

BANNERMAN LODGES ETANGO PROJECT MINING LICENCE APPLICATION

Perth, Australia – Bannerman Resources Limited (ASX: BMN, TSX: BAN, NSX: BMN) ("**Bannerman**" or the "**Company**"), a uranium exploration and development company, is pleased to announce that it has lodged a mining licence application for its 80%-owned Etango Project in Namibia, southwestern Africa.

The application was lodged with the Namibian Ministry of Mines and Energy to enable development of the Etango Project located on Bannerman's Exclusive Prospecting Licence EPL 3345. In conjunction with this application, Bannerman has lodged with the Namibian Ministry of Environment and Tourism an Environmental and Social Impact Assessment conducted by independent environmental consultants A. Speiser Environmental Consultants CC and peer-reviewed by Environmental Resource Management and the Southern African Institute of Environmental Assessment.

Bannerman recently released the results of its Preliminary Feasibility Study ("**PFS**") on the Etango Project and announced its intention to immediately proceed to a Definitive Feasibility Study ("**DFS**"). The release of the PFS is a very important milestone for the Company as Bannerman advances the Etango Project towards commencement of construction in 2011 and production in 2013.

Bannerman's CEO, Mr Len Jubber, has recently been interviewed by Boardroom Radio regarding the Etango Project PFS. Investors can access this brief interview by pasting www.brr.com.au/event/63322 into their web browser.

Bannerman has received a substantial number of investor queries following the announcement of the PFS and, in response, believes it is important to highlight the following key points:

- **Relevant uranium price** – Long term contract prices have been in the range US\$62-70/lb U₃O₈ in 2009. Bannerman has assessed the project on the basis of a long term contract price of US\$70/lb U₃O₈. Uranium producers sell the vast majority of their production into long term contracts with end-users, typically nuclear power generating utilities which require security of supply. Also, the Etango Project is scheduled to commence production in 2013, in line with generally anticipated strengthening uranium demand/supply fundamentals as a result of significant nuclear reactor build programs in China, India and various other Asian and European countries, and a reduction in secondary supplies. The U₃O₈ spot market represents a minor proportion of transacted U₃O₈ volumes and it is therefore inappropriate to assess the viability of the Etango Project by reference to the spot price.
- **Targeted resource upgrade** – Drilling completed and reported by the Company since mid-2009 is not included in the resource model used for the PFS analysis. This drilling has focused on infilling the northern parts of the Etango deposit. Incorporation of this drilling is expected to enable more near-surface and potentially higher grade and lower cost material to be included in the mine plan in the early years, over and above expanding the resource estimate.
- **Reductions in operating costs** – Moving into the DFS will enable more detailed analysis of opportunities to reduce operating costs and, in particular, the focus will be on the following:
 - further optimisation of the mine design and mining schedule based on the updated resource model;
 - reduction in mining unit costs through the utilisation of larger equipment and electrically-powered haul trucks;
 - sourcing of competitively tendered contract mining quotes and detailed analysis of an owner-mining strategy to further reduce mining unit costs, including capital and operating cost trade-off analysis;

- optimisation of the processing circuit focusing on reducing the consumption of flotation reagents and sulphuric acid;
 - access to third party infrastructure in the local region for key consumables, including acid; and
 - synergies through the sharing of key infrastructure.
- **Expected increases in mine life and life-of-mine production** – The updated resource model will be re-optimised for the higher (+90%) processing recoveries achievable with the flotation concentrate leaching process. In particular, opportunities exist for further pit expansions to add to life-of-mine production given that the next two optimised open pit shells beyond the current PFS mine design contain approximately 35 million tonnes of mineralised material.
 - **Potential for satellite pits** – Bannerman also recently reported the latest set of results for drilling activities adjacent to the existing resource area, including the recently discovered Hyena Prospect. The Company has for the last two years concentrated almost entirely on resource definition drilling, and the recently reported results reflect the initial phases of drilling under the desert sand cover. Further evaluation is being undertaken to determine the follow-up drilling plan. Bannerman considers the exploration in these areas to be very prospective and will be continuing with these near-Project drilling programs in 2010.

The Etango Project is one of the world's largest undeveloped uranium deposits located in a premier uranium mining jurisdiction, offering long term security of supply for end-users within the timeframe in which there is growing consensus that supply will be constrained as the nuclear renaissance gathers momentum. The Company's activities over the next three months will focus on the above DFS initiatives and shareholders will be updated regularly regarding the progress made.

For further information please contact:

Len Jubber

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

Peter Kerr

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

Ann Gibbs

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

Australasian Media

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

About Bannerman - Bannerman Resources Limited is an emerging uranium development company with interests in two properties in Namibia, a southern African country recognised as 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 development of a large open pit uranium mining and processing operation at Etango. More information is available on the Company's website at www.bannermanresources.com.

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. Certain disclosures in this release, including management's assessment of Bannerman Resources Ltd's plans and projects, constitute forward-looking statements that are subject to numerous risks, uncertainties and other factors relating to Bannerman's operation as a mineral development company that may cause future results to differ materially from those expressed or implied in such forward-looking statements. The following are important factors that could cause the Company's actual results to differ materially from those expressed or implied by such forward looking statements: fluctuations in uranium prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; general market conditions; the uncertainty of future profitability; and the uncertainty of access to additional capital. Full descriptions of these risks can be found in the Company's various statutory reports, including its Annual Information Form available on the SEDAR website, www.sedar.com. Readers are cautioned not to place undue reliance on forward-looking statements. Bannerman Resources Ltd expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.