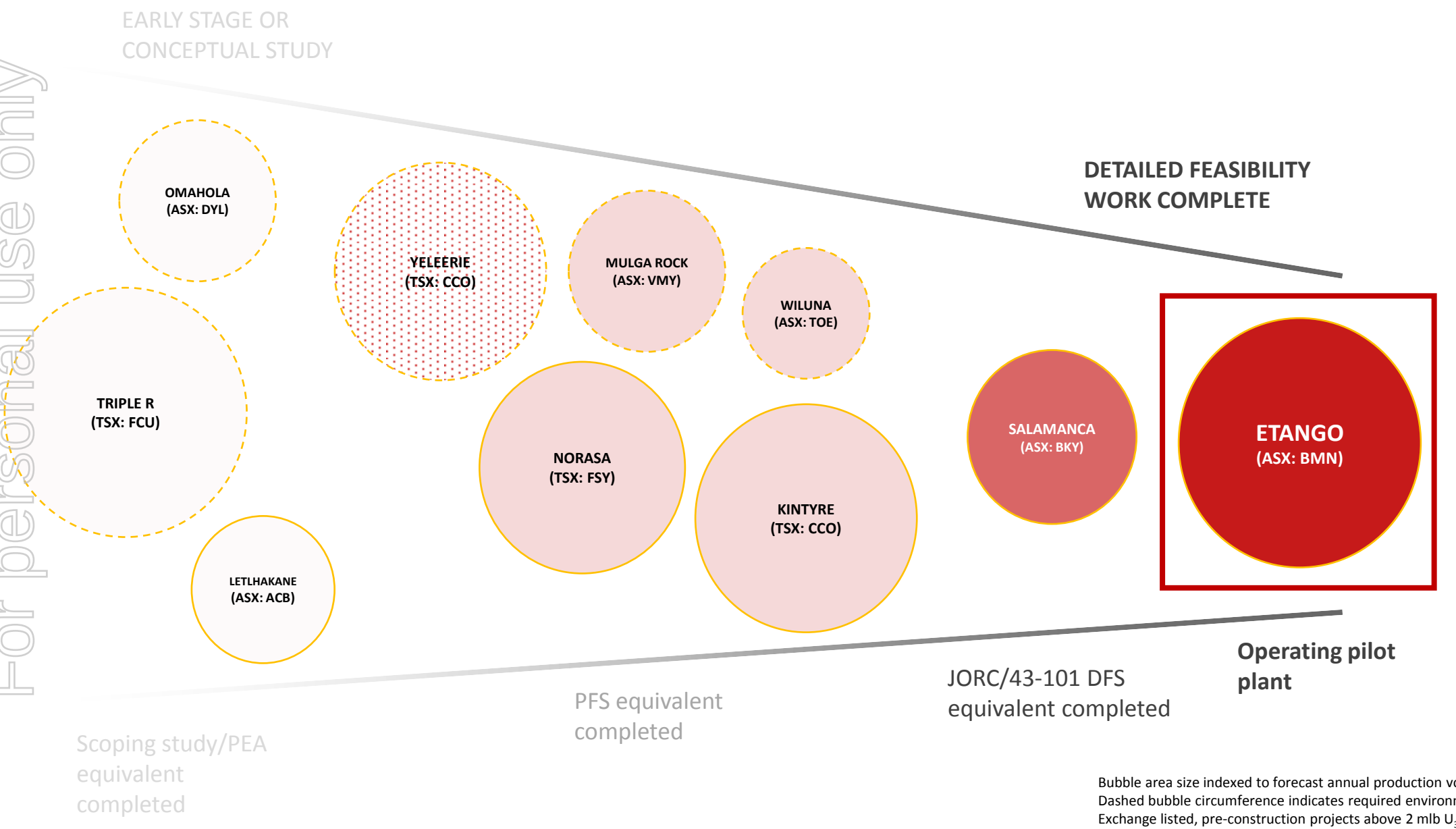
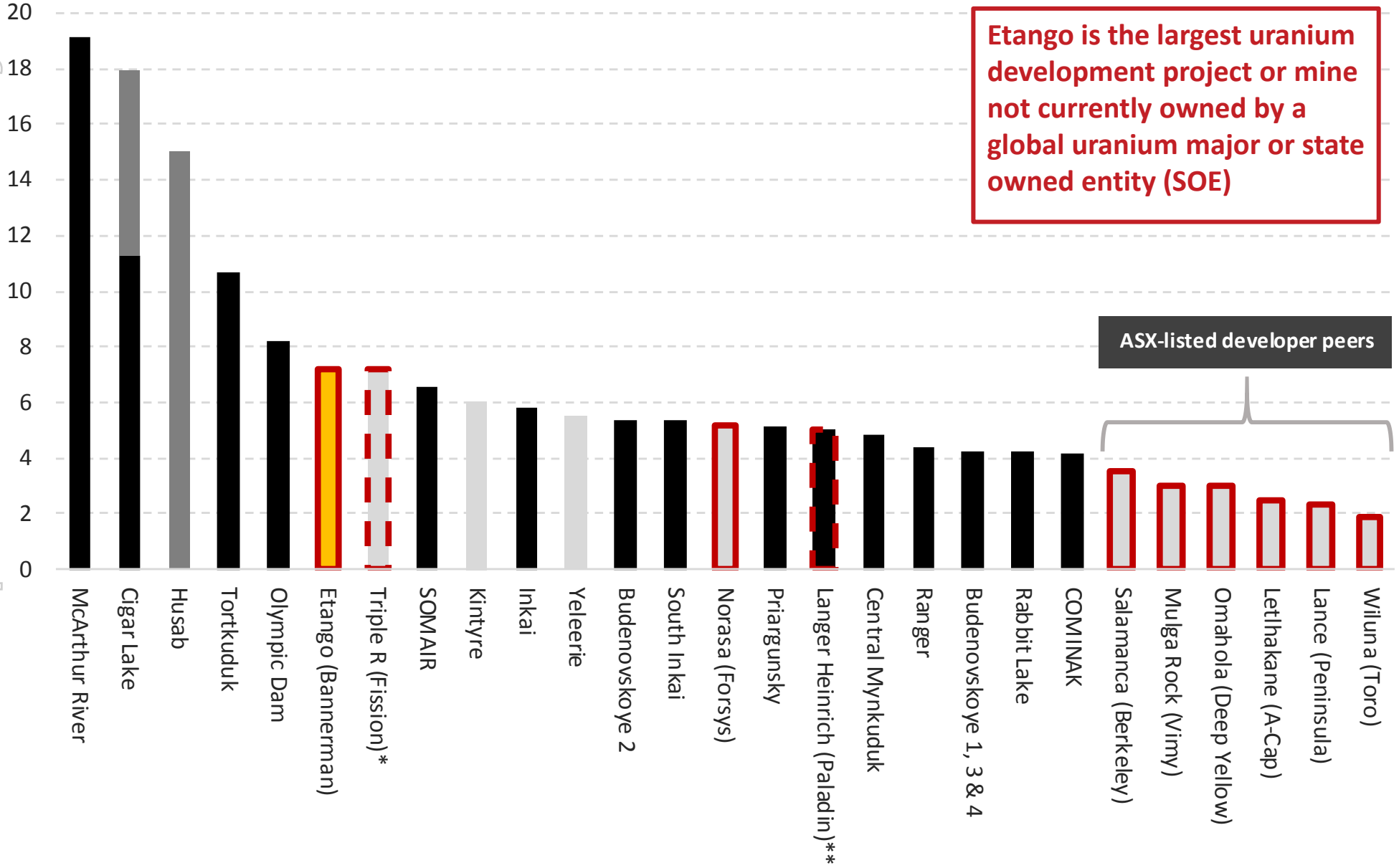


