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Technical Document - Etango Project, Namibia

February 2009 Resource Update

Prepared by :

Bannerman Resources Limited

Etango Project, Namibia

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1 SUMMARY

This report summarises the resource estimation studies undertaken in February 2009 on Bannerman's Etango Project area in Namibia. Bannerman currently has assets in Namibia (the Etango and Swakop River licences) and Botswana (the Dukwe, Serule North and Serule South licences). Based upon the demonstrated potential of the Etango Project (previously known as the Goanikontes Project) in Namibia, the other projects at Swakop River and in Botswana are currently not material assets of the Company and only brief comments are provided on these projects.

The Etango Project (EPL 3345) currently represents the most significant asset for Bannerman due to the advanced nature of exploration and the identified resources at Anomaly A and Oshiveli. Bannerman is continuing with uranium exploration within the Project. References made to the resource or the Etango resources in the report include both the Anomaly A and the Oshiveli resources.

In February 2009, Coffey Mining estimated an updated resource for the combined Anomaly A and Oshiveli deposits which included 87Mt at 195ppm U_3O_8 of Inferred Resources and 195.5Mt at 207ppm U_3O_8 of Indicated Resources above a 100ppm U_3O_8 lower cutoff.

The region of the Etango Project has the potential to host further additional uranium resources and represents an advanced exploration project. The western flank of the Palmenhorst Dome represents a prospective strike length of over 10km which incorporates the Anomaly A and Oshiveli deposits.

2 INTRODUCTION AND TERMS OF REFERENCE

2.1 Scope of Work

In January 2009, Coffey Mining Pty Ltd (‘Coffey Mining’) was requested by Bannerman Resources Limited (‘Bannerman’) to update the resource estimate for the Etango Project which incorporates the Anomaly A and Oshiveli uranium deposits and prepare an Independent Resource Update.

Coffey Mining has previously prepared an Independent Technical Report (‘ITR’) on Bannerman’s Namibian operations in 2007 and prepared an updated resource and ITR in January and September 2008.

Bannerman currently has assets in Namibia (the Etango and Swakop River licences) and Botswana (the Dukwe, Serule North and Serule South licences).

Based upon the demonstrated potential of the Etango Project located on the Etango (previously called Welwitschia) licence in Namibian, the other projects at Swakop River and in Botswana are currently not significant material assets of the Company and only brief comments are provided on these projects.

This report is intended to comply with disclosure and reporting requirements set forth in the Toronto Stock Exchange Manual, National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1.

This report complies with Canadian National Instrument 43-101, for the ‘Standards of Disclosure for Mineral Projects’ of December 2005 (the Instrument) and the resource and reserve classifications adopted by CIM Council in November 2004. The report is also consistent with the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ of December 2004 (the Code) as prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

Furthermore, this report has been prepared in accordance with the ‘Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports’ of 2005 (the Valmin Code) as adopted by the Australasian Institute of Mining and Metallurgy (AusIMM). The satisfaction of requirements under both the JORC and Valmin Codes is binding on the authors as Members of the Australasian Institute of Mining and Metallurgy.

2.2 Principal Sources of Information

Information used in this report has been gathered from a variety of sources including;

- Field observations and reports gathered during field trips in 2007 & 2008 by the Primary Author and by Coffey Mining.
- Knowledge of internal procedures and processes obtained by working for the Company.

- Information provided by Bannerman and extensive discussions with Bannerman's exploration crews,
- Various published historical, technical and scientific papers and reports.
- Digital exploration and resource modelling data
- Published information relevant to the Project area and the region in general.

The various sections of the report have been internally reviewed to identify any material errors or omissions prior to lodgement.

A full listing of the principal sources of information is included in Section 21 of this document.

2.3 Participants

Bannerman Resources Ltd was responsible for preparation of all portions of this report apart from Sections 14.3, 17 and 20.1 and the associated text in the summary, conclusions and discussion. Sections 14.3, 17 and 20.1 were prepared by independent consulting firm Coffey Mining.

The following personnel took part in the study:

- Ms Louise Lindskog – Senior Geologist of Bannerman Resources Ltd. Responsible for preparation of all portions of this report and responsible for all Sections apart from Sections 14.3, 17, 20.1 and the associated text in the summary, conclusions and recommendations.
- Mr Neil Inwood – Specialist Resource Geologist of Coffey Mining. Responsible for Sections 14.3, 17, 20.1 and the associated text in the summary, conclusions and recommendations.

2.4 Site Visit

Ms Louise Lindskog of Bannerman Resources Ltd has visited the Etango Project property and surrounding areas on multiple instances since March 2007, with the last visit being for 13 days in March/April 2008. During the visits she has preformed various geological duties as required by her position including a combined period of two months as project manager on site in Namibia.

Site visits to the Etango and Swakop River Projects were undertaken by Mr Neil Inwood of Coffey Mining between 21st and 23rd August 2007, during which they reviewed the data collection procedures and geology, mining, processing, environmental and waste disposal aspects of the Projects, and again between April 21st and 25th 2008.

2.5 Qualifications and Experience

The primary author of this report is Ms Louise Lindskog, a professional geologist with 7 years experience in exploration, mining and resource geology in Australia and Africa. Ms Louise Lindskog is a member of the Australasian Institute of Mining and Metallurgy ('AusIMM'), and has the appropriate relevant qualifications, experience and independence to be generally considered a Qualified Person as defined in Canadian National Instrument 43-101, however has less than five years direct experience in uranium geology and uranium exploration.

Coffey Mining is an integrated Australian-based consulting firm, which has been providing services and advice to the international mineral industry and financial institutions since 1987. In September 2006, Coffey International Limited acquired RSG Global. Coffey International Limited is a highly respected Australian-based international consulting firm specialising in the areas of geotechnical engineering, hydrogeology, hydrology, tailings disposal, environmental science and social and physical infrastructure.

The author of the resources section of this report (Section 17) is Mr Neil Inwood, a professional geologist with 14 years experience in mining and resource geology in Australia, Canada, USA, Europe and Asia. Mr Inwood is a member of the Australasian Institute of Mining and Metallurgy ('AusIMM'), and has the appropriate relevant qualifications, experience and independence to be generally considered a Qualified Person as defined in Canadian National Instrument 43-101, however has less than five years direct experience in uranium geology and uranium exploration.

2.6 Independence

The updates to the report were coordinated and written by Louise Lindskog, an employee of Bannerman Resources. Ms Lindskog is not considered independent as outlined under section 1.4 of the Instrument.

Neither Coffey Mining nor Mr Inwood, have any material interest in Bannerman or related entities or interests. Their relationship with Bannerman is solely one of professional association between client and independent consultant. The sections of this report for which they are responsible was prepared in return for fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of the relevant sections.

2.7 Abbreviations

All monetary amounts expressed in this report are in United States of America dollars (US$) unless otherwise stated. The current exchange rate from US$ to Namibian dollars (N$) is 10.63. Quantities are generally stated in SI (International System of Units) metric units, including metric tons (tonnes, t), kilograms (kg) or grams (g) for weight; kilometres (km), metres (m), centimetres (cm) and millimetres (mm) for distance; square kilometres (km^2) or hectares (ha) for area; and parts per million (ppm) for uranium oxide grade (ppm U_3O_8).

A listing of abbreviations used in this report is provided in Table 2.7_1 below.

Table 2.7_1
Etango Project
List of Abbreviations

	Description		Description
$	United States of America dollars	Mg	Magnesium
"	inches	ml	millilitre
µ	microns	mm	millimetres
3D	three dimensional	Mtpa	million tonnes per annum
AAS	atomic absorption spectrometry	N (Y)	northing
bcm	bank cubic metres	Ni	nickel
CC	correlation coefficient	NPV	net present value
cm	centimetre	NQ_2	size of diamond drill rod/bit/core
cps	Counts per second	ºC	degrees centigrade
CV	coefficient of variation	OK	Ordinary Kriging
DDH	diamond drillhole	Pd	palladium
DTM	digital terrain model	ppb	parts per billion
EPL	Exclusive Prospecting Licence	ppm	parts per million
g	gram	psi	pounds per square inch
g/m^3	grams per cubic metre	PVC	poly vinyl chloride
g/t	grams per tonne	QC	quality control
HARD	half the absolute relative difference	QQ	quantile-quantile
HDPE	high density poly ethylene	RAB	Rotary Air Blast
NQ	size of diamond drill rod/bit/core	RC	reverse circulation
hr	hours	RL (Z)	reduced level
HRD	half relative difference	RQD	rock quality designation
ISO	International Standards Organisation	SD	standard deviation
kg	kilogram	SG	Specific gravity
kg/t	kilogram per tonne	Si	silica
km	kilometres	SMU	selective mining unit
km^2	square kilometres	t	tonnes
kW	kilowatts	t/m^3	tonnes per cubic metre
kWhr/t	kilowatt hours per tonne	tpa	tonnes per annum
$l/hr/m^2$	litres per hour per square metre	U	Uranium
M	million	U_3O_8	Uranium Oxide
m	metres	w:o	waste to ore ratio
Ma	thousand years		

3 RELIANCE ON OTHER EXPERTS

The authors of this report are not qualified to provide extensive comment on legal issues associated with the Etango and Swakop River Projects included in this report.

Similarly, the authors of this report are not qualified to provide extensive comment on metallurgical, hydrological or environmental issues associated with the Etango and Swakop River Projects referred to in this report. The assessment of these aspects has relied heavily on information provided and prepared by other independent consultants such as Independent Metallurgical Operations (IMO), Coffey Mining and A. Speiser Environmental Consultants and copies of government approval documents (Lindeque, 2006 and Permanent Secretary, 2006).

The responsible Qualified Person for the estimation of Resources is Neil Inwood of Coffey Mining. Mr Inwood's Certificate for the estimation of Resources is included in this report (Appendix 3).

4 PROPERTY DESCRIPTION AND LOCATION

4.1 Introduction

4.1.1 Namibian Projects

Bannerman holds 80% of two licences within the central Swakopmund district of Namibia, which hosts the world's largest open cut uranium mine at Rössing (majority owned by Rio Tinto) and Paladin Resources Limited's Langer Heinrich uranium project.

The Etango Project contains nine identified uranium prospects and six uranium anomalies. The Anomaly A, Onkelo (historically referred to as Rabbit Valley), Oshiveli and Rössingberg Anomalies are identified in historic reports and papers. The Etango Project is host to three of the nine identified prospects. The Etango Project contains alaskite hosted mineralisation similar to the significant Rössing open cut uranium mine located 20 kilometres to the north east and is the subject of the current report.

The Swakop River Exclusive Prospecting Licence surrounds Paladin Resources Ltd's Langer Heinrich uranium mine. The Project area contains an extensive palaeochannel target with carnotite mineralisation in calcretised sediments. Limited exploration drilling targeting uranium mineralisation associated with gravel beds has taken place. Swakop River is not currently considered to be a material asset of Bannerman and will be commented on only briefly.

4.1.2 Botswana Projects

Bannerman controls three Prospecting Licences for uranium, precious metals, base metals and platinum group minerals in Botswana. These licences are referred to as the Serule South, Serule North and Dukwe Licences and are located in the Foley and Sua Pan regions in Botswana. The tenements total 1,153.9km^2. Bannerman's Botswana licences are not currently considered to be material assets of Bannerman and will not be commented on further.

4.2 Background Information on Namibia

Namibia is a stable, independent republic with a total surface area of 825,418km^2, situated north of South Africa, west of Botswana and south of Angola. It is bordered to the west by the Atlantic Ocean (Figure 4.2_1). Namibia forms part of the Southern African Region. The following description is based largely upon information from the World Fact Book (The World Fact Book, 2007).

Figure 4.2_1
Etango Project
Geography of Namibia

Namibia gained independence from South African mandate on 21 March 1990 following multi-party elections and the establishment of a constitution. This followed from a war for independence by the South West Africa People's Organisation ('SWAPO') that commenced in 1966 and a United Nations peace plan for the region that was agreed to in 1988. President Sam Nujoma served for the first three terms (14 years) and was succeeded by President Hifikepunye Pohamba in March 2005 following a peaceful election. Namibia was the first country in the world to incorporate the protection of the environment into its constitution.

The capital city of Windhoek has a population of 230,000 and is located in the Khomas Region in the centre of the country. The largest harbour is located at Walvis Bay, on the central west coast, south of Swakopmund. The country is mostly arid or semi-arid, comprising a high inland plateau bordered by the Namib Desert along the coast and the Kalahari Desert to the east.

The population comprises approximately 87.5% indigenous people, 6% of European descent and 6.5% of mixed origin. About 50% of the population belong to the Ovambo tribe and 9% to the Kavangos tribe. Other ethnic groups include the Herero (7%), Damara (7%), Nama (5%), Caprivian (4%), Bushmen (3%), Baster (2%) and Tswana (0.5%).

The official language is English, however Afrikaans is the common language of most of the population. German is spoken by one-third of the population. Indigenous languages include Oshivambo, Herero and Nama. According to World Bank standards, 84% of the population are literate.

The economy is heavily dependent on the extraction and processing of minerals for export. Mining accounts for approximately 20% of GDP. Major operating metalliferous mines are present at Rössing (uranium), Skorpion (zinc), Navachab (gold) and Tsumeb-Kombat (copper-lead-zinc). Namibia also has an important traditional subsistence agricultural sector.

Namibia is serviced by a network of sealed highways connecting Windhoek in the central plateau region of Namibia with the coast at Walvis Bay, and with Botswana, Angola and South Africa. Generally unsealed but well-maintained access roads provide regional access throughout Namibia. Power is available via local extensions to an extensive regional electricity grid originating in South Africa. A railway line extends from the port of Walvis Bay to Tsumeb, where a copper smelter is in operation. Mobile phone communication is well established near most population centres.

Water is potentially available to the various projects via underground resources within the major river systems, or can be supplied by pipeline from the coast. The Government water authority, Namwater, provides assistance in the development of water resources for existing and potential new users.

Areas within the Namib-Naukluft National Park, which includes the Etango and Swakop River Projects are granted for exploration, subject to appropriate environmental commitments.

4.3 Mineral Tenure

In Namibia, all mineral rights are vested in the State. The Minerals (Prospecting and Mining) Act of 1992 regulates the mining industry in the country. The Act has been designed to facilitate and encourage the private sector to evaluate and develop mineral resources. The Mining Rights and Mineral Resources Division in the Directorate of Mining is usually the first contact for investors, as it handles all applications for and allocation of mineral rights in Namibia.

