



NEWS RELEASE

## EXTENSION OF ETANGO PFS FOLLOWING RECENT FAVOURABLE RESULTS

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**Perth, Australia - July 27, 2009** – Australian-based uranium mine development and exploration company, Bannerman Resources Limited (ASX: BMN, TSX: BAN, NSX: BMN) (“**Bannerman**”), has extended its preliminary feasibility study (“**PFS**”) on the Etango Uranium Project in Namibia, southern Africa, to enable consideration of the impact of the following recent favourable developments:

- Results of larger sized heap leach column tests which indicate faster leach kinetics and have the potential to enhance the modelled study outcomes.
- Recent preliminary flotation beneficiation tests which have the potential to materially influence the choice of processing route.
- Recently announced increase in mineral resources.

The PFS has to this point identified a conventional open pit mining operation with an on/off heap leach pad as the preferred option for development of the 5-7Mlb U<sub>3</sub>O<sub>8</sub> per annum Etango Project.

During July, Bannerman has received the results of further (larger sized) heap leach column tests as well as preliminary flotation tests. These results have the potential to materially influence both the ultimate choice of processing route and the scale of the plant concerned. The recent developments include:

- **Heap leach testwork** – The scale and cost of the modelled heap leach operation, including continuous stacking and reclaiming equipment, is sensitive to the acid leach kinetics and, accordingly, Bannerman is currently undertaking an extensive and systematic metallurgical testwork program. Favourable heap leach test results recently received from larger sized column tests (4 metre high by 190mm diameter) have indicated faster leach kinetics than achieved in previous smaller scale testing which has formed the basis of the PFS to date. If confirmed, faster leaching times would be expected to provide improved operating flexibility and potentially enhanced project economics. Bannerman is now drilling to obtain a 15-20 tonne bulk metallurgical sample for further larger scale heap leach column testwork for use in confirming the design layout and costs of the modelled heap leach operation to a greater confidence level.
- **Flotation testwork** - Beneficiation testing has recently returned positive preliminary flotation test results which have the potential to impact materially on the choice of processing flowsheet. Beneficiation through flotation methods is universally understood and successfully applied in mineral processing operations globally. Initial laboratory testwork has been sufficiently encouraging to warrant follow up. If confirmed to be technically and commercially viable, an agitated tank leach process flowsheet including a flotation circuit delivering a low mass pull concentrate would potentially be a lower cost and risk alternative to heap leaching.

- **Mineral resource update** – The PFS has to date been based on the February 2009 Etango Project mineral resource estimate. However, Bannerman recently announced a substantial increase in mineral resources (refer Bannerman’s news release dated July 20, 2009) following an increase in the Oshiveli resource estimate and inclusion of the inaugural estimate for the adjacent Onkelo deposit. The combined resource strike length now totals 5km with approximately two thirds of the resource located within 200 metres of the surface. The inclusion into the PFS of additional near-surface material at the Oshiveli and Onkelo deposits in the initial years of mining may have the advantage of reducing the waste to ore strip ratio thereby lowering unit operating costs.

As a consequence of the above positive events, and after detailed consultation with the study team, the Board has decided to investigate the impact of the above activities prior to finalising and releasing the PFS results. The next round of flotation testwork is expected to take approximately 3-4 months, such that during the December 2009 quarter a more robust understanding of the viability of incorporating a flotation circuit in an agitated tank leach processing route should be known.

Bannerman CEO Len Jubber said: “While we had initially planned to release the results of the preliminary feasibility study in the current quarter, we feel the recent favourable results obtained from continued heap leach testwork and, in particular, from flotation testwork, are significant for Bannerman and demand to be fully evaluated prior to finalising the preferred processing flowsheet. An extension to the study timeframe is therefore fully warranted. This new work will be conducted concurrently with the ongoing heap leach testwork and resource drilling activities.”

**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 uranium mine. Etango is one of the world’s largest undeveloped uranium deposits. Bannerman is focused on resource extension drilling and the feasibility assessment of a large open pit mining operation at Etango. More information is available on Bannerman’s website at [www.bannermanresources.com.au](http://www.bannermanresources.com.au).

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For further information please contact:

**Len Jubber**

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

**David Tasker/Jasmine Green**

Media Relations  
Perth, Western Australia  
Tel: +61 (0)8 9388 0944 / +61(0)433 112 936  
[david.tasker@ppr.com.au](mailto:david.tasker@ppr.com.au) / [jasmine.green@ppr.com.au](mailto:jasmine.green@ppr.com.au)

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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 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. 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, [www.sedar.com](http://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.