Bubble area size indexed to forecast annual production volume.
Dashed bubble circumference indicates required environmental permitting still pending.
Exchange listed, pre-construction projects above 2 mlb U_3O_8 pa forecast production.
Source: Various company data

…with high strategic ownership value



Etango is the largest uranium development project or mine not currently owned by a global uranium major or state owned entity (SOE)

Operating mine

Construction/ramp-up

Study phase

Non major/SOE owned

Exchange listed, pre-construction projects above 2mlb U_3O_8 pa forecast production.

* CGNPC owns 19.99% of Fission Uranium Corp head equity

** CNNC owns 25% of Langer Heinrich project equity and is currently negotiating with Paladin for the purchase of a further 24% stake

Source: World Nuclear Association, various company data

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A relatively simple project

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Ave. Australian project

Ave. Canadian project

LOW — **GRADE** — **HIGH**

SIMPLE / LOW COST — **COMPLEXITY / COST** — ***COMPLEX / HIGH COST***

MINE METHOD	Conventional open pit	ISR or conventional underground	Specialised underground (ice curtains, etc)
PERMITTING PROCESSES	Consistent and transparent regulations		Native title, politics, interest groups
RADIATION SAFETY	Low radioactivity, unconfined spaces		Robotics
COMMUNITY SUPPORT	Supportive community, development agenda		Anti-nuclear, community opposition, inconsistent policy
PHYSICAL SETTING	Stable climate, near major centre, low density		Climatic extremes, remoteness, sensitive environment

…that has been largely de-risked

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No development roadblocks

DFS completed (NI 43-101)

- ✓ optimised 2015

Heap leach demonstration plant completed. Confirmed:

- ✓ High recovery (93% vs DFS: 87%
- ✓ Fast leaching (20 days)
- ✓ Low acid consumption
- ✓ No impurities
- ✓ Optimisation opportunities

Environmental approval granted

Infrastructure in place

Simple geology, geometry, mineralogy.