An individual Exclusive Prospecting Licence ('EPL') can cover an area of up to 1,000km^2 and the specific mineral group being explore for must be stated. According to Section 140 of the Minerals (Prospecting and Mining) Act, 1992A, Part 5, uranium mineralisation is classified under the nuclear fuel minerals group. This is defined as any 'source material containing - (a) uranium, expressed as uranium oxide (U_3O_8), of more than 0.006 per cent; (b) thorium, expressed as thorium oxide (ThO_2), of more than 0.5 per cent, and of which the mass is more than a half kilogram'.

An EPL is valid for an initial term of 3 years, with two renewals of two years each. The size of the EPL must be reduced after 3 years and that the size of the reduction is at the discretion of the Mining Commissioner and there may be scope, if the Commissioner sees reason, to waiver the reduction of the size of the EPL's after the initial 3 year period of the licences. There is currently no set reduction size and an approved Mining Licence may count as a reduction in size of the EPL.

Section 67 of the Minerals (Prospecting and Mining) Act, 1992A details the rights of the holder of an EPL. These include entitlement to carry out prospecting (in respect of the mineral group specified in the licence) and to remove mineral samples (except for sale or disposal and other than controlled minerals).

Other licence types include:

- Non-Exclusive Prospecting Licence (‘NEPL’) – Which are valid for 12 months and permit non-exclusive prospecting on any open ground which is not restricted by other mineral groups.
- Reconnaissance Licences (‘RL’) – Which allow remote sensing techniques and are valid for 6 months.
- Mineral Deposit Retention Licences (‘MDRL’) – Which allow the prospector to retain rights to mineral deposits that are uneconomic to exploit immediately, for future mining operations. These are valid for up to 5 years and can be renewed subject to work and expenditure obligations for up to two years at a time.
- Mining Licences (‘ML’) – Which allow the applicant to carry on mining operations. These can be awarded to accredited agents, companies registered in Namibia or any Namibian citizen. These are valid for life of the mine, or an initial period of up to 25 years, and are renewable for successive periods of up to 15 years.

Granting of licences is determined by a committee and granting is based on the committee’s perception as to the ability and intention of the applicant to complete exploration as outlined in the application and the validity of the proposed program to determine resources. Each licence must outline commodities of interest (in this case “Nuclear Fuels” covers uranium) and the licence granted only pertains to these commodities. Therefore, overlapping licences for differing commodities may coexist. Licences may list multiple commodity categories. Grant determination takes between three to six months from the time of application.

An environmental contract must be completed with the Department of Environment and Tourism by applicants for EPL’s, MDRL’s and ML’s. Environmental impact assessments (where relevant) must be made with respect to land disturbance, protection of flora and fauna, water supply, drainage and waste water disposal, air pollution and dust generation.

4.4 Project Location

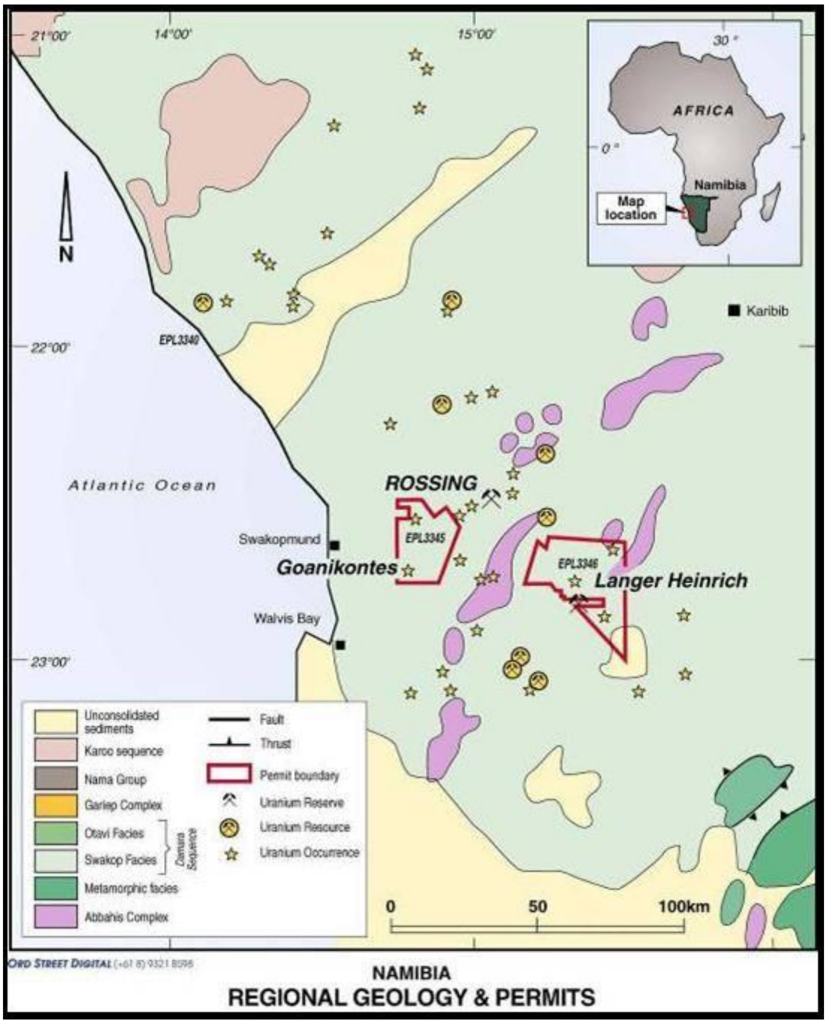
4.4.1 The Etango Project Area (EPL 3345)

The main focus of the Etango Project is the Anomaly A and Oshiveli Prospects, located approximately 41km (by road) east of the major town of Swakopmund and 47km northeast of the port town of Walvis Bay (Figure 4.4.1_1).

The sealed C14 highway connects Walvis Bay to Swakopmund. Access to the Etango Project is currently gained via the sealed and unsealed C28 road from Swakopmund, then by well maintained unsealed road on the D1991 into the Namib-Naukluft National Park area.

The Etango Project is situated on the flat Namib Desert sands south of the Namib peneplain and approximately 5km south of Swakop River. Directly to the north of the peneplain contact, river erosion associated with the Swakop River has resulted in deep gully exposure.

Figure 4.4.1_1
Etango Project
Namibian Project Locations and Regional Geology



4.4.2 Swakop River Project Area (EPL 3346)

The Swakop River project area (Figure 4.4.1_1) is located approximately 67km east of Swakopmund. Access is gained by the sealed and unsealed C28 road, then by unsealed road into the Namib-Naukluft National Park area.

Swakop River project area is not currently considered to be a material asset of Bannerman and will not be discussed in any detail in the remainder of this document.

4.5 Tenement Status

4.5.1 Licences

Etango Project EPL 3345 and Swakop River EPL 3346 (Figure 4.4.1_1) are owned by the Namibian company Bannerman Mining Resources Namibia (Pty) Ltd, previously called Turgi Investments (Pty) Ltd, which manages these Projects. Bannerman Resources Ltd owns 80% of Bannerman Mining Resources Namibia Pty Ltd. The remaining 20% is held by Mr C. Jones of Perth, Australia.

EPL 3345 was granted to Turgi Investments (Pty) Ltd, now Bannerman Mining Resources Namibia (Pty) Ltd, on 27 April 2006 for an initial three year period to explore for Nuclear Fuels. The Licence is 50,027.40 hectares in size and has an annual expenditure commitment of N$570,000 in the first year and N$1,380,000 thereafter.

EPL 3346 was also granted to Turgi Investments (Pty) Ltd on 27 April 2006 for an initial three year period to explore for Nuclear Fuels. The Licence is 81,281.5 hectares in size and has an annual expenditure commitment of N$530,000 and N$1,370,000 thereafter.

In accordance with the Minerals (Prospecting & Mining) Act, 1992 (Act No. 33 of 1992) applications for the renewal of both EPL3345 and EPL3346 were submitted to the Ministry of Mines and Energy on the 23rd of January 2009.

The tenement schedule is included as Table 4.5.1_1. Tenement coordinates are listed in Table 4.5.1_2.

Table 4.5.1_1
Etango Project
Tenement Schedule

Tenement Type	Tenement No.	Grant Date	Holder	Area (ha)	Minimum Expenditure First Year (N$)	Minimum Expenditure Subsequent Years (N$)
EPL	3345	27.04.2006	Bannerman Mining Resources Namibia (Pty) Ltd	50,027.4	570,000	1,380,000
EPL	3346	27.04.2006	Bannerman Mining Resources Namibia (Pty) Ltd	81,281.50	530,000	1,370,000

Table 4.5.1_2
Etango Project
Tenement Coordinate Summary

	Point	Latitude^	Longitude^
EPL 3345 (Etango) Licence Area - 50,027.4 ha	1	-22.48348544	14.74460833
	2	-22.48456065	14.82168535
	3	-22.53843224	14.86469125
	4	-22.5082062	14.90590749
	5	-22.57367929	14.94763811
	6	-22.74980552	14.87922843
	7	-22.74935394	14.73545392
EPL 3346 (Swakop River) Licence Area - 81,281.5 ha	1	-22.61710054	15.21121351
	2	-22.64138218	15.24063254
	3	-22.6077662	15.24682426
	4	-22.61745087	15.50036088
	5	-22.99988448	15.50006678
	6	-22.93333082	15.4499958
	7	-22.8252111	15.32554331
	8	-22.82496517	15.41903374
	9	-22.80253449	15.41892416
	10	-22.80248	15.29736824
	11	-22.79460073	15.2970961
	12	-22.79453151	15.28736164
	13	-22.77647406	15.28736508
	14	-22.77660623	15.25061415
	15	-22.75034518	15.16668166

^ Latitude and Longitude are in Bessel 1841 Spheroid

On 17 December 2008, Bannerman Resources Ltd ("Bannerman") announced that its Namibian subsidiary, Bannerman Mining Resources (Namibia) (Pty) Ltd ("Bannerman Namibia"), had entered into an agreement to settle the litigation previously brought by Savanna Marble CC ("Savanna") and certain associated parties. Under the terms of the settlement agreement, Savanna agreed to discontinue its review application in the High Court of Namibia by which Savanna had sought a declaration that the grant by the Minister of Mines and Energy of Namibia of the Company's EPL 3345, on which the Etango Project is situated, was void. This settlement involves payments and the issue of shares to Savanna (as Bannerman has previously disclosed) and has removed the threat to Bannerman's title to the Etango Project.

4.6 Royalties and Agreements

4.6.1 Third Parties

Bannerman Resources Ltd ('Bannerman') owns 80% of Bannerman Mining Resources Namibia (Pty) Ltd, which in turn holds EPL 3345 and EPL 3346. The remaining 20% is owned by another party (see section 4.5.1). As such Bannerman will need to pay 20% of any mining profits to the other party.

There are no land holders over the area of the Anomaly A / Oshiveli Project (which contains Inferred and Indicated Resources), and as such no royalties or agreements are required. However, there are farms within the area of EPL 3345.

4.6.2 Government Royalties

According to Section 114, Part 1(c) of the Minerals (Prospecting and Mining) Act, 1992A, a royalty rate of 'not exceeding five per cent, as may be determined by the Minister from time to time by notice in the Gazette, of the market value, determined as provided in subsection (3), of such mineral or group of minerals' will be payable. Section 114, Part 3, defines the market value as:

(a) determined in accordance with any term and condition, if any, of the licence of the holder concerned; or

(b) if no such term and condition exists, determined in writing by the Minister, having regard to the value agreed between the holder in question and the person to whom such mineral or group of minerals was sold or disposed of in an at arm's length sale and prices which were in the opinion of the Minister at the time paid on international markets for such mineral or group of minerals, less any amounts deducted in respect of fees, charges or levies which are in the opinion of the Minister charged on international markets.

The mining royalty is currently 3%.

4.7 Environmental Liabilities

The southern portion of the Etango Project Area (EPL 3345) falls within the Namib-Naukluft National Park and the northern portion of the tenement falls within the West Coast Recreational Area.

According to Speiser (2006), activities in the licence area are covered by a number of acts, policies and bills. These include (amongst others):-

- The Namibian Constitution – Article 95.
- The Minerals (Prospecting and Mining) Act, No 33 of 1992.
- The Environmental Assessment Policy, 1994.
- The Environmental Management Bill, 2004
- South African Legislation still in force since Namibian independence in 1990 – Specifically the Nature and Conservation Ordinance, No. 4 of 1975.
- The Policy for Prospecting and Mining in Protected Areas and National Monuments.

A detailed Environment Clearance and Environmental Management Plan ('EMP') was required to be submitted to the Ministry of Environment and Tourism ('MET') to meet the environmental licensing of the Project. The EMP was prepared by independent consultancy A. Speiser Environmental Consultants in July 2006 (Speiser, 2006). The plan included a detailed summary of potential environmental impacts and a list of the mitigation measures that would be taken for access and works on the licence area. A bi-annual environmental audit report is also required for the Project. The EMP was approved on 28th July 2006.

Bannerman Resources Ltd understands that the relevant Ministries allow mining and exploration in the park areas and is unaware of any current regulations that may significantly restrict access to the Projects areas for exploration. It is important to note that other exploration and mining activities are currently underway within the Namib-Naukluft National Park by companies such as Extract Resources Limited (exploration activities) and Langer Heinrich Uranium Pty Ltd (mining and exploration).

4.8 Permitting Status

The status of the EPL's is discussed in Section 4.5.1 and the EMP is discussed in Section 4.7. Other permits which are current include:-

- Park Entry Permits – Ministry of Environment and Tourism (Etango and Swakop River Areas). Visitors to the Namib-Naukluft National Park are required to obtain a park entry permit. Bannerman has ongoing Park Entry Permits for each employee which are updated on an annual basis.
- Water Abstraction Permit – Ministry of Agriculture, Water and Forestry (Swakop River Area). Allows for the extraction of water from an existing borehole for mineral exploration on EPL 3346. This permit is valid until 15th September 2011 (Permanent Secretary, 2006).

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Project Access

The Etango Project is located approximately 31 kilometres east of the major town of Swakopmund and 47 kilometres northeast of the port town of Walvis Bay (Figure 4.2_1). Year round access to the Project area is gained by the sealed and unsealed C28 road from Swakopmund, then by well maintained unsealed road on the D1991 into the Namib-Naukluft National Park area.

