

Perth, Australia – Bannerman Resources Limited (ASX: BMN, NSX: BMN) ("**Bannerman**" or the "**Company**") attaches the Chairman's Address to be delivered at today's Annual General Meeting.

CHAIRMAN'S ADDRESS

It is my great pleasure to welcome you to the 2018 Annual General Meeting.

As a result of a productive and disciplined year in which both the Etango Project and your Company's balance sheet has strengthened, I am pleased to report that Bannerman is very well positioned to benefit from the early stages of a recovery in the uranium sector.

The uranium sector has benefitted from several significant developments over the last year, precipitated by decade low prices caused by persistent annual surpluses in the uranium market. Cameco's MacArthur River (the world's largest uranium mine) was placed into indefinite care and maintenance shortly after Paladin Energy put the Langer Heinrich Mine into care and maintenance. KazAtomProm, the world's largest uranium producer, announced a 20% reduction in forecast production. Further, Orano announced supply reductions in Niger and domestic uranium production in the United States has declined dramatically. The combined effect is forecast to put the uranium market into a deficit in 2019 and is expected to have a significant impact on uranium prices in the next year as the reduction in supply starts to take effect.

Demand for uranium continues to strengthen with Japan restarting further reactors and China announcing the intention to commence construction of 6-8 additional reactors during 2018. In the short term, demand has strengthened as financial buyers enter the market, the most notable of which was Yellow Cake plc listing on London's Alternative Investment Market and using the proceeds to acquire 8.1 million pounds of U_3O_8 from KazAtomProm.

Your Company has remained productive, further enhancing the quality and value of the Etango Project through the ongoing Definitive Feasibility Study (DFS) Update. The Company identified, through its Processing Optimisation Study, estimated capital cost savings of US\$73m, along with significant potential operating cost savings enabling a DFS Improvement target of US\$3+/lb U_3O_8 , compared with the operating costs published in the 2015 Optimisation Study.

The DFS Update will continue in the next year. A number of optimisation opportunities are being prioritised and the Company will progressively undertake enhancement studies that have the potential to be NPV accretive through reducing anticipated capital expenditure and/or operating costs. The first of these studies was the Membrane Study, successfully completed in January 2018. Once the optimisation phase is completed, the Company will conclude the DFS Update by undertaking definitive level engineering to incorporate identified project enhancements and update the procurement process.

Our Etango project continued to enjoy the support of the Namibian Ministry of Mines and Energy. Exclusive Prospecting Licence 3345 was renewed during the year and in October 2017 we announced the grant of Mineral Deposit Retention Licence 3345 with a five year, extendable term. The Retention Licence provides long term security of tenure and covers the Etango Deposit, all future mine infrastructure and our two satellite deposits at Hyena and Ondjamba.

Your Company has also remained disciplined, eliminating unnecessary costs and successfully undertaking a capital raising which saw more than a dozen new institutions enter the register. The offer, which raised \$8 million before costs, was undertaken at more than a 50% premium to our previous raising in 2016. The institutional presence on Bannerman's register grew further as a result of private equity substantial shareholder, Resource Capital Funds, disposing in full of its shareholding to Australian and overseas institutions, including specialist uranium investor Tribeca Investment Partners.

Bannerman has operated without incurring a lost time injury since 2009, a record that culminated in Bannerman winning the relevant category of the Namibian Chamber of Mines 2018 Safety Competition. The health and safety of all persons operating at our various places of work continue to be of the highest priority to Bannerman's directors and management.



I am proud to say that your Company has a remarkable reputation for corporate social responsibility and effective community engagement, which continues to add value to the Company's assets. Highlights of the year include endorsement by the Namibian Chamber of Environment for the highest environmental standards and transparency, and reaching a milestone of 2,000 school children benefitting from the Bannerman Learner Assistance Scheme.

My sincere thanks to all of our stakeholders including the Namibian government, the One Economy Foundation (who hold a 5% ownership of the Etango Project) and our supportive host community in Namibia. Finally, I would like to recognise the exceptional talent and dedication of the people in Australia and Namibia working on behalf of the Company.

Ronnie Beevor
Chairman

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