Robust project economics

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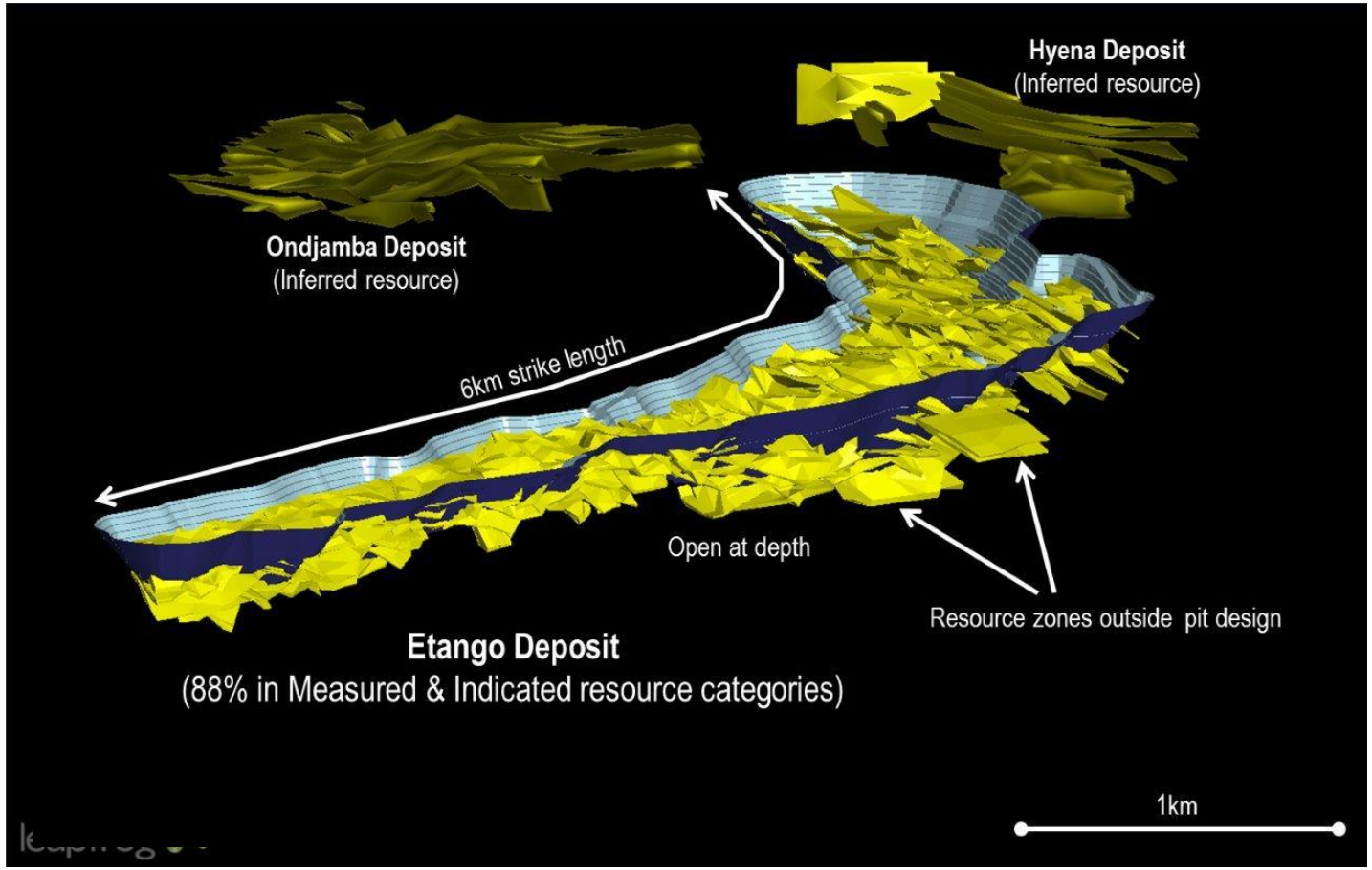
Key project parameters	DFS Opt Study (November 2015)
Production (U_3O_8 LOM avg)	7.2 Mlb pa
Peak production (U_3O_8) – Years 3/4	+10 Mlb pa
Initial mine life	15.7 years
Cash cost (first 5 years)	US$33/lb
Cash cost (LOM)	US$38/lb
Pre-production capital	US$793M
M&I Resources (U_3O_8)	395Mt at 189ppm
Mineral Reserves (U_3O_8)	303Mt at 195ppm
Plant throughput	20Mtpa
Feed grade (first 5 full prod. years)	241ppm
Strip ratio	1:2.8
Capital intensity (per lb U_3O_8 annual production)	US$110

World class scale

- ✓ M&I Resource: 165 Mlbs U_3O_8
- ✓ Reserves: of 130 Mlbs U_3O_8

With available expansion

- ✓ Ore body open at depth
- \+ Hyena Satellite deposit
- \+ Ondjamba Satellite deposit