5.2 Physiography and Climate

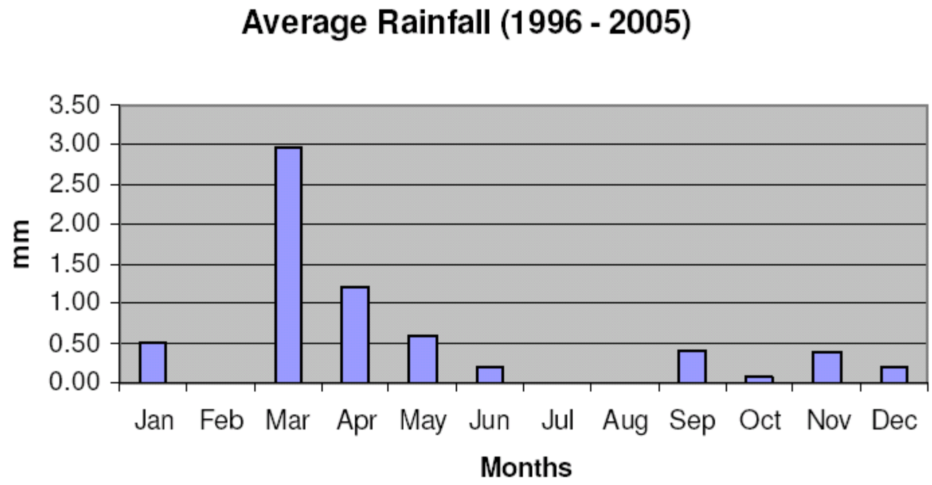
The Project area is located in the western region of the Namib Desert. There is poor soil development in elluvial and alluvial material which may have gypsum crusts over large areas. Vegetation in the area is sparse, often consisting of low bushes or shrubs.

The area of the Etango deposit is generally flat (Figure 5.2_1) with occasional low undulating hills with sparse subcrop. Remnant drainage channels in the desert can also be seen around the Project area. The region around the Swakop River is characterised by deep gully erosion and rocky outcrop. There is good access to the areas of the desert plains and the Etango deposit, whilst access to areas of the river valleys can be difficult.

Figure 5.2_1
Etango Project
Drilling in The Namib Desert at Anomaly A

Rainfall in the area is sporadic. The highest rainfall in the last ten years occurred in March 2000 with 21.8mm of rainfall. Figure 5.2_2 summarises the average rainfall from 1996 to 2005. The Project area also receives moisture from fogs which are caused when moist air which has been cooled by the Benguela oceanic current is blown on-shore. As a result of the moist air feeding off of the Atlantic, the air along the coast line remains humid throughout the year (between 60% and >80% relative humidity). The nearby town of Swakopmund experiences more than 125 fog days per year (Speiser, 2006).

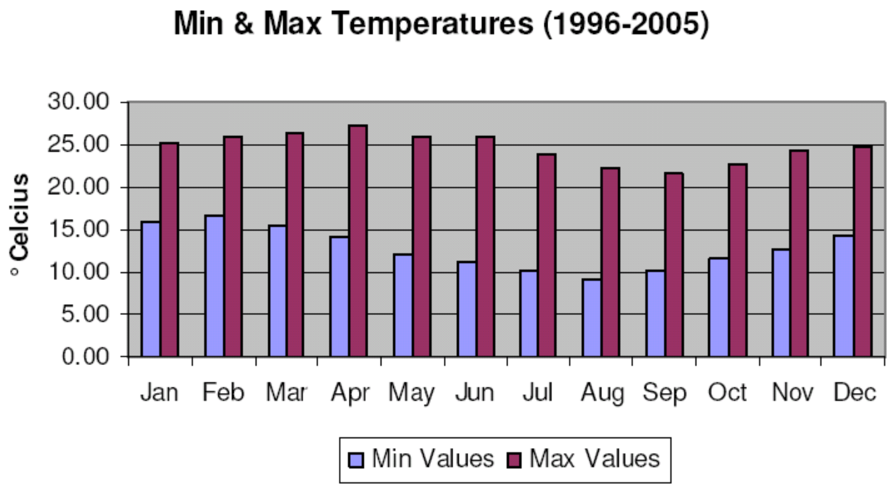
Figure 5.2_2
Etango Project
Etango Area - Average Monthly Rainfall from 1996 to 2005



(Speiser, 2006)

The Namib Desert region does not experience the extremes of temperatures that are typical to most other deserts. However the temperature can peak at over 40ºC in the summer months. Due to the presence of the cold current offshore, the coldest month on average is August at 9ºC and the hottest month on average is April at 27ºC (Speiser, 2006).

Figure 5.2_3
Etango Project
Etango Area – Monthly Temperature Ranges 1996 to 2005



(Speiser, 2006)

5.3 Local Infrastructure and Services

The nearby town of Swakopmund (31km west of the Project area) has excellent services and infrastructure, with a population of approximately 28,000 people. Services include financial, shopping, construction, trades and medical support. The port city of Walvis Bay is located 30km south of Swakopmund along the sealed C14 highway. Locally trained technical and non-technical personnel are employed from Windhoek and Swakopmund. Expatriate workers in the area typically live in Swakopmund.

Water for drilling is supplied by a local drilling contractor (Metzger Drilling) which owns the Witzenberg Farm along the Swakop River. The national water utility, NamWater, has discussed plans with several mining companies to install a desalination plant to supply water for industrial purposes.

Power lines are located near to the Project area and the national power utility, NamPower, has plans to increase power supplies to the region to cope with expected future demand. These plans include installation of the Caprivi Link Interconnector which will allow access to the electricity networks of Zambia, Zimbabwe, the Democratic Republic of the Congo and Mozambique.

Figure 5.3_1
Etango Project
Municipality Building In Swakopmund

6 HISTORY

The uraniferous sheeted leuco-granites of the Erongo Region (locally referred to as alaskites) of Western Namibia hosts Rio Tinto's Rössing uranium mine which is the largest granite-hosted uranium mine in the world. The so-called Rössing-style uranium mineralisation relates to intrusive uranium mineralised alaskite granite (Berning, 1986; Guilbert and Park, 1986). At Rössing, the alaskites have intruded the lower Swakop and Nosib Group metasediments of the Damaran Sequence in the Central Zone of the Pan-African Damara Orogen.

Six types of alaskites (Types A to F), classified according to their field appearance and relationships, mineralogy and petrology (Nex et al., 2001), are recognized in the Etango area. Economic uranium mineralisation occurs in both the Type D and Type E alaskites, peaking in the Type D alaskites.

During the 1970's and early 1980's exploration outlined a number of areas containing uraniferous alaskites in the Central Zone of the Damara Orogen between the Omaruru and Okahandja Lineaments. Significant discoveries of primary uranium mineralisation include Anomaly A/Oshiveli, Valencia and the Ida Dome. Significant secondary calcrete-hosted uranium mineralisation has also been identified in the Damara Orogen; these include Langer Heinrich and Trekkoppie. The Langer Heinrich uranium deposit is currently being mined.

The area of EPL 3345 has been the target of significant previous exploration which included both ground work (traverses and drilling) and aerial and ground based geophysical investigations. Prospecting began in June 1975 and was centred on a radiometric anomaly detected by an airborne spectrometer-magnetometer survey flown for the then South West African Geological Survey. This was then followed up by a more detailed survey over an area of more than 100,000ha. Omitara Mines conducted prospecting over the area from 1976 to 1978 followed by Western Mining Group Pty Ltd (a South African company) from 1982 to 1986. As result of a dramatic decrease in the price of uranium in the 1980's exploration for this commodity all but ceased until 2005 (Mouillac et al, 1986).

In 2005 Turgi Investments (Pty) Ltd ('Turgi') applied and was granted the titles for uranium minerals over Licences 3345 and 3346. The area around the Anomaly A / Oshiveli deposit was identified as being prospective as a non-JORC resource had been stated over the area by Mouillac et al, (1986). Turgi later became Bannerman Mining Resources Namibia (Pty) Ltd which is 80% owned by Bannerman Resources Ltd.

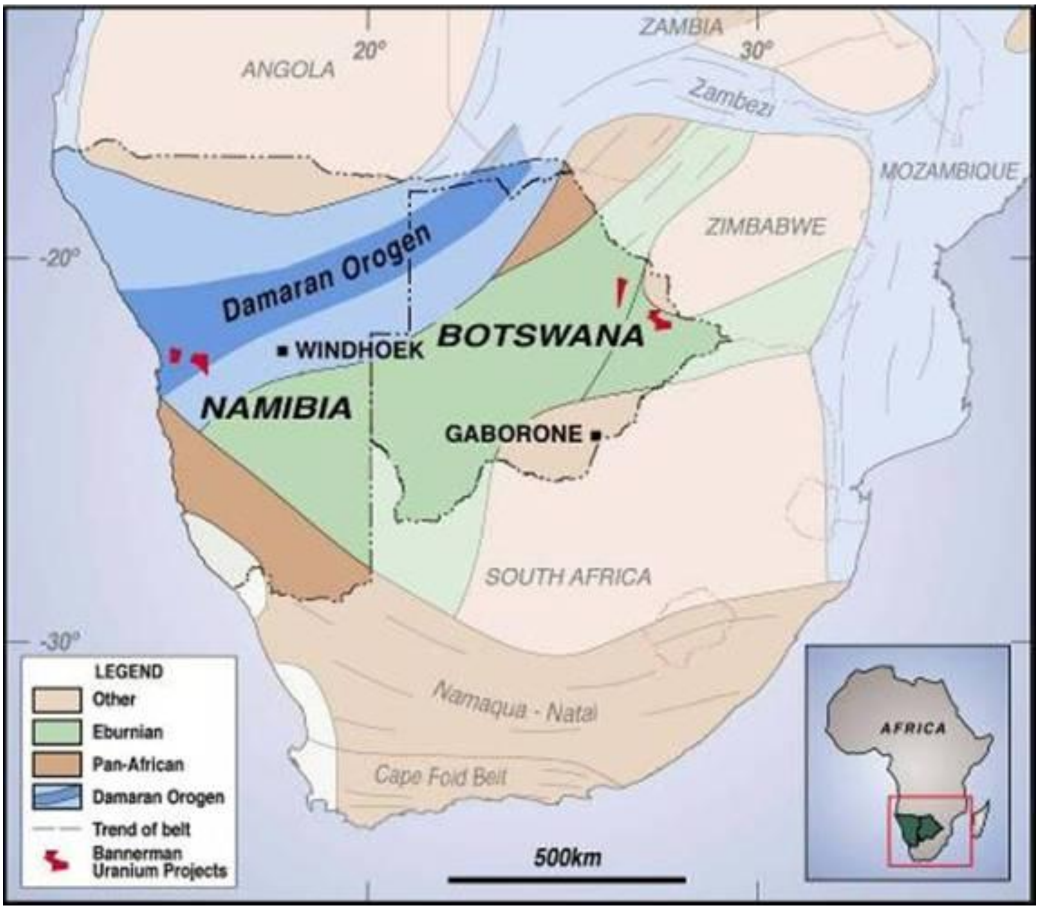
In April 2007, Bannerman estimated a maiden Inferred resource of 56MT at 219ppm U_3O_8 above a 100ppm U_3O_8 lower cutoff (Inwood, 2007). Subsequent resource estimation studies were completed in January and September 2008 (Inwood, 2008). These estimates have now been superseded by the current resource estimation study.

7 GEOLOGICAL SETTING

7.1 Regional Setting

The Bannerman tenements are located within the northeast trending Central Zone of the Neoproterozoic Pan-African Damara Orogenic Belt, which runs from Walvis Bay, through Namibia, towards Botswana and Zimbabwe (Nex, 1997) (Figure 7.1_1).

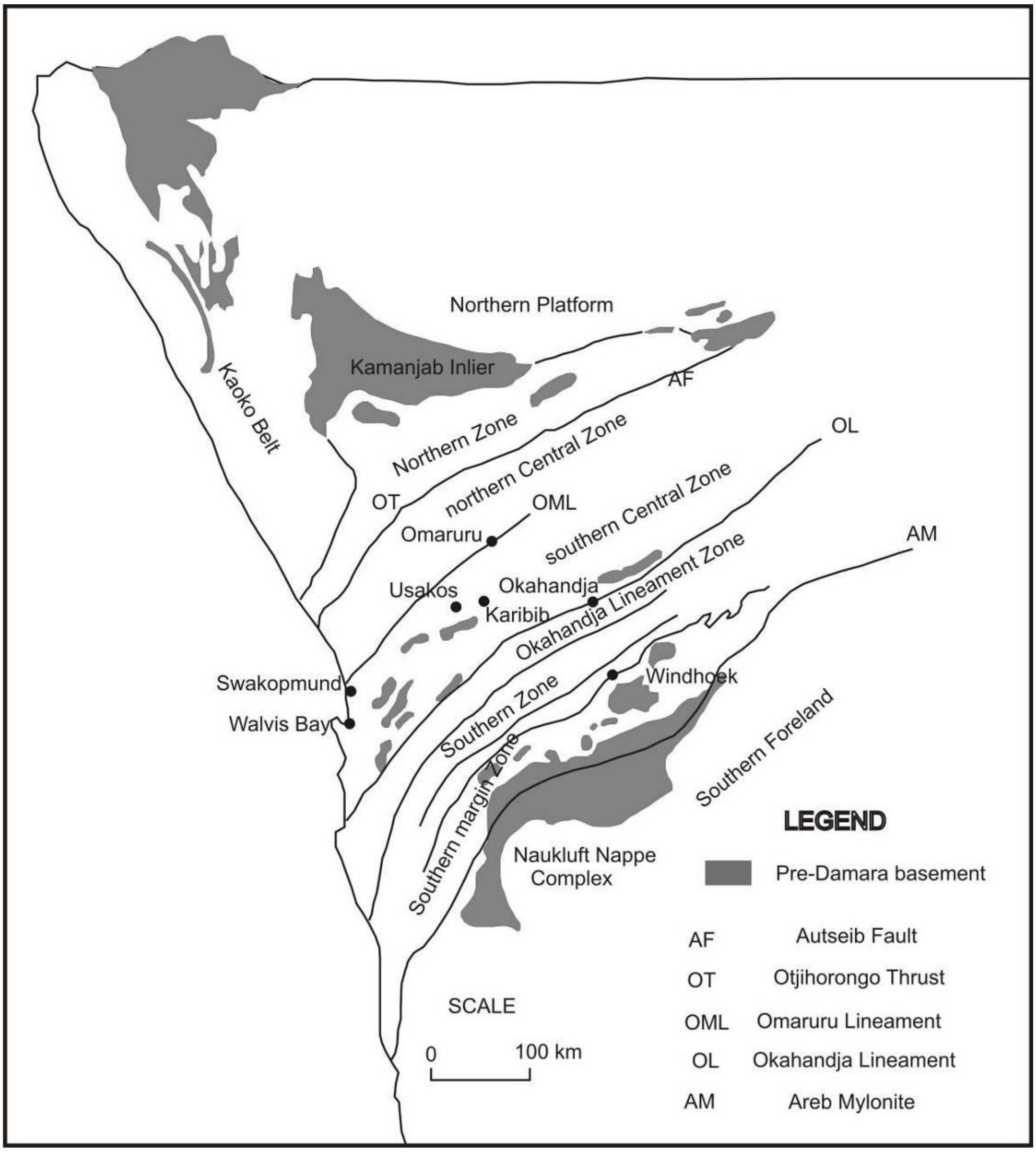
Figure 7.1_1
Etango Project
Simplified Geology of Southern Africa



The Damara Orogenic Belt has been divided into a number of zones based upon lithostratigraphy, structure, metamorphism and the nature of igneous intrusions (Miller, 1983 in Batten et al, 2007) (Figure 7.1_2).

