

## **BANNERMAN FEASIBILITY STUDY UPDATE**

**Perth, Australia** – Bannerman Resources Limited (ASX: BMN, TSX: BAN, NSX: BMN) ("**Bannerman**") announces the following update for the Definitive Feasibility Study ("**DFS**") underway on its Etango Uranium Project in Namibia, southwestern Africa.

Bannerman commenced a DFS on its 80%-owned Etango Project in December 2009 and since that time has undertaken a range of activities on metallurgical, mining and resource modelling aspects.

### **Metallurgical Testwork Program**

Bannerman has now received results from a range of continuous flotation tests conducted in January and February. These tests followed on from the batch flotation testwork undertaken in 2009. While providing further confidence in the application of flotation beneficiation to the Etango ore, variances from the previous testwork have been recorded. Specifically, the continuous tests have indicated average flotation recoveries of 85% compared with +90% recoveries recorded in the batch testwork. Further investigations are being undertaken into the metallurgical parameters required to consistently achieve the higher flotation recoveries, prior to progressing to the larger scale pilot plant testwork.

### **Mining Review**

Bannerman and its external consultants have commenced a review to identify realistic savings in operating cost estimates. Bannerman is targeting cash cost reductions of +10% and, given that over half of total operating costs are mining-related, cost savings in this area present a key opportunity. Work to date has identified a range of areas for cost improvements including:

- Review of economic cut-off grade strategies;
- Mine scheduling improvements involving in-pit dumping of waste rock material;
- Review of waste rock dump locations and dimensions;
- Use of larger mining equipment; and
- Analysis of owner versus contract mining.

Work is underway on assessing all cost reduction opportunities and initial results are expected to be available in the June 2010 quarter.

### **Mineral Resource Estimate**

Bannerman has completed over 284,000 metres of drilling within the Etango Project. An updated mineral resource estimate, incorporating the 60,000 metres drilled since June 2009, is being completed and due for release to the market in March. Inclusion of the latest drilling into the resource model is expected to significantly improve the confidence of the resource such that the vast majority of the resource estimate will comprise Measured and Indicated resource material.

Bannerman CEO Len Jubber said: "Since the announcement of the PFS results, the Project team has made significant progress in the core areas of resource, mining and processing. We now have greater confidence in our understanding of the Etango mineralisation and are exploring some exciting opportunities to optimise the mining scenario, with the potential to reduce operating costs. We believe that the time and effort invested into proving the flotation process will add substantially to the value of the long life Etango Project."

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**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](http://www.bannermanresources.com).

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**Regulatory Disclosures:**

Bannerman 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'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](http://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.