…that are globally competitive

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	BANNERMAN RESOURCES	Fission Uranium Corp.	FORSYS METALS	BERKELEY	Deep Yellow Limited	VIMY RESOURCES	a-cap RESOURCES LTD	PENINSULA ENERGY LIMITED	TORO ENERGY LIMITED	URI	BOSS RESOURCES LIMITED
Flagship project and location	**Etango, Namibia (100%)**	**Triple R, Canada (100%)**	**Norasa, Namibia (100%)**	**Salamanca, Spain (100%)**	**Omahola, Namibia (100%)**	**Mulga Rock, WA (100%)**	**Letlhakane, Botswana (100%)**	**Lance, US (100%) (in prod)**	**Wiluna, WA (100%)**	**Temrezli, Turkey (100%)**	**Honeymoon, SA (80%) *(on C&M)***
Target U prod. (mlbs U_3O_8 pa)	7.2	7.2	5.2	3.5	2.5-3.5	3.0	2.5	2.3 (Stage 3)	1.9	0.8	NA
Total resource (mlbs U_3O_8)	271	108	126	81	45	76	190	29 (recovered)	84	13	58
EV / resource (US$/lb)	$0.05	$2.01	$0.06	$1.37	$0.13	$0.75	$0.09	$3.48	$0.85	$0.85	$0.66
Capital intensity (US$/lb/pa)	110	118	83	67	150	96	140	63 (Stages 1,2,3)	221	51	NA
LOM operating cost (US$/lb)	38	14	35	15	25	31	41	30	31	17	NA
Completed study phase	DFS plus demo plant	Scoping/PEA	PFS standard	DFS	Scoping	PFS	Scoping standard	In production (ramp-up)	PFS	PFS	C&M plus Pre-Scoping
Market cap (US$m)	15	276	8	120	8	55	21	89	74	11	40

Source: Various company data, Bloomberg, August 2016

Sector leading valuation leverage

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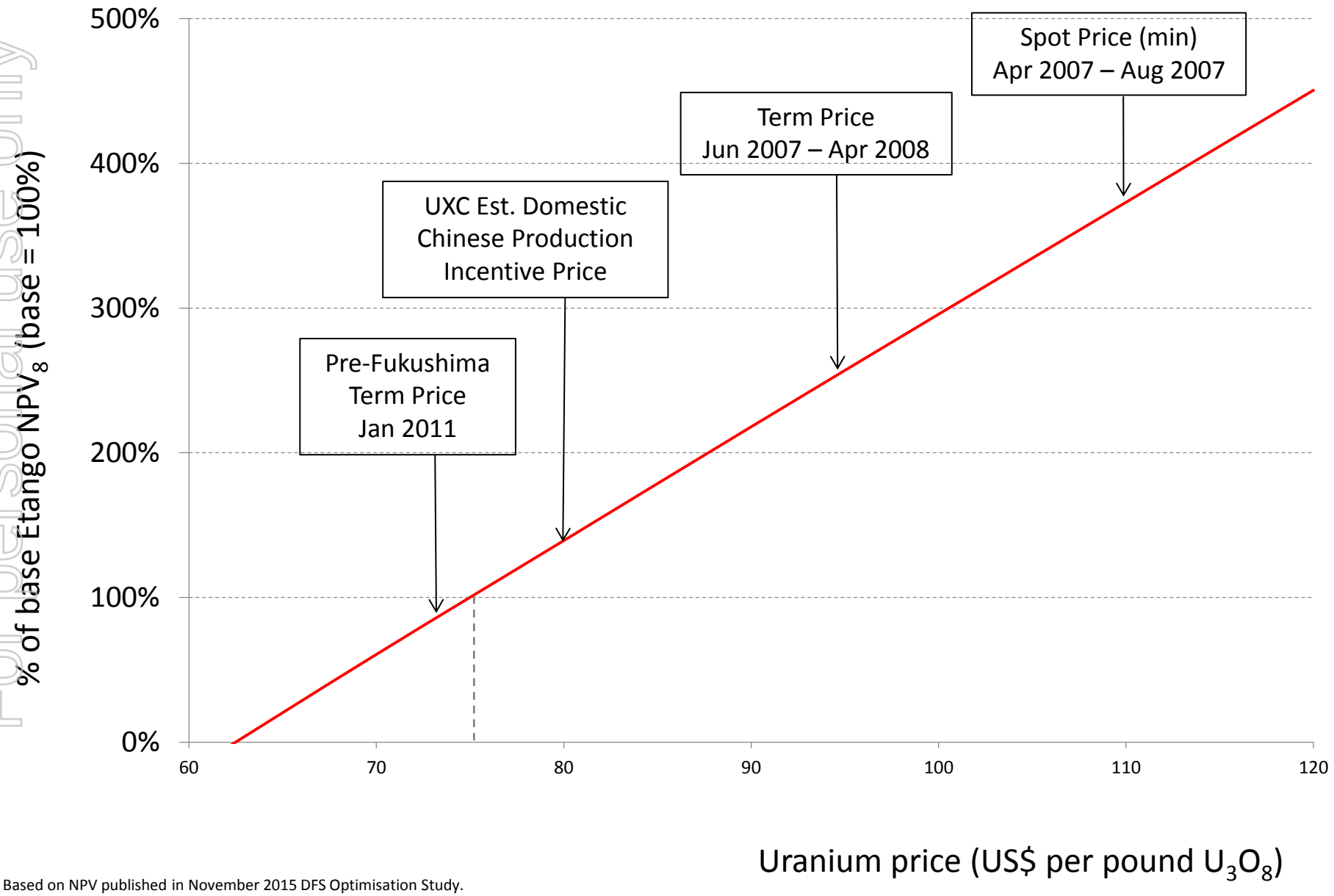
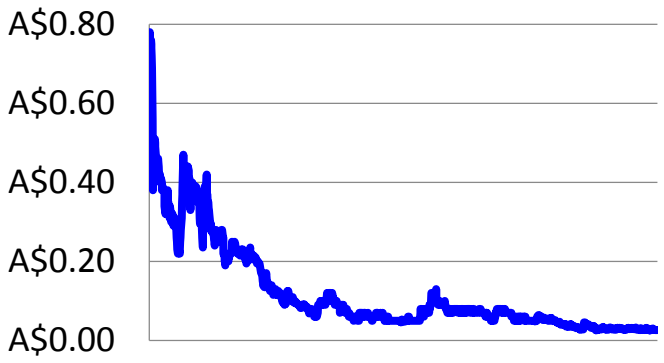