The Damara belt is interpreted to have resulted from a ‘Wilson cycle’ which culminated in the collision of the Congo and Kalahari cratons around 500Ma. The early history of the Damara belt is characterised by the pre-Gondwana continent rifting apart during the Neoproterozoic and early Palaeozoic, accompanied by minor volcanic activity. Fluvial material was captured within graben structures, which then changed to the formation of marine and carbonaceous sediments as the basin deepened. Marine or terrestrial glacial deposits formed, followed by argillaceous marine sediments (Nex, 1997).

Figure 7.1_2
Etango Project
Tectonic Zones of Western Namibia



(Miller 1983 in Batten et al. 2007)

The tectonic regime then changed to plate convergence with associated subduction zones. This phase signalled the onset of major orogenic activity, polyphase deformation and associated metamorphism from 660Ma to 460Ma (Nex, 1997). Peak metamorphism and D_2 deformation has been constrained between 550Ma and 510Ma (Batten et al, 2007). Acidic magnetism occurred following collision. Primary mineralisation within the orogen is associated with igneous activity during this period and includes copper, gold, lithium, tin and uranium deposits (Nex, 1997).

Regionally, uraniferous alaskite bodies are restricted to a 50km wide by 100km long northeast trending structural corridor which is referred to as the Central Zone of the Damara belt (Figure 7.1_2). The Central Zone is characterised by metasediments of the Damara Sequence in tectonic contact with migmatitic pre-Damaran basement (the Abbabis Complex), producing elongate dome structures that are parallel to the trend of the Damara belt (Mouillac et al., 1986). The Central Zone represents the high metamorphic-grade core of the Damara belt, containing extensive granitic intrusions and exhibiting high-temperature low-pressure upper amphibolite facies metamorphism (Nex, 1997).

The Central Zone has been subjected to several phases of deformation, indicated by fold interference patterns. The regional F_3 deformation has induced northeast trending structures in the area. Early folding has produced overturned and recumbent structures that were accompanied by thrusting and shearing. Later stage northeast and northwest folding has also occurred post F_3. Emplacement of the uraniferous alaskites occurred post F_3 and they generally trend to the north-northeast and are spatially associated with the north-northeast trending Welwitschia Lineament. The elongate basement-cored domes that occur in the Central Zone are postulated to have formed by a combination of diapiric uprising following the F_3 deformation and by interference folding (Roesener and Schreuder, 1997).

During the polyphase deformation from 660Ma to 460Ma, pre-tectonic, syn-tectonic and post-tectonic granites were intruded. The granites were classified into four main types by Marlow (1983, in Roesener and Schreuder, 1997):

- Syn- to post- tectonic Salem-type granites – multiple generations of granodiorites, granites and adamellites intruded around 601 +/-79Ma. These occur below the Karibib Formation.
- Red granites – occur as domes around the Khan and Swakop River areas, with an age of 516 +/-23Ma.
- Late- to post- tectonic leucogranites – occur as large batholiths, with less common diapirs and small plugs, aged 484 +/-25Ma.
- Alaskites – which are confined to the areas with the highest metamorphic grade and occur as fine- to coarse-grained granites or pegmatitic granites. Near Rössing they have been dated at 458 +/-8Ma and at Swakop River they have been dated at 542 +/-33Ma.

Rocks of the Damara Sequence are divided into two major groups: the lower Nosib Group (the arkosic and psammitic Etusis and Khan Formations) which have been derived from the Abbabis-type basement; and the upper pelitic and calcareous Swakop Group (the Rössing, Chuos, Karibib and Kuiseb Formations) (Mouillac et al., 1986). Table 7.1_1 summarises the stratigraphical sequence of the Damara orogen. The Abbabis Complex underlies the Damara metasediment, and consists of gneissic and migmatitic lithologies.

Table 7.1_1
Etango Project
Stratigraphic Column of the Damara Orogen
(Roesener and Schreuder, 1997)

Group	Subgroup	Formation	Maximum Thickness	Lithology
Swakop	Khomas	Kuiseb	>3000	Pelitic and semi-pelitic schist and gneiss, migmatite, calc-silicate rock, quartzite. Tinkas member: Pelitic and semi-pelitic schist, calc-silicate rock, marble, para-amphibolite.
		Karibib	1000	Marble, calc-silicate rock, pelitic and semi-pelitic schist and gneiss, biotite amphibolite schist, quartz schist, migmatite.
		Chuos	700	Diamictite, calc-silicate rock, pebbly schist, quartzite, ferruginous quartzite, migmatite.
	Discordance			
	Ugab	Rössing	200	Marble, pelitic schist and gneiss, biotite-horneblende schist, migmatite, calc-silicate rock, quartzite, metaconglomerate.
	Discordance			
Nosib		Khan	1100	Migmatite, banded and mottled quartzofeldspathic clinopyroxene-amphibolite gneiss, horneblende-biotite schist, biotite schist and gneiss, migmatite, pyroxene-garnet gneiss, amphibolite, quartzite, metaconglomerate.
		Etusis	3000	Quartzite, metaconglomerate, pelitic and semi-pelitic schist and gneiss, migmatite, quartzofeldspathic clinopyroxene-amphibolite gneiss, calc-silicate rock, metaphyolite.
	Major unconformity			
	Abbabis Complex			Gneissic granite, augen gneiss, quartzofeldspathic gneiss, pelitic schist and gneiss, migmatite, quartzite, marble, calc-silicate rock, amphibolite.

7.2 Project Geology

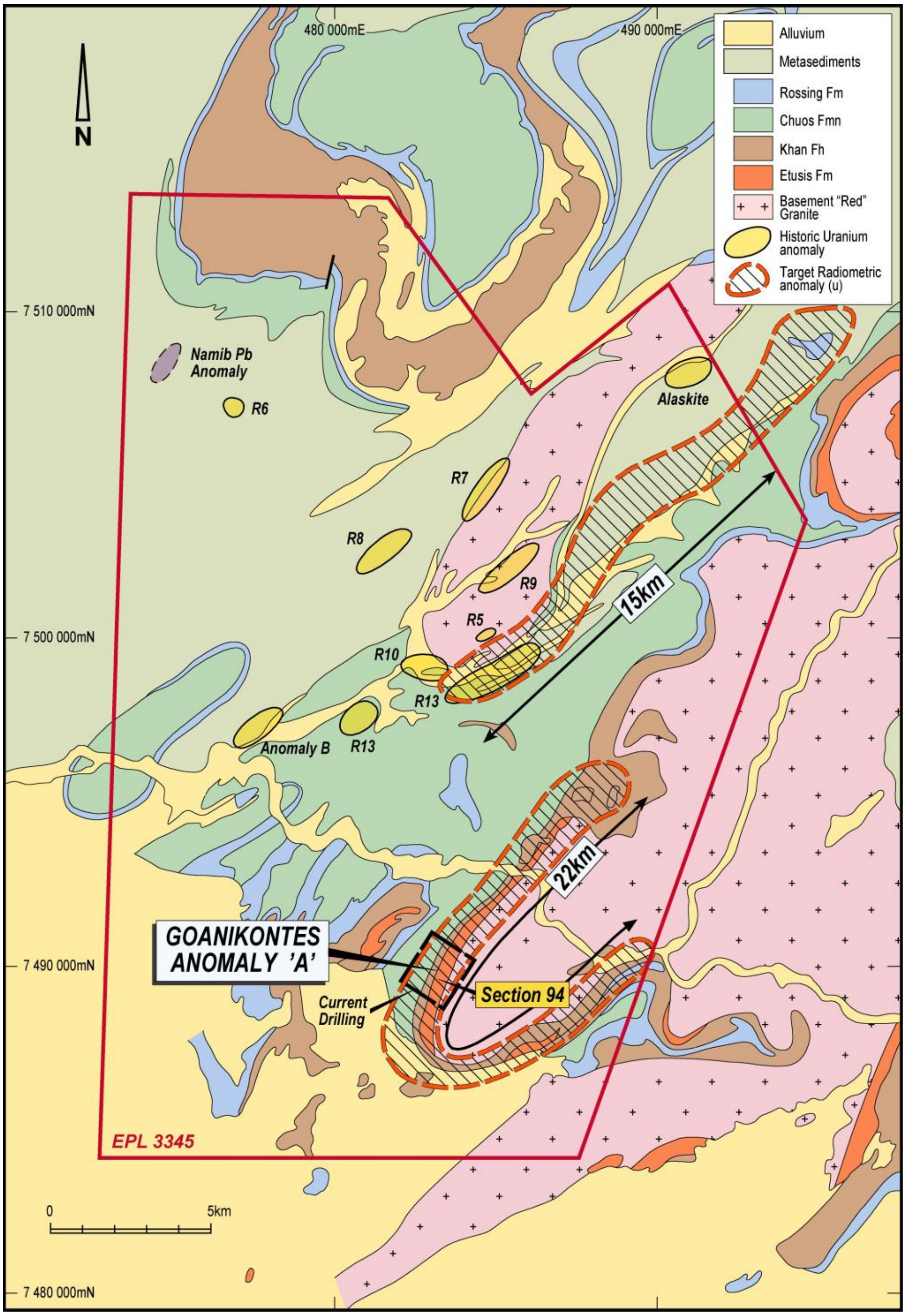
At the Etango Project, uranium occurrences are located along the western and eastern flanks of the Palmenhorst Dome (Figure 7.2_1). The Palmenhorst Dome consists of pre-Damara basement, with a core of reddish leucocratic gneiss (quartz, microcline and accessory plagioclase biotite) that is commonly referred to as the ‘red granite gneiss’. The central gneiss is surrounded by migmatites and other basement rock types (Mouillac et al., 1986).

Sedimentary rocks of the Etusis Formation occur on the edges of the dome and comprise of arkosic quartzites. The contact with the underlying units is transitional and migmatitic in nature. The upper boundary of the Etusis Formation is arbitrarily defined by the presence of dark biotite gneiss indicating the presence of the more pelitic Khan Formation (Mouillac et al., 1986).

The Khan Formation can be subdivided into two units: the lower unit is characterised by dark grey biotite-amphibole-pyroxene schist and gneiss (with amphibolite and calc-silicate beds); while the upper unit is characterised by scattered quartz pebbles and is lighter in colour due to a higher quartz and feldspar content and a lower proportion of biotite, amphibole and pyroxene (Mouillac et al., 1986).

The Rössing Formation is not prominent in the immediate Anomaly A / Oshiveli area. Where present, it has a restricted lateral extent and consists of alternating sequences of diopside marble, quartzite and biotite-garnet schist (Mouillac et al., 1986).

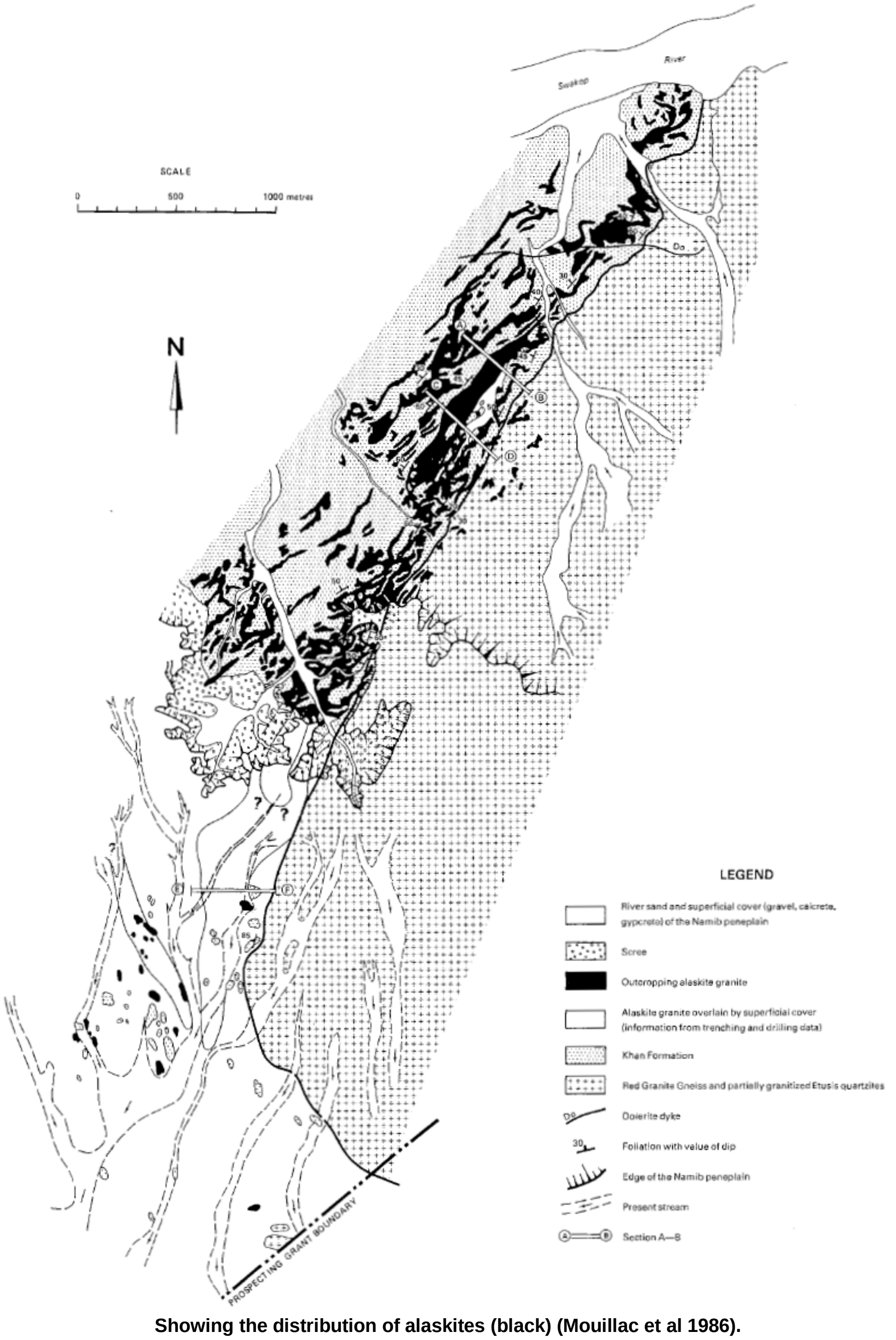
Figure 7.2_1
Etango Project
Local Geology of the Etango Project



The Chuos Formation is traditionally described as a tilllite and consists of pebbles and boulders of variable size and composition in a brown pelitic matrix. The rocks have an alumino-silicate character and contain abundant biotite, sparse diopside and brownish green amphibole. The Karibib and Kuiseb Formations are not found near the Anomaly A/Oshiveli deposit (Mouillac et al., 1986).

