

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

BANNERMAN RESOURCES LIMITED

ABN

34 113 017 128

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued
or to be issued

1. Fully Paid Ordinary Shares

2. Convertible Note

2 Number of +securities
issued or to be issued (if
known) or maximum
number which may be issued

1. RCF Establishment Fee Shares

1,714,286 Fully Paid Ordinary Shares issued to Resource Capital Fund VI, L.P (**RCF VI**) as satisfaction for the establishment fee payable in accordance with the RCF VI Convertible Note Facility Agreement as approved by shareholders on 19 June 2014. (**RCF VI Establishment Fee Shares**)

2. Convertible Note

- 3 Principal terms of the
+securities (eg, if options,
exercise price and expiry
date; if partly paid
+securities, the amount
outstanding and due dates
for payment; if +convertible
securities, the conversion
price and dates for
conversion)

1. The RCF VI Establishment Fee Shares will be issued on the same terms as existing Bannerman fully paid ordinary shares on issue from the date of allotment.
2. Convertible Note
 - a) Amount – A\$4,000,000
 - b) Conversion price – A\$0.095 per share
 - c) Maturity date – 30 September 2016
 - d) Coupon – 8% per annum payable quarterly in arrears in Bannerman shares using the 5 day VWAP of Bannerman shares on the ASX applicable on the last day of each quarterly interest period, or cash in certain circumstances.
 - e) Conversion of Principal outstanding –
 - f) RCF VI may at any time prior to maturity date, elect to convert all or part of the principal outstanding into Bannerman shares at a price per share equal to A\$0.095.
 - g) Bannerman may, after the first anniversary of the date of drawdown, elect to convert all or part of the principal outstanding to shares at an issue price per share equal to the conversion price provided that the rolling 20 day VWAP of Bannerman shares on the ASX is equal to, or more than, 3 times the amount of the conversion price; and the average daily volume of shares traded on ASX during that 20 day period is not less than 2% of the total number of shares to be issued to RCF VI upon conversion.
 - h) Repayment – if not converted prior, Bannerman will repay to RCF VI in cash the principal outstanding, accrued interest and any other amounts which are secured and outstanding in cash under the facility.
 - i) Security –secured, in favour of RCF VI, by a charge over all of the Company's present and after acquired property, interests and rights; a charge over the Company's shares, dividends and other rights in respect of its subsidiary, Bannerman Resources Nominees (UK) Limited (Bannerman UK); mortgage and fixed and floating charge over all of Bannerman UK's assets and undertakings; and a pledge over the rights, title and interests held by Bannerman UK in the shares of Bannerman Mining Resources (Namibia)(Proprietary) Limited (Bannerman Namibia).

+ See chapter 19 for defined terms.

4	<p>Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<ol style="list-style-type: none"> 1. The RCF VI Establishment Fee Shares will rank equally with existing Bannerman fully paid ordinary shares on issue from the date of allotment. 2. Convertible Note – shares issued upon any conversion of the Convertible note will rank equally with all other ordinary quoted shares.
5	Issue price or consideration	<p>1. RCF VI Establishment Fee Shares A\$0.07 per share being equal to the 5-day VWAP (rounded) up to and including 26 June 2014, in accordance with the RCF VI Convertible Note Facility Agreement.</p> <p>2. Convertible Note A\$4,000,000</p>
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1. RCF VI Establishment Fee Shares 1,714,286 Fully Paid Ordinary Shares issued to RCF as satisfaction for the A\$120,000 establishment fee payable in accordance with the RCF VI Convertible Note Facility Agreement as approved by shareholders on 19 June 2014.</p> <p>2. Convertible Note The funds will be used to construct and operate a pilot plant facility for the Etango Project and to meet corporate and working capital requirements.</p>
6a	<p>Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the</i> ⁺<i>securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>

⁺ See chapter 19 for defined terms.

6b	The date the security holder resolution under rule 7.1A was passed	22 November 2013
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	1,714,286 19 June 2014
6f	Number of securities issued under an exception in rule 7.2	N/A
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Listing Rule 7.1 capacity: 48,836,761 Listing Rule 7.1A capacity: 32,665,308 (see Annexure 1)
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	1. RCF VI Establishment Fee Shares 30 June 2014 2. Convertible Note Uncertificated and unlisted

+ See chapter 19 for defined terms.

	Number	+Class
8	<p>Number and +class of all +securities quoted on ASX (<i>including</i> the securities in section 2 if applicable)</p> <p>326,653,076</p> <p>*This number does not include 4,000,000 shares issuable to Savanna Marble CC on the grant of a mining licence for the Etango Project (as approved by shareholders on 16 April 2009, 23 November 2010, 17 November 2011, 21 November 2012 and 22 November 2013).</p>	Fully Paid Ordinary Shares (ASX:BMN)

Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	<u>OPTIONS</u>
	Employees
	1,500,000 A\$0.678 Options expiring 17 November 2014 (BMNAAK)
	Non-Executive Directors
	788,000 A\$0.36 Options expiring 17 November 2014 (BMNAN)
	114,500 A\$0.36 Options expiring 17 November 2014 (BMNAN)
	1,367,600 A\$0.12 Options expiring 21 November 2015 (BMNAN)
	427,600 A\$0.12 Options expiring 21 November 2015 (BMNAN)
	4,504,000 A\$0.072 Options expiring 22 November 2016 (BMNAN)
	8,701,700 Total Options on issue
	<u>PERFORMANCE/SHARE RIGHTS</u>
	Employees
	750,000 Performance Rights vesting 31 July 2014
	1,631,722 Performance Rights vesting 17 November 2014
	842,987 Performance Rights vesting 21 November 2014
	161,200 Share Rights vesting 22 November 2014
	1,000,000 Performance Rights vesting 31 January 2015
	3,502,674 Performance Rights vesting 21 November 2015
	1,476,500 Performance Rights vesting 22 November 2015
	5,637,300 Performance Rights vesting 22 November 2016
	Non-Executive Directors
520,800 Share Rights vesting 22 November 2014	
15,523,183 Total Performance and Share Rights on issue (BMNAAM)	
<u>OTHER</u>	
1 Convertible Note with RCF Fund IV L.P. (convertible into 84,210,526 fully paid ordinary shares) (BMNAO)	
1 Convertible Note with RCF Fund VI L.P. (convertible into 42,105,263 fully paid ordinary shares) (BMNAO)	

+ See chapter 19 for defined terms.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No change
----	--	-----------

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the ⁺ securities will be offered	N/A
14	⁺ Class of ⁺ securities to which the offer relates	N/A
15	⁺ Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A

⁺ See chapter 19 for defined terms.

21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Despatch date	N/A

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>					
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 80px;"></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: 

Print name: Leigh-Ayn Absolom (Company Secretary)

Date: 1 July 2014

== == == == ==

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	309,393,760
<i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	2,458,764 14,800,552
<i>Subtract</i> the number of fully paid ordinary securities cancelled during that 12 month period	0
“A”	326,653,076

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	48,997,961
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	161,200
“C”	161,200
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	48,997,961
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	161,200
Total [“A” x 0.15] – “C”	<p>48,836,761</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	326,653,076
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	32,665,308
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	0
“E”	0

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	32,665,308
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.10] – “E”	32,665,308 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.