- ✓ Outstanding upside leverage
- ✓ Post Fukushima uranium price has minimised downside leverage

BMN share price post Fukushima
(high 78c, low 2.5c)



Based on NPV published in November 2015 DFS Optimisation Study.

Namibia a globally significant producer

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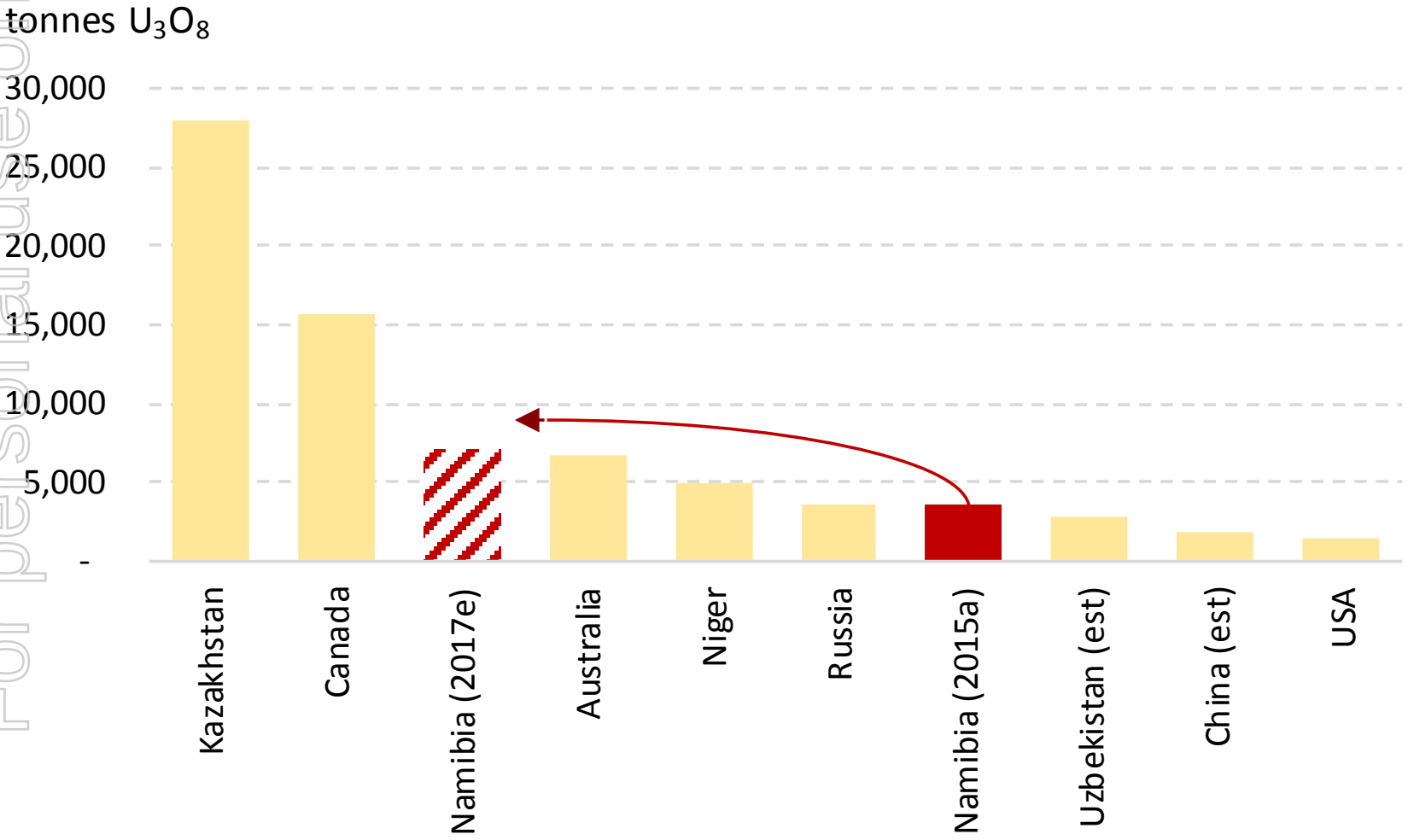
Uranium mine production by country (2015)



Source: World Nuclear Association

Namibia's uranium credentials

Effective uranium jurisdiction

- ✓ Rössing uranium mine in operation for 40+ years
- ✓ 3 new uranium mines developed in last 10 years
- ✓ Regulatory experience and sales framework

Excellent uranium infrastructure

- ✓ Uranium export port at Walvis Bay (47km from Etango)
- ✓ Domestic acid plant investment