A high-potassic, reddish granite referred to as the 'Red Granite' occurs between the migmatites and the Etusis Formation and as dykes and plugs in the Lower Khan Formation. This granite is a separate unite to the red granite gneiss found in the core of the dome (Mouillac et al., 1986). Figure 7.2_2 shows the mapped distribution of alaskites along the western flank of the Red Granite gneiss.

Figure 7.2_2
Etango Project
Generalised Geology of the Anomaly A / Oshiveli Deposit Area



Showing the distribution of alaskites (black) (Mouillac et al 1986).

The uraniferous intrusive Alaskites are a late-stage leucocratic granite that often has a pegmatitic texture. Petrographically an alaskite is granitic rock that contains less than 5% mafic minerals (Mouillac et al., 1986). However, in the field local variations in texture and mineralogical composition are common and the composition can vary from alkali-feldspar granite to tonalite (Nex et al., 2001). Mineralogically the alaskites consist mainly of quartz and feldspar with minor, but variable accessory minerals. Accessory minerals include ilmenite, biotite, apatite, topaz, garnet, tourmaline, uraninite, betafite, zircon, and monazite. Quartz varies in colour from colourless through smoky to almost black (indicating the presence of higher grade uranium mineralisation) (Batten et al., 2007).

Nex et al. (2001) proposed a 6 stage classification scheme for the sheeted leucogranites (commonly referred to as alaskites) in the Anomaly A / Oshiveli area based upon field characteristics (Table 7.2_1). The Type D and E alaskites are the principal host for uranium mineralisation within EPL 3345.

Table 7.2_1
Etango Project
Field Classification of Sheeted Leucogranites by Nex et al. (2001)

Type	Width (m)	Diagnostic Structural Features	Diagnostic Mineralogical Features
A, <20 cps	<0.75	Infrequent occurrence, irregular form, weak foliation, boundinaged and folded by D_3, only occurs within the high strain zone.	Pale pink, fine-medium grain size, homogeneous saccharoidal texture, weak foliation.
B, <20 cps	1-4	Common outside the high strain zone, fine grain size sheets and weakly foliated, frequently boundinaged and occasionally folded by D_3.	White, fine-pegmatitic grain size, typically garnetiferous, infrequent abundant biotite and tourmaline.
C, 10-20 (200) cps	0.5-10	Most frequent type of sheeted leucogranite within the typical cover sequence, occasionally boundinaged occurs in F_3 fold flexures.	Pale pink-cream, medium-pegmatitic grain size, hypersolvus with interstitial clear quartz, magmetite, ilmenite and tourmaline.
D, 100 (400) cps	1-7	Irregular and anastomosing, restricted to the high strain zone and the Khan-Rössing boundary.	White, medium-coarse grain size, granular texture, white feldspar with characteristic smoky quartz, frequently visible.
E, 30 (300) cps	1-10	The dominant type of SLG within the high strain zone. Generally tabular, occasionally bifurcating generally emplaced parallel to the prominent gneissosity.	Extremely variable colour and grain size, contains “oxidation haloes” (Corner and Henthorn, 1978).
F, <20 cps	0.5-3	Tabular with straight parallel sides, occurring throughout the area, cross-cuts all structured features.	Distinctive red colour, coarse-pegmatitic grain size, pink perthitic feldspar and milky coloured quartz.

The alaskites are associated with the regional F_4 tectonic event and have intruded the Nosib and Swakop Group metasedimentary sequences. They generally occur as bodies parallel to the main S_3 foliation (but can sometimes be transgressive of the foliation) and can vary in thickness from a few centimetres to 100m. The Alaskite bodies can have a strike continuity of up to several hundreds of metres, although along the down-dip direction, they can exhibit bifurcation and can truncate after several tens of metres. Crystallisation of the alaskites is interpreted to have occurred pre-, syn- and post- the regional F4 deformation (Mouillac et al., 1986).

8 DEPOSIT TYPES

Uranium mineralisation at the Anomaly A / Oshiveli deposit is associated with intrusive alaskite granitoids that comprise stock-like dykes of varying thickness and have intruded into the surrounding Damara Sequence metasedimentary host rocks. This style of primary uranium mineralisation is commonly referred to as 'Rössing type' mineralisation. Other nearby examples of this style of mineralisation includes the Rössing mine and the Valencia uranium deposit.

9 MINERALISATION

Uranium mineralisation in the Etango Project area is mainly located in the post-F_3 alaskite granites. Minor uranium mineralisation is also found in the metasedimentary sequences close to the alaskite contacts. The major mineralised alaskite bodies are associated with the lower part of the Khan formation and occur within 400m of the contact between the Etusis and Khan Formations (Mouillac et al., 1986).

The sheeted alaskites have been classified into six types (A to F) by Nex et al. (2001). Types A to C pre-date the D_3 deformation event and are barren, while types D to F post-date the D_3 deformation and contain elevated uranium levels. Types D and E are considered to host the bulk of the uranium mineralisation at Anomaly A/Oshiveli. Type D alaskites have a generally irregular and anastomosing geometry, are white in colour, equigranular and contain smoky quartz, with accessory topaz. Type E alaskites are recognised by a reddish coloration and the presence of ubiquitous 'oxidation haloes' (or 'alteration rings') which are irregular sub-circular features with a red rim and a grey core (Batten et al., 2007). The 'alteration rings' have been interpreted to have formed as oxidation fronts which have affected the distribution of uranium therein (Mouillac et al., 1986). Smoky quartz is common and the reddened parts of the oxidation haloes may contain more biotite and Fe-Ti oxides than the rest of the alaskite (Batten et al., 2007).

Figure 9_1 shows the contact of an E-Type alaskite with the Khan Formation in Onkelo (historically referred to as Rabbit Valley) which is located north and along strike of the existing Anomaly A / Oshiveli deposit. Note the banded biotite layers associated with elevated uranium grades along the alaskite contact in the inset photograph.

The dominant primary uranium mineral is uraninite (UO_2) but minor betafite $(Ca,U)_2(Ti,Nb,Ta)_2O_6(OH)$ is also present. The primary uranium mineralisation occurs as disseminations within rock fractures, at crystal interfaces, and as inclusion within other minerals. Secondary uranium minerals such as autunite $(Ca(UO_2)_2(PO_4)_2 \cdot 10\text{-}12H_2O)$ and uranophane (Figure 9_2) $(Ca(UO_2)_2(SiO_3OH)_2 \cdot 5H_2O)$ occur as replacement of the primary minerals or as coatings along fractures. The uraninite is commonly associated with chloritised biotite in the alaskites within the lower Khan Formation and with ilmetite and magnetite within foliated alaskites. At higher uranium levels (e.g. 400ppm U_3O_8) the Th/U ratios have been found to be between 0.05 and 0.3. Nuclides of the uranium decay series have been found to be in equilibrium or near-equilibrium (Mouillac et al., 1986).

Recent Scanning Electron Microscopy studies by Townend (2008) on the mineralised alaskites have also identified other uraniferous minerals such as:

- brannerite $((U,Ca,Ce)(Ti,Fe)_2O_6)$ occurring within the basal cleavage planes of biotite and chlorite; and
- Thorium-uranium minerals such as uranothorites $((Th,U)SiO_4)$ in apatite and plagioclase, polycrase $((Y,Ca,Ce,U,Th)(Ti,Nb,Ta)_2O_6)$ in plagioclase and thorium uranium bearing monazite $((Ce, La, Nd, Th, U, Y)PO_4)$.

Figure 9_1
Etango Project
Contact of E-Type Alaskite and Khan Formation at Onkelo

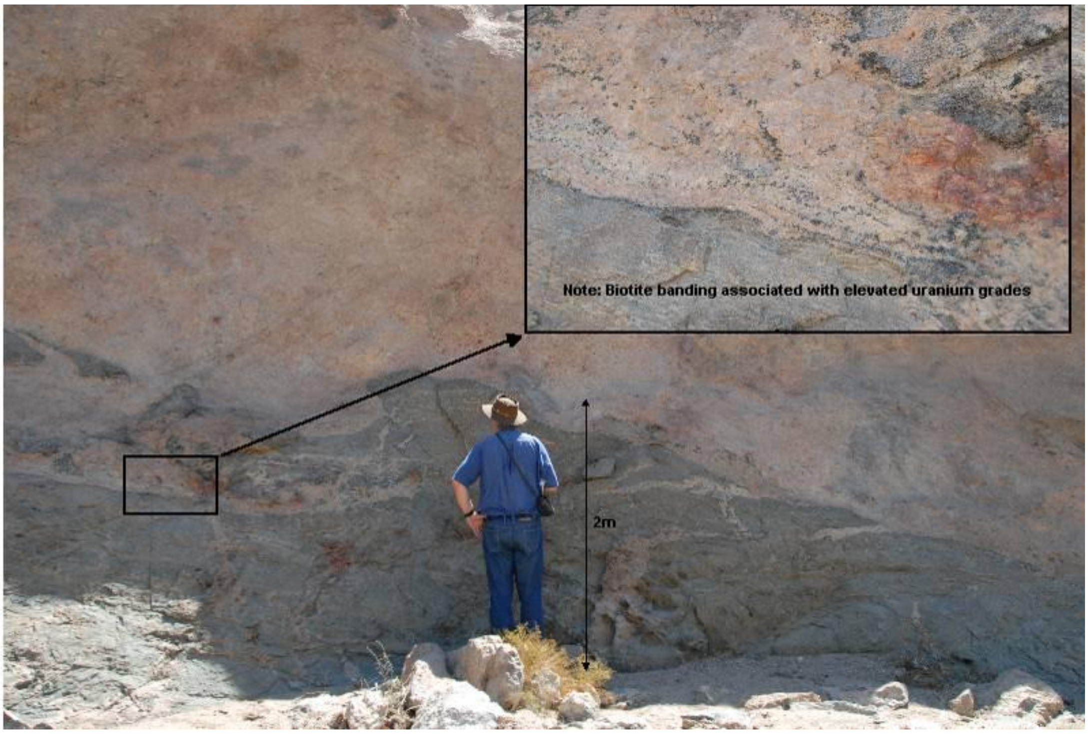


Figure 9_2
Etango Project
Secondary Uranium Mineralisation on Outcrop at Rabbit Valley

The southern part of the deposit has been affected by the Namib peneplanation which has resulted in the leaching of uranium from generally a few to up to 10 metres from surface (Mouillac et al., 1986). Further details of the mineralisation are discussed in Section 17.

10 EXPLORATION

10.1 Exploration by Previous Owners

The following section is based upon information from Speiser (2006), Batten et al. (2007), Mouillac et al. (1986) and Roesener and Schreuder (1997). Exact details on some of the historical exploration programs were not available at the time of this report.

Regionally, uranium mineralisation was first discovered in the Central Zone in the 1900's when uranium-bearing beryl (heliodor) was discovered near Rössing Mountain. Exploration in the area lapsed until the 1950's and in the 1960's Rio Tinto South Africa commenced intensive exploration in the area.

In the 1970's the then South West African Geological Survey conducted a regional reconnaissance airborne radiometric survey that was followed by a further detailed spectrometer-magnetometer survey in 1974 over an area of over 100,000ha. Analysis of the airborne survey identified a broad thorium and uranium/thorium anomaly along the western flank of the Palmenhorst Dome. Prospect scale exploration within the Etango project area commenced in 1975 with 134 historical percussion holes being drilled in the Anomaly A area. The exploration by previous owners was not conducted on behalf of or by Bannerman.

10.1.1 Omitara Mines

From 1976 to 1978 Omitara Mines (a joint venture between Elf Aquitaine SWA and B & O Minerals) ('Omitara') drilled 224 mostly vertical percussion drillholes on a reconnaissance grid of 400m north by 75m to 100m east along the western Palmenhorst Dome position and a reduced grid in some areas of 200m to 100m by 75m near the Anomaly A area. The percussion drillholes totalled 13,383m with depths ranging from 50 to 100m. An additional 9 diamond drillholes were drilled for a total of 2,100m.

Holes drilled during this period were analysed variably by chemical assaying (X-ray fluorescence) and downhole gamma-ray spectrometry (calibrated at Pelindaba). Chemical assay results in the region of Anomaly A ranged up to the low thousands of ppm U_3O_8.

A total of 6,800m of trenching was completed using a Poclain Excavator to obtain exposure of the alaskites which were under the superficial cover of the Namib plain in the southwest of the Project area. The remnants of the trenching can still be seen today. Omitara also performed airborne radiometric surveys.

Mouillac et al. (1986) mentions that by the beginning of 1978 '"potential reserves are estimated to be several tens of millions of tons with a low average ore-grade".

The leases were relinquished in 1981.

10.1.2 Western Mining Group (Pty) Ltd

From 1982 to 1986 Western Mining Group (Pty) Ltd conducted regional mapping and drilled 22 percussion drillholes for 1,017m and conducted surface scintillometer surveys.

A resource was estimated in 1986, but no historic figures are available. As a result of a dramatic decrease in the price of uranium in the 1980's exploration for this commodity all but ceased until 2005.

10.1.3 Others

According to verbal reports, Anglo American performed some exploration work in the northern portion of the area in the 1970's and Rio Tinto South Africa drilled 3 anomalies south of the Rössingberg Dome in the 1970's.

10.2 Exploration by Bannerman Resources

After acquiring the lease in 2005, Bannerman undertook a process of capturing and digitising the historical drillhole and mapping data for the area. This data was mainly obtained from the Namibian Geological Survey and the Geological Survey of South Africa.