Industry expertise

- ✓ Namibian personnel with extensive uranium operating experience
- ✓ Rio Tinto, Paladin Energy, Areva, CGNPC, CNNC

Social acceptance

- ✓ Job creation and local development
- ✓ Large contributor to economy

Marketing acceptance

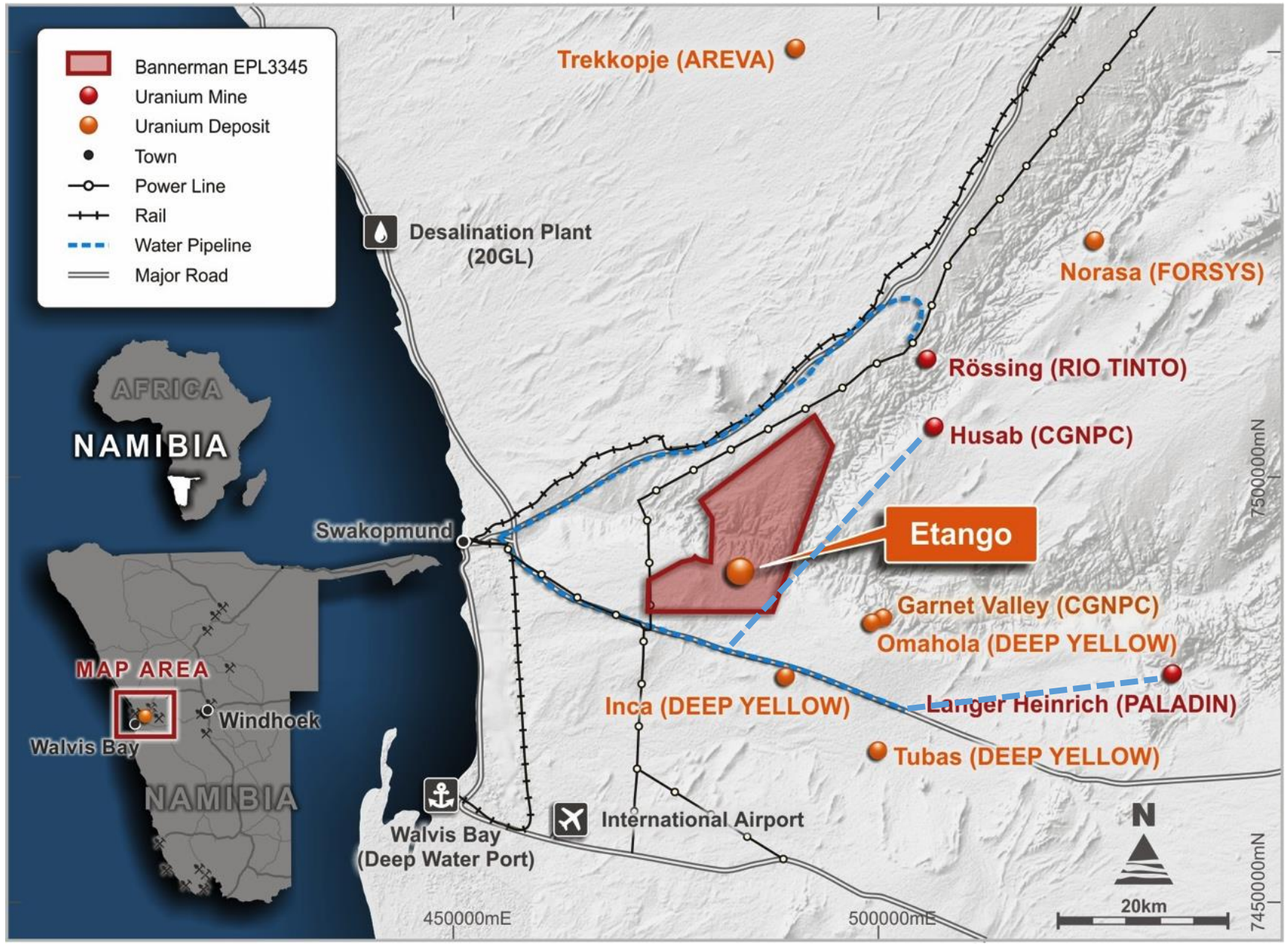
- ✓ Namibian uranium well accepted internationally
- ✓ Well regarded governance and social/environmental stewardship

…and first class operating jurisdiction

- ✓ Stable government and fiscal regime
- ✓ Strong rule of law
- ✓ Safe and secure
- ✓ Established and transparent mining legislation

- ✓ Excellent regional infrastructure
- ✓ Established supply chains
- ✓ Swakopmund town nearby
- ✓ Walvis Bay port and airport

- ✓ Excellent project infrastructure
- ✓ Well maintained road to site
- ✓ Proximate rail line
- ✓ Grid power
- ✓ Desalinated water



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Strong management team with Namibian focus

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Brandon Munro (Chief Executive Officer & MD)	Lived in Namibia for 5+ years Prominent in Namibian mining and uranium sectors	Former M&A lawyer, last 10 years as mining executive Former GM of Bannerman, MD of Kunene Resources Ltd
Werner Ewald (Managing Director – Namibia)	Namibian born Electrical Engineer based in Swakopmund Prominent in Namibian mining sector	25+ years experience in uranium, diamond, coal mining Former Manager Mining at Rössing Uranium.
Leon Fouché (Study Manager)	Namibian born Mining Engineer, now based in Perth Worked 12 years at Rössing Uranium (Manager Mining)	25+ years industry experience Former Manager Rio Tinto Technical Services.
John Turney (Project Adviser – Etango)	Uranium and development experience African experience, eg Tulawaka gold (Tanzania)	35+ years in major mining/engineering companies Former Project Director Bannerman and Cowal gold mine
Dustin Garrow (Strategic uranium Marketing Adviser)	Exceptional understanding of Namibian uranium 12 years marketing Namibian uranium for Paladin Energy	40+ years experience in the uranium and nuclear sector Respected international uranium marketing expert.
Robert Dalton (Company Secretary)	African focussed experience Strong governance background	15 years experience as chartered accountant incl. big four firms specialising in international resources Former CFO and CoSec at Tangiers Petroleum

We are ready to capture considerable uranium upside

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Advanced

- ✓ 2 year pilot plant program with outstanding results
- ✓ No development roadblocks
- ✓ Environmental clearance

Leveraged

- ✓ Strong anticipated U price correction
- ✓ Sector leading valuation upside to U correction
- ✓ World class project scale

Strategic

- ✓ In premier uranium mining jurisdiction: Namibia
- ✓ World's largest un-alligned project
- ✓ Infrastructure in place

Bannerman poised for strong re-rating as uranium price recovery commences

Appendix A: Bannerman Team

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Strong and experienced board

Ronnie Beevor (Non-Executive Chairman)	30+ years investment banking experience incl. head of Rothschild Australia. Extensive listed co experience including past director of successful gold-copper developer, Oxiana Ltd.
Brandon Munro (Chief Executive Officer & MD)	18 years transactional and financing experience as a corporate lawyer and resources executive. Lived in Namibia for 5+ years as GM to Bannerman and MD of Kunene Resources Ltd.
Clive Jones (Non Executive Director)	20+ years in mineral exploration and founding/developing/transacting ASX companies. One of original vendors of Etango project to BMN.
David Tucker (Non Executive Director)	40+ years experience in mining and exploration, particularly uranium geology. Lengthy tenure at Homestake/Barrick with expertise in stakeholder and community relations.
Ian Burvill (Non Executive Director)	30 years of mining industry experience starting as a process plant engineer. Former senior VP with Resource Capital Funds.

Skilled management with Namibian expertise

Werner Ewald (Managing Director – Namibia)	25+ years experience in uranium, diamond, coal mining; prior to joining BMN was Manager Mining at Rössing Uranium. Namibian born Electrical Engineer based in Swakopmund.
Leon Fouché (Study Manager)	25+ years industry experience, incl 12 years at Rössing Uranium (incl. Manager Mining) and Rio Tinto Technical Services. Namibian born Mining Engineer based in Perth.
John Turney (Project Adviser – Etango)	35+ years in major mining/engineering companies, including Project Director of Bannerman. Led development of, for example, Cowal gold mine (Australia) and Tulawaka gold (Tanzania).
Dustin Garrow (Strategic uranium Marketing Adviser)	40+ years experience in the uranium and nuclear sector, including 12 years marketing Namibian uranium for Paladin Energy. Respected international uranium marketing expert.
Robert Dalton (Company Secretary)	15 years experience as chartered accountant incl. big four firms specialising in international resources. Previously CFO and CoSec at Africa-focussed Tangiers Petroleum.

Appendix B: Etango Project – resources and reserves

Etango Project – Mineral Resource Estimate

Mineral Resource Nov 2015		Measured			Indicated			Inferred		
Deposit	**Cut Off Grade** (U_3O_8 ppm)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)
Etango[1]	55	33.7	194	14.4	362	**188**	150.2	144.5	**196**	62.5
Ondjamba[2]	100							85.1	**166**	31.3
Hyena[3]	100							33.6	**166**	12.3
	Total	33.7	194	14.4	362	**188**	150.2	263.2	**182**	106.1

Note 1: Refer to the Competent Persons Statement at the start of this document for further information on the Etango Mineral Resource Estimate. The Etango estimate has been reported in accordance with JORC 2012. The figures may not add due to rounding.

Note 2 & 3: Refer to the Competent Persons Statement at the start of this document for further information on the Ondjamba and Hyena Mineral Resource Estimates. The Ondjamba and Hyena estimates remain unchanged from the previous declaration and therefore have been reported in accordance with JORC 2004. The figures may not add due to rounding.