10.2.1 Airborne and Ground Geophysics

In 2006, airborne radiometric and geophysical data was purchased from the government and reprocessed for uranium (Figure 10.2.1_1), identifying anomalous trends along the western flank of the Palmenhorst Dome and the eastern flank of the Rössingberg Dome. The dataset was part of the Erongo survey that was flown by World Geoscience in 1994/1995. The survey recorded 256 channel radiometric data with a NaI crystal detector and was flown north-south on 200m line spacing, with a nominal terrain clearance of 80m.

The results from the historic surface-scintillometer survey were digitised by Bannerman and imported into geographic information system ('GIS') software for interpretation.

Bannerman has sourced a high resolution Quickbird LandSat image that covers the region of EPL 3345. Re-processing of the image in the areas near the Swakop River has enabled exposure of the alaskites to be made readily identifiable as an aid for further mapping and target generation (Figure 10.2.1_2). A lease-scale, 5m contour, surface digital terrain model ('DTM') has been created which covers the area of the lease.

Ground radiometric surveys (highlighted in Figure 10.2.1_1) have been completed by G Symons Geophysics over certain target area on the eastern side of the Rössing Dome and to the south and east of the Palmenhorst Dome. The ground radiometric surveys were conducted on a 40m to 80m line spacing.

Figure 10.2.1_1
Etango Project
Airborne and Ground (Pink) Radiometric Data near Anomaly A/Oshiveli

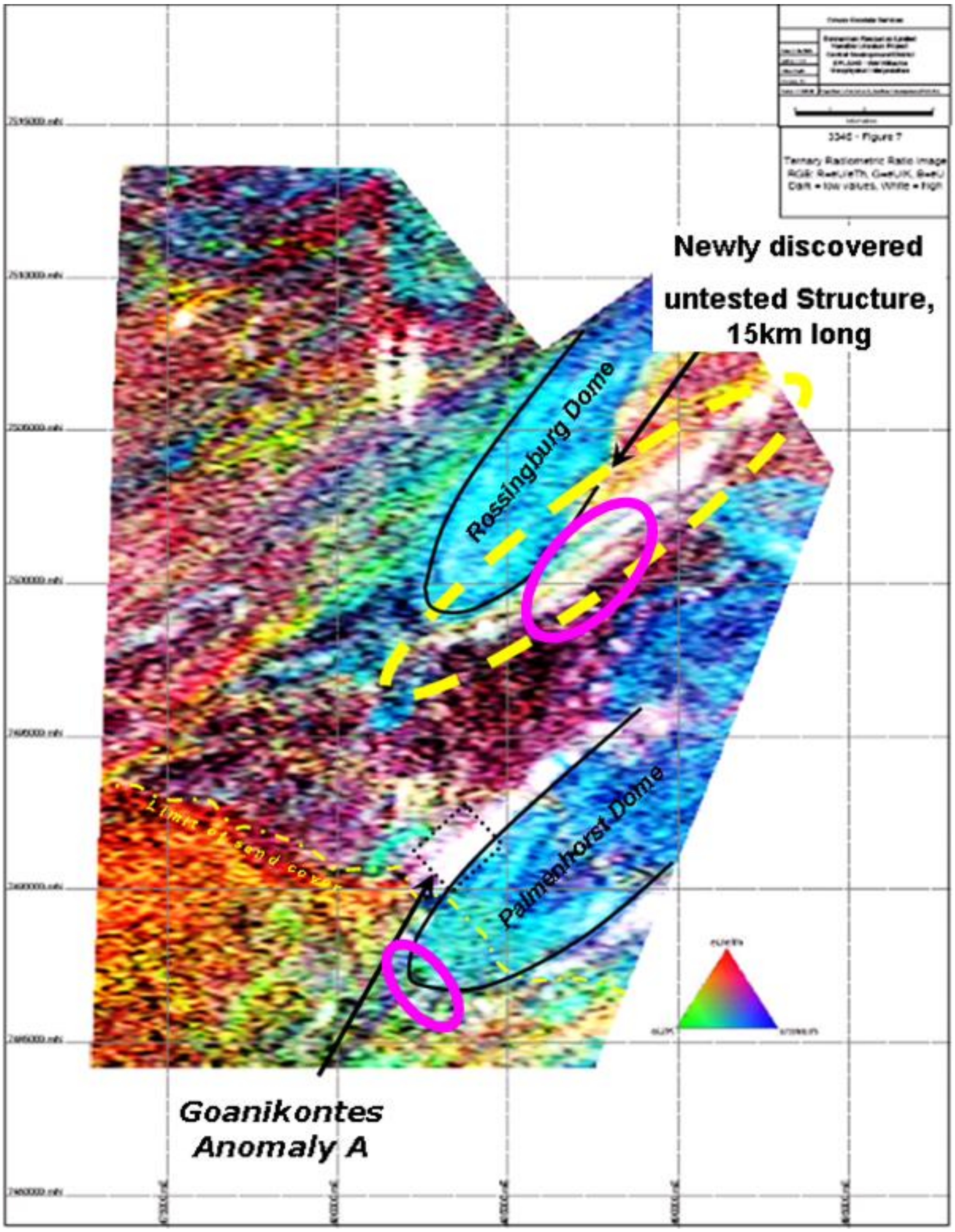
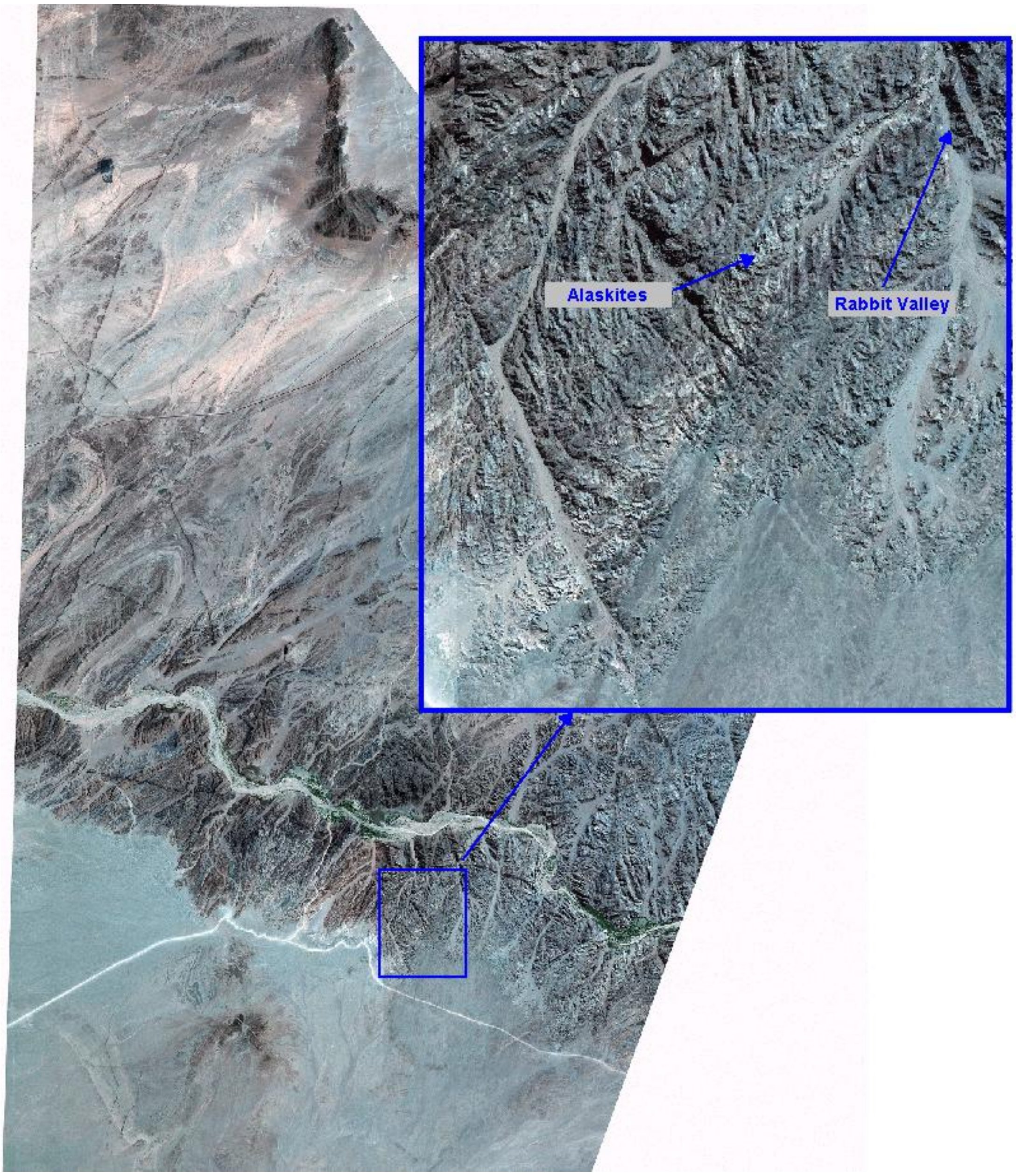


Figure 10.2.1_2
Etango Project
Quickbird Image over EPL 3345



An Aerial Lidar Survey was completed south of the Swakop River in EPL3345 during September 2008. The survey was done by Southern Mapping Company from South Africa using an aircraft mounted LIDAR system that scanned the surface with a 70kHz laser resulting in a dense Digital Terrain Model (DTM) of the area. Digital colour images were taken from the aircraft to produce accurate orthophoto's of the area.

A Horizontal loop EM (HLEM) survey was conducted over certain areas of EPL3346 to investigate ground radiometric targets, and to confirm the presence of any associated paleochannels. Equipment used for the survey was a Max Min II Horizontal loop EM using 100m coil spacing and 4 frequencies namely 888Hz,3500Hz, 7.5kHz and 14 kHz with readings collected at 25 and 50m station spacing's at the abovementioned frequencies on selected lines.

10.2.2 Re-logging of Historic Diamond Holes

The core from 9 historic diamond drillholes was located and re-logged (GOADH001 – GOADH009). Unfortunately government restrictions meant that the core could not be re-assayed chemically.

10.2.3 Mapping

Regional mapping over the Project area is ongoing and detailed mapping over the Anomaly A deposit has been completed. Certain areas of interest throughout the EPL have also been mapped in fine detail in zones of some 100m by 200m.

10.2.4 Verification Drilling and Re-Surveying

In 2006/2007, Bannerman drilled 43 reverse circulation ('RC') drillholes (GARC001-GARC043) and 13 diamond core drillholes (GOADH0010 – GOADH0022) over the area of the Etango deposit. Using the results from the verification drilling, in April 2007, Bannerman conducted a study to confirm the veracity of the historical drillhole data along the 1.7km strike of the Anomaly A / Oshiveli resource area. This study included comparing the results from the 13 diamond holes drilled by Bannerman to 40 nearby historical drillholes, and the re-probing of 19 historic drillholes using an ElectroMind optical / scintillometer / deflection probe and a spectrometer probe (operated by G Symons Geophysics) (see Section 14.1).

The ElectroMind probe has a ½ inch by 1¾ inch NaI crystal. It operates using two systems; one is a scintillometer measuring total count and the second system is a 3 channel spectrometer measuring total count, K, U and Th channels. Bannerman also use an Auslog scintillometer (27mm diameter, ½ inch by 1¾ inch NaI crystal) which measures total count only.

Bannerman concluded that the historic assaying data was suitable for use in estimation studies. No of the historical drilling data or geological data has been used in the current resource estimate.

10.2.5 Resource Estimation and Drilling by Bannerman Resources

An Inferred Resource was estimated by Bannerman for the Anomaly A area in April 2007 based on historical and recent drilling. In January and August 2008, Coffey Mining estimated independent classified resources for the Anomaly A / Oshiveli area based only on recent Bannerman drilling. Bannerman has continued an aggressive drilling program over the resource area since April 2007, culminating in the current resource estimate (see Section 17).

Exploration on EPL3345 is focussed on the expansion of the existing mineral resource along strike to the north of Anomaly A at Oshiveli and Onkelo, and to the south at Ondjamba. The Oshiveli and Onkelo anomalies have been the target of previous exploration which included drilling as well as aerial and ground geophysical investigations.

Approximately 40 holes (1600m) of exploration drilling is scheduled at EPL3346 (Swakop River) for the March 2009 quarter. All drilling and exploration works are supervised by Bannerman staff geologists.

10.3 Exploration Data Collection

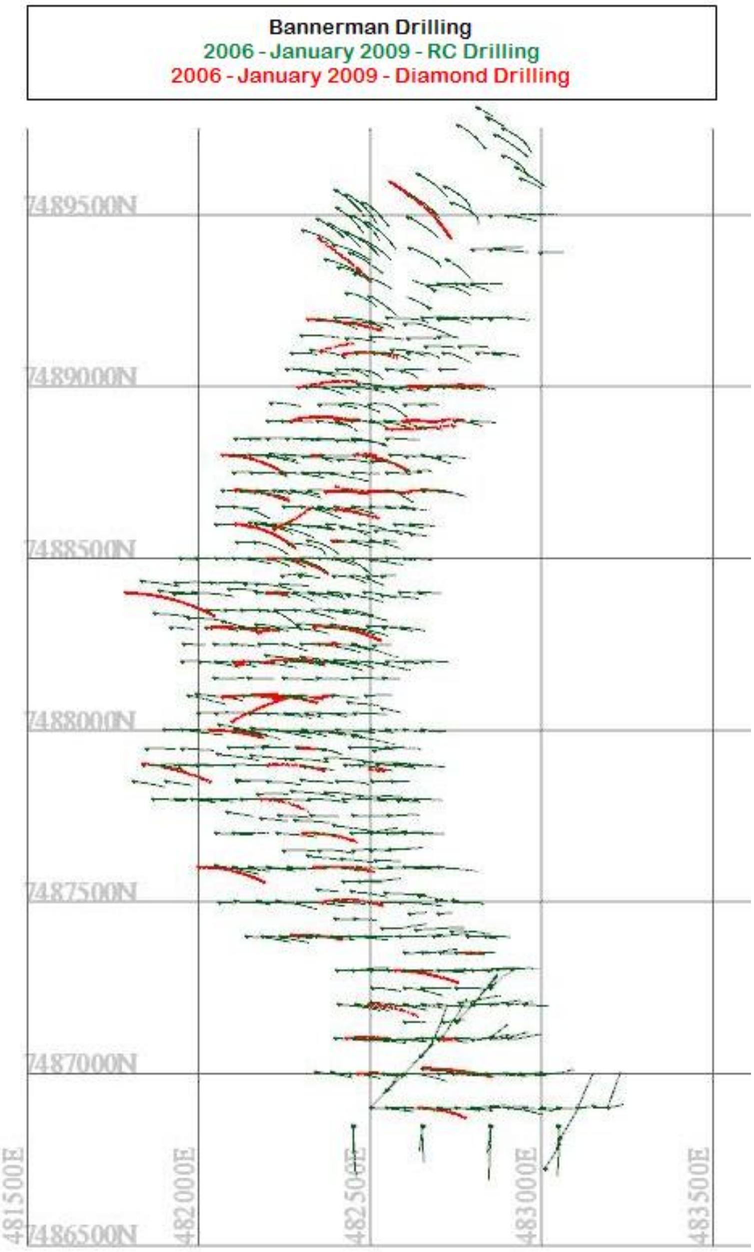
Little information is available regarding data collection from previous owners. The data collection practices by Bannerman are outlined in Sections 11 and 12.

11 DRILLING

11.1 Drilling by Previous Owners

The drilling by previous owners has been outlined in Section 10.1. Historic drilling in the region of the Etango deposit was typically performed on a 400m north by 75m to 100m east grid with further infill drilling completed to a nominal 100m north by 75m to 100m east spacing, and some to 100m by 25m. Figure 11.1_1 shows the location of drilling completed by Bannerman for the current resource estimate.

Figure 11.1_1
Etango Project
Bannerman's Drilling Programs in the Etango Deposit Area as of January 2009



11.2 Drilling by Current Owners

As of mid-January 2009, Bannerman had drilled a total of 527 RC and 64 diamond drillholes for a total of 165,311m over the area of the Anomaly A / Oshiveli resource. The RC drillholes range from 23m to 480m in depth and the diamond drillholes range from 84m to 528m in depth.

The RC drillholes were drilled by Metzger drilling with a bit diameter of 4.72" to 5.5". The diamond drilling up to GOADH0022 were drilled by RA Longstaff using typically NQ2 diameter barrels, although 2 diamond drillholes were collared with PQ, then HQ to 12m, then NQ3 to end-of-hole. Holes subsequent to GOADH0022 were drilled by Metzger Drilling using NQ core.

The bulk of drilling has been designed on a nominal 50m by 50m to 50m by 100m drill spacing.

Figure 11.1_1 shows the drilling performed by Bannerman up to mid-January 2009. The bulk of the 50m by 50m infill drilling has targeted the area of the likely open-minable resource. Drilling along strike and down-dip of the main mineralisation has targeted extensions to the mineralised zones and was been drilled on a nominal 100m by 50m spacing.

Selected significant drill intercepts for the Bannerman RC and diamond drilling are shown below in Table 11.2_1. Further statistics regarding the Anomaly A / Oshiveli samples are discussed in Section 17.3.2. Due to the shallow dip (approximately -30° to -44º to the west) of the mineralised alaskites and the angle of intercept of the RC and diamond drillholes, the true thickness of the significant intercepts is close to the stated mineralised interval.

Drilling of other target areas within EPL 3345 is in progress and to date 134 holes have been completed at the Rössingberg, Ombuga, Gohare, Oshiveli, Ondjamba, Onkelo and Ombepo prospect areas (Figure 11.2_1) as well as 87 sterilisation holes in the proposed Plant and TSF areas.

11.3 Surveying

All drillhole collars are surveyed by licensed surveyors after drilling.

For diamond drillholes, down-hole surveys were taken using an Eastman single shot camera at nominal 30m intervals up to hole GOADH0022. The practice is now for diamond drillholes to be surveyed by a Verticality magnetic survey tool performed by G Symons Geophysics/terratec (G Symons).

RC drillholes are routinely down-hole surveyed by G Symons Geophysics using a Verticality magnetic survey tool after completion of drilling.

Figure 11.2_1
Etango Project
Etango Project Drilling Locations

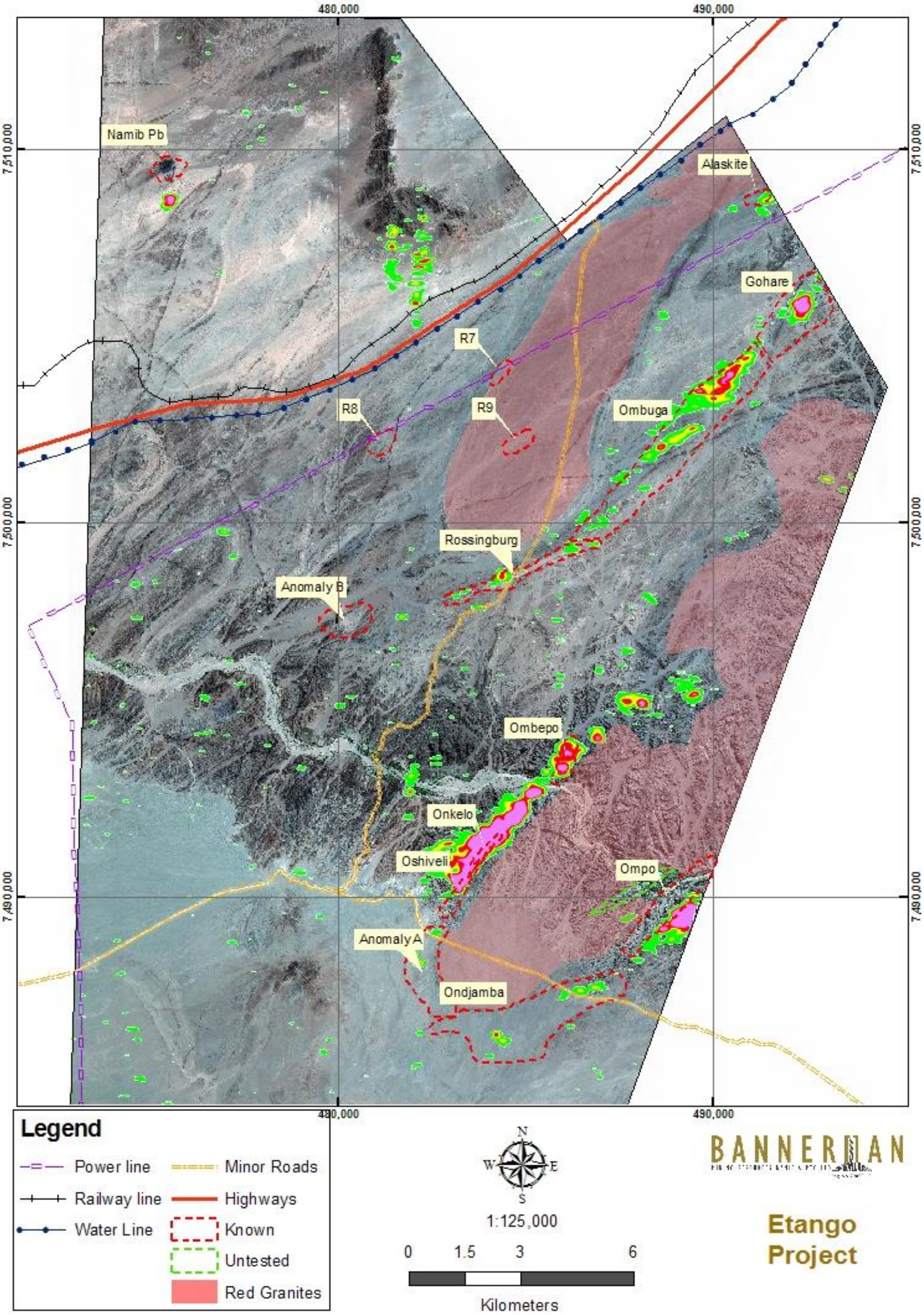


Table 11.2_1
Etango Project
Selected Significant Intercepts from Bannerman RC Drilling

	Collar Position (m)		Downhole Depth (m)		Interval	Grade U_3O_8
Hole ID	North	East	From	To	(m)	ppm
GARC0034	7488391	482534	22	62	40	585
GARC0047	7487926	482152	56	152	96	232
GARC0048	7487919	482369	236	305	69	293
GARC0051	7487905	482484	26	118	92	270
GARC0054	7487807	482470	90	179	89	252
" "			191	268	77	261
GARC0127	7488884	482646	17	70	53	329
GARC0128	7488650	482399	115	161	46	406
GARC0160	7488200	482447	82	129	47	393
GARC0184	7488900	482445	51	62	11	443
" "			318	420	102	301
GARC0202	7488000	482402	217	291	74	413
GARC0206	7487900	482427	59	207	148	269
" "			241	262	21	440
" "			322	335	13	536
GARC0214	7487900	482469	47	118	71	269
GARC0217	7487800	482527	38	75	37	366
" "			117	174	57	303
GARC0222	7487800	482420	71	183	112	267
GARC0248	7487500	482495	226	257	31	757
GARC0255	7487300	482700	84	144	60	417
GARC0258	7487400	482390	262	395	133	286
GARC0282	7487100	482500	237	305	68	256
" "			329	383	54	277
GARC0295	7486900	482500	177	224	47	375
GARC0332	7489200	482551	203	230	27	824
GARC0337	7488550	482320	73	110	37	540
GARC0340	7488550	482400	95	162	67	339
GARC0341	7488250	482450	63	141	78	409
GARC0349	7487941	482510	15	129	114	307
GARC0359	7488150	482449	103	124	21	1105
GARC0375	7488250	482397	153	207	54	342
GARC0383	7488350	482175	173	243	70	248
GARC0384	7488550	482452	37	91	54	356
GARC0395	7488750	482236	309	370	61	297
GARC0410	7488950	482412	294	366	72	506
GARC0421	7487850	482403	71	182	111	265
" "			192	206	14	671
GARC0425	7487350	482794	69	142	73	359
GARC0432	7489049	482592	165	202	37	622
GARC0435	7488050	482312	192	254	62	435
GARC0445	7489144	482501	219	271	52	359
GARC0453	7488846	482401	356	438	82	492
GSHRC0029	7489406	482615	154	235	81	309
GSHRC0045	7489230	482673	182	296	114	229

Table 11.2_2
Etango Project
Selected Significant Intercepts from Bannerman Diamond Drilling

Hole ID	Collar Position (m) North	Collar Position (m) East	Downhole Depth (m) From	Downhole Depth (m) To	Interval (m)	Grade U_3O_8 ppm
GOADH0021	7488091	482220	186.5	208.1	21.6	402
GOADH0023	7488600	482106	439	468	29	267
GOADH0028	7487801	482179	381	418.75	37.75	286
" "			478.5	493.88	15.38	562
GOADH0029	7488700	482105	369.65	397	27.35	352
" "			433.61	490.71	57.1	262
GOADH0030	7488200	482114	40.51	94.06	53.55	224
GOADH0033	7487017	482655	101.95	131.41	29.46	213
" "			376	460	84	220
GOADH0037	7488500	482200	290.35	356.59	66.24	290
GOADH0039	7488803	482456	105.18	146.46	41.28	230
" "			326.98	340.98	14	759
GOADH0040	7488642	482400	61.14	160.25	99.11	247
" "			348.43	377.14	28.71	301
GOADH0041	7488302	482338	313.78	355.51	41.73	214
GOADH0042	7487903	481840	209.8	240.75	30.95	273
GOADH0044	7487700	482302	390.78	507	116.22	265
GOADH0045	7487500	482360	191.28	215.57	24.29	293
" "			269.53	284.53	15	355
" "			322.73	352	29.27	272
" "			411.78	431.71	19.93	352
GOADH0046	7487301	482573	94.13	120.76	26.63	274
" "			396.22	431.8	35.58	459
" "			440	467.94	27.94	604
GOADH0049	7487202	482495	358.6	392.63	34.03	323
GOADH0055	7489094	482420	203.02	225.02	22	388

12 SAMPLING METHOD AND APPROACH

The exact sampling methods used for the historical drilling are not available and are not considered relevant to this report. For the Omitara drilling, the percussion holes were typically sampled on 1 metre intervals. When taken, chip samples were assayed by X-ray fluorescence. Down-hole gamma ray spectrometry was also taken for selected intervals from most of the drillholes.

The following discussion details the sampling methods used by Bannerman. Bannerman routinely sample all intersected alaskite intervals. The location of the sampling for the resource studies is shown in Figure 11.1_1.

12.1 RC Drilling

The following methodology is applied to the RC drillhole sampling:

- Drill samples are collected off the rig cyclone in large plastic bags at 1m intervals. The sample bags are pre-marked and tags are also prepared for the laboratory sample which identifies the sample number (Figure 12.1_1A).
- The 1m sample is split in the field by Bannerman staff using a 75/25 riffle splitter (Figure 12.1_1B) and the 75% sample is placed into a bulk sample bag from which rock chip samples are taken and placed into a chip tray for logging by the geologist.

Figure 12.1_1
Etango Project
RC Sampling at Anomaly A

Sampling details are sent to the assaying laboratories electronically as well as a paper copy which is sent with the samples. A sample submission sheet is sent with each sample dispatch.

- The primary sample sent to the laboratory is obtained by splitting the 25% sample until a sample of approximately 500g to 1kg is reached. A count per minute ('CPM') reading is taken from this sample using a handheld scintillometer and recorded along with the sample condition (wet, dry, and moist). If the bulk sample is wet, a spear sample is taken.
- The sample that is to be sent to the laboratory for analysis is placed into a clear plastic bag that is labelled with the hole identification and meterage. A collection of the samples are placed into larger plastic bags for transport to the secure sample storage facility in Swakopmund (Figure 12.1_1C and D).
- A library reference sample is obtained by again splitting the reject of the 25% split until another 500g to 1kg sample is obtained. The reference sample is stored in Bannerman's warehouse in Swakopmund.
- Sample sheets are drawn up by the responsible geologist and given to the Senior Field Technician. He assigns the sample string numbers to the relevant samples. The primary sample is transferred into a new clear plastic bag which has the reference sample number written on the bag and a sample stream ticket is placed within the bag.
- Samples are sent from the secure sample storage facility in Swakopmund (Figure 12.1_2) to SGS Lakefield in Johannesburg ('SGS Johannesburg') and Genalysis Laboratory Services in Johannesburg ('Genalysis Johannesburg') three time a week via Coastal Couriers. The RC chips trays are stored in a separate secure facility in Swakopmund (Figure 12.1_3). Field duplicate samples sourced from the 75% reject are taken at the rate of 1 in every 20 primary samples. The sampling method is the same as used for the primary sample. Field duplicate samples are sent to Genalysis for assaying.
- Since December 2007, standards and blanks have been routinely inserted into the sampling stream at a nominal rate of 1:20.