Etango Project – Ore Reserve Estimate

Ore Reserve Nov 2015	Proved			Probable			Total		
Deposit	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)
Etango	32.3	196	14	271	195	116.1	303.3	195	130.1

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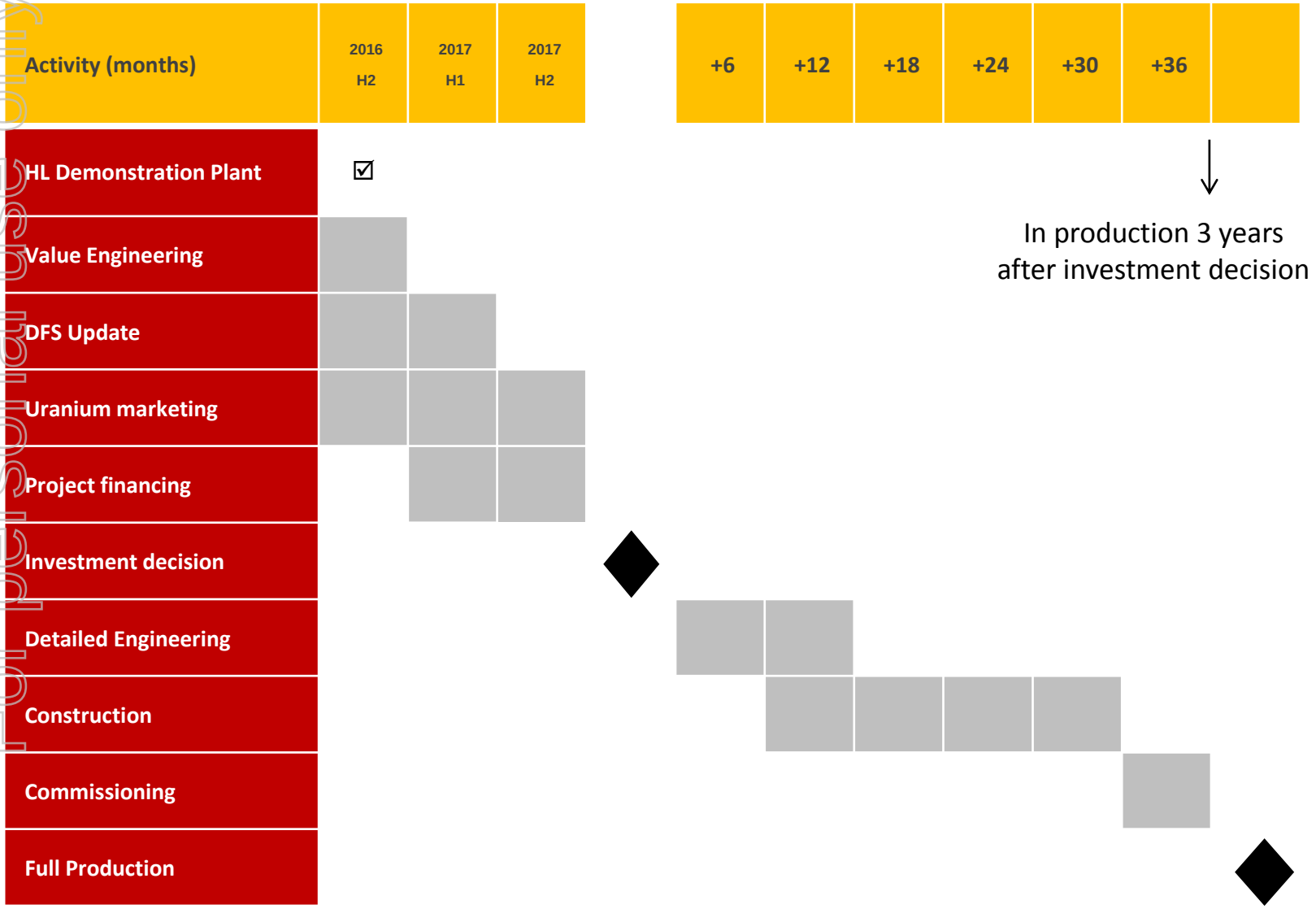
Etango development pipeline



Current focus areas

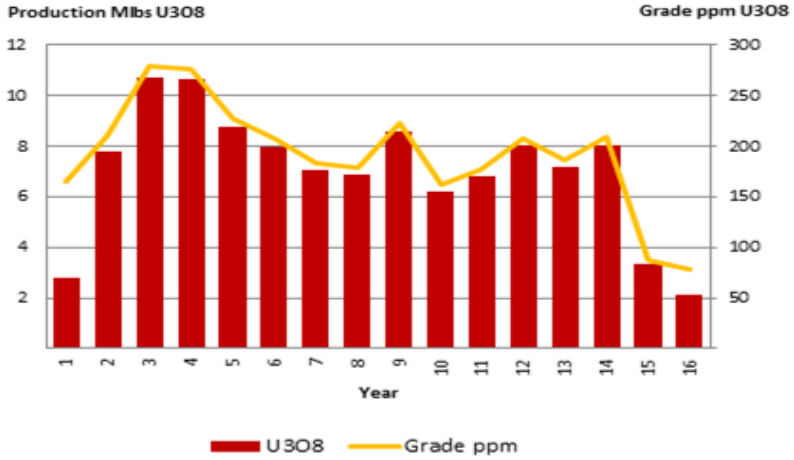
Final project optimisation/value engineering

- ✓ Positive results from Demonstration Plant
- ✓ Processing costs
- ✓ Pre-production capital

Product marketing

- ✓ Uranium Fuel Associates appointed
- ✓ Extensive uranium off-take and project development experience

Strategic partner financing

- ✓ Fivemark Partners appointed as strategic and capital markets adviser

Etango production profile