Figure 12.1_2
Etango Project
The Bannerman Sampling and Logging Facility at Swakopmund

Figure 12.1_3
Etango Project
Chip Tray Storage Facility at Swakopmund

12.2 Diamond Drilling

The following methodology is applied to the diamond drillhole samples:-

- After drilling, the diamond core is placed into core trays by the drilling contractor.
- The core is then taken to the Bannerman core logging and storage facility in Swakopmund (Figure 12.1_2) where it is orientated, measured, marked for sampling and logged by the staff geologists.
- Sample intervals are determined by the geologist after logging. The sample lengths are nominally 1m; however shorter intervals are sampled where a lithological boundary is intersected. No sampling is undertaken across lithological boundaries.
- Up to drillhole GOADH0022, the core was cut in half using a diamond saw, with the primary sample sent to SGS Johannesburg for crushing and analysis. Subsequent to GOADH0022, only quarter core was used for primary analysis. The meterages, sample intervals and sample numbers are marked on the core for later identification (Figure 12.2_1).
- Field duplicates are taken for every 20th sample. Where a field duplicate is taken, ¼ core is submitted to the laboratory. One ¼ sample is sent to SGS Johannesburg for primary analysis, whilst the other ¼ sample is sent to Genalysis Johannesburg for preparation. As with the RC samples, the diamond samples are placed in numbered bags for dispatch.

Figure 12.2_1
Etango Project
Sampled Core from Anomaly A

12.3 Adequacy of Procedures

The drilling, sampling and storage procedures used by Bannerman meet industry acceptable standards. The samples are considered to be of good quality and representative for the purposes of resource estimation.

RC samples observed in the field were of suitable size and generally of consistent high recovery. Coffey Mining previously recommended that the RC sample recovery be routinely recorded and entered into the drillhole database. Based on this recommendation, Bannerman field staff undertook an analysis the RC sample recovery last year. The samples were weighed before they were split and all samples returned a weight ± 20kg. The rocks in the resource area are competent with very little cavities. Based on the results of the investigation Bannerman determined that a routine recording of this data was superfluous.

It is worth noting that recovery is recorded and entered into the drillhole database from all the diamond holes. From this data it is clear that the rock is very competent with very little risk of sample loss. Section 17.3.2 summarises the pertinent sample composite statistics.

13 SAMPLE PREPARATION, ANALYSES AND SECURITY

13.1 Sample Preparation and Analysis

13.1.1 SGS

All primary RC and diamond core samples are sent to SGS Johannesburg for crushing, pulverisation and chemical analysis. SGS Johannesburg is a SANAA accredited laboratory (T0169). Samples are analysed by pressed pallet X-ray fluorescence ('XRF') for U_3O_8, Nb, Th and borate fusion with XRF for Ca and K.

Upon arrival at SGS Johannesburg, a barcode is attached to the sample to enable tracking during the preparation and analysis process. The primary sample is dried in an electric oven at ~105° then crushed to -2mm, then pulverised using a Labtech LM2 pulveriser to 95% passing 75µm.

Barren rock is run through the crushing and pulverisation circuit after every sample. The last barren rock sample from each batch is analysed using XRF and reported to the client.

After pulverisation, a 200g sub-sample is taken. From this sub-sample approximately 20g is taken for XRF analysis and 0.5g to 2g for inductively coupled plasma ('ICP') mass spectrometry analysis. Typically SGS Johannesburg will conduct ICP analysis in conjunction with XRF analysis on every fifth submitted sample.

SGS Johannesburg introduces standards and blanks at the rate of 1:22 into the sample stream. Replicate samples from the 200g pulverised sub-samples are taken at the rate of 2:20.

A pulp duplicate sample is sent to Genalysis Johannesburg at the rate of 1 sample in every 20.

For U_3O_8, Nb and Th XRF analysis, an approximately 17g sample is combined with approximately 3g of wax binder then pressed for 2 minutes to produce a compact pellet. The pellet press is cleaned using a vacuum blow after each press. Bannerman samples are analysed using a Panalytical Axios XRF machine.

For Ca and K approximately 0.2g to 0.7g of sample is mixed with a borate flux and cast followed by analysis by XRF.

During periods of high demand, some 200g sachets may be sent to SGS Perth for XRF analysis. The procedures used in the SGS Perth laboratory are similar to those used in the SGS Johannesburg laboratory.

13.1.2 Genalysis

Sample preparation at Genalysis Johannesburg consists of drying the sample at ~105° C then milling the entire sample in a LM2 mill. Barren silica flush is put through the mill after each sample. Every 20^{th} pulverised sample is screen checked to determine the percentage passing -75µm.

U_3O_8, Th and Nb are determined by pressed pallet XRF using a Philips PW1480, PW1400 and PW2400 Axios machine. Samples are prepared using 20g of sample with 3g of binder which are mixed in a grinding vessel for 4 minutes and pressed in a 20 tonnes hydraulic press.

One duplicate is re-analysed for every 20 samples and one reference standard is inserted for every 20 samples. One reagent blank is inserted per shift.

13.1.3 Density

Bulk density determinations are taken by Bannerman staff using either the water immersion or calliper method on diamond core billets. Density estimates have been made on selected pulp samples from the RC drilling programs using the gas pycnometer method by Genalysis Perth.

13.1.4 Security

The diamond core and RC samples that are to be sent for assaying are stored in Bannerman's secure storage facility in Swakopmund prior to pick up via courier. All crushing, pulverising and splitting of the samples subsequent to the generating of the field splitting is performed by a reputable assaying laboratory. RC samples are taken daily from the field to the storage facility after the initial field splitting.

13.1.5 Adequacy of Procedures

As drilling and sampling operations are supervised by Bannerman geologists and samples are promptly bagged and taken to the storage facility in Swakopmund prior to shipment to the assay laboratory. It is considered that Bannerman currently has appropriate provisions in place to safeguard the sample security.

Coffey Mining and Ms Louise Lindskog has visited the SGS Johannesburg facility and considers it to be well run and that the preparation and analytical methods used by SGS Johannesburg are appropriate.

13.2 Quality Control Procedures

13.2.1 Umpire Pulp Checks

Umpire pulp check samples are taken at the rate of 1 in every 20 from primary samples at SGS Johannesburg. The umpire pulp samples are analysed at Genalysis in Perth by XRF. The check sample intervals are determined by the logging geologist and the identification details are emailed to both laboratories in question.

13.2.2 Field Re-Splits

Field re-split samples are sent to Genalysis Johannesburg for preparation, and then a sub-sample of pulverised material is sent to Genalysis Perth for assaying by XRF.

13.2.3 Standards and Blanks

Bannerman has obtained and uses standard samples from the following sources:

- Two certified uranium standards made from Bannerman pulp reject samples sent to SGS.
- Two commercial standards sourced from Witwatersrand material.

These standards are currently inserted at a rate of 1:20 samples.

SGS Johannesburg inserts certified standards as part of the laboratory based QAQC system. The barren crush at the end of each batch is also analysed and reported.

Genalysis Perth inserts certified standards as part of its internal QAQC procedures.

13.2.4 Adequacy of Procedures

After the initial submitting of the sample to the laboratories, all sample preparation is undertaken by independent laboratory staff. Bannerman currently employ appropriate protocols with the routine collection and submission of standards, field duplicates, pulp duplicates and the analysis of these samples by an umpire assay laboratory (Genalysis Perth). Laboratory replicate data is also captured in the current database system.

14 DATA VERIFICATION

The quality control analysis of the Bannerman assaying information has relied upon field duplicates, pulp duplicates, blanks and standards submitted by Bannerman to an umpire laboratory and internal laboratory replicates, blanks and duplicate samples.

14.1 Collar and DTM Survey

A topographic survey was conducted over the Project area. The survey was performed by licensed surveyors using the following main instruments:

- Six Ashtech dual frequency GPS receivers.
- Leica RTK 1200 GPS System (two receivers)
- Leica TC1000 single second Total Station with 3" accuracy.
- Leica TC600 single second Total Station with 5" accuracy.

All survey controls were surveyed and calibrated using the Post Processing method employing the Astech GPS receivers and the “Ashtech Solutions” proprietary software.

Most of the drillhole collars were surveyed prior to the resource estimate using the Leica RTK GPS or the Leica Total Stations.

14.2 Assessment of Quality Control Data

The quality control data related to RC and diamond core drilling has been assessed statistically using a number of comparative analyses for each dataset. The objectives of these analyses were to determine relative precision and accuracy levels between various sets of assay pairs and the quantum of relative error. The results of the statistical analyses are presented as summary statistics and plots, which include the following:

- *Thompson and Howarth Plot*, showing the mean relative percentage error of grouped assay pairs across the entire grade range, used to visualise precision levels.
- *Rank % AMPRD Plot*, which ranks all assay pairs in terms of precision levels measured as the absolute relative difference from the mean of the assay pairs (% AMPRD), used to visualise relative precision levels and to determine the percentage of the assay pairs population occurring at a certain precision level. For pulp-based duplicate samples, a limit of 20% AMPRD is a useful limit to compare and analyse precision from different datasets. For field duplicates, a limit of 40% AMPRD is a useful limit to compare and analyse precision from different datasets.
- *Correlation Plot* is a simple plot of the value of assay 1 against assay 2. This plot allows an overall visualisation of precision and bias over selected grade ranges. Correlation coefficients are also used.
- *Quantile-Quantile (Q-Q) Plot* is a means where the marginal distributions of two datasets can be compared. Similar distributions should be noted if the data is unbiased.

- For standards and blanks, the *Standard Control Plot* shows the assay results of a particular reference standard over time. The results can be compared to the expected value, providing a good indication of both precision and accuracy over time.

14.2.1 Standards Analysis

This section will discuss the analysis of both the Bannerman and laboratory inserted standards.

<u>Bannerman Submitted Standards</u>

Bannerman routinely inserted blanks and certified standards into their sampling stream since December 2007. The standards include two certified commercial standards by African Mineral Standards (AMIS) (AMIS0029 and AMIS0045) sourced from the Dominion Reef and Witwatersrand area; and two AMIS certified standards sourced from Anomaly A mineralised material (AMIS0085 and AMIS0086). The standards AMIS0085 and AMIS0086 were prepared by AMIS for commercial use and have been subject to an international round robin test regime.

All of the datasets analysed exhibited multiple instances of outlying data. The bulk of these outliers matched values for existing standards and are assumed to be present due to the mixing of standards during the submission/sample recording process and were trimmed from the analysis for each population. The summary statistics for these standards are shown below in Table 14.2.1_1. Summary control plots are in Appendix 1.

The AMIS standards submitted by Bannerman to SGS Johannesburg exhibit a positive bias ranging from 4% to 8%. This bias is reflected in the proportion of standards reporting within the certificated tolerance limits (+/- 2 standard deviations of the round robin testing laboratories), however it is noted that the reported tolerance limits tend to be quite low (e.g. AMIS0029 is ± 3% for XRF analysis).

Table 14.2.1_1

Etango Project

Standard and Blanks Statistics for Bannerman Submitted Standards (U ppm)

Standard	XRF - SGS Johannesburg				
	AMIS0029	AMIS0045	AMIS0085	AMIS0086	BLANK_BMN
Expected Value (EV)	890	87	266	128	1
Expected Value Range	862 to 918	75 to 99	251 to 281	115 to 141	0 to 15
Count	219	235	237	237	1420
Minimum	863	82	240	120	0
Maximum	946	104	296	151	14
Mean	926	93	279	139	1
Std Deviation	12.2	3.3	7.3	5.2	0.8
% in Tolerance	19%	94%	64%	75%	100%
% Bias	4%	7%	5%	8%	6%
Excluded Values	18	3	8	7	30

The bulk of the blanks reported less than 5ppm U. However, even with trimming of obvious outliers (e.g. results close to values of known standards), some 22 assays reported above 10ppm U and up to 84ppm U. Based upon a review of the samples preceding and following the higher grade results, it is suspected that: some of the higher grade results may reflect the mixing of blanks with actual samples during the sampling process; and that some of the elevated grades may due to sample contamination. Further investigations are ongoing.

<u>SGS Johannesburg and SGS Perth</u>

Two separate blank standards (WASTE ROCK and BLANK) and three certified standards (UREM2, UREM4 and UREM9) were identified in the database for SGS Johannesburg. One blank standard (WASTE ROCK) and one certified standard (SY3) were identified for SGS Perth. The summary statistics for these standards are shown below in Table 14.2.1_2. Summary control plots are in Appendix 1.

Table 14.2.1_2

Etango Project

Standard and Blanks Statistics for SGS (U ppm)

Standard	SGS Johannesburg - XRF					SGS Perth - XRF	
	UREM2	UREM4	UREM9	WASTE ROCK	BLANK	SY3	WASTE ROCK
Expected Value (EV)	428	85	219	1	1	645	1
Expected Value Range	364 to 492	72 to 98	186 to 252	0 to 15	0 to 15	580 to 709	0 to 15
Count	235	1004	672	1039	4220	148	191
Minimum	418	69	191	1	0	634	0
Maximum	460	98	238	16	1	656	13
Mean	438	89	223	1	1	641	2
Std Deviation	7.5	3	6.2	0.8	0.04	4.2	1.8
% in Tolerance	100%	100%	100%	100%	100%	100%	100%
% Bias	2%	5%	2%	5%	-0.16%	-1%	113%
Excluded Values	4	3	0	6	17	2	0

For both laboratories, the certified standards display good accuracy, with the bulk of the assays within the expected value range and no significant bias is indicated.

The blank standard WASTE ROCK (n=1,039) from SGS Johannesburg exhibits some minor contamination throughout the sample runs, with 7 samples reporting above 15ppm U. The laboratory blank (n=4,220) reports consistently at 0ppm U. The blank samples do not indicate any significant contamination during the assaying process.

The blank standard Waste Rock from SGS Perth (n=191) has 9 samples over 5ppm U_3O_8. Results are considered acceptable.

Genalysis Perth

Seven laboratory standards (AMIS0029, AMIS0045, BL-1, SARM1, UREM2, UREM4, and UREM9) and one laboratory blank were identified in the database for Genalysis.

Table 14.2.1_3
Etango Project
Standard and Blanks Statistics for Genalysis Perth (U ppm)

Standard	XRF - Genalysis Perth							
	AMIS0029	AMIS0045	BL-1	SARM1	UREM2	UREM4	UREM9	CONTROL BLANK
Expected Value (EV)	890	87	220	15	428	85	219	1
Expected Value Range	862 to 918	75 to 99	187 to 242	13 to 17	364 to 492	72 to 98	186 to 252	0 to 5
Count	57	45	53	71	47	15	13	173
Minimum	840	85	214	12	410	81	204	1
Maximum	924	91	229	16	463	84	223	1
Mean	903	88	223	15	420	83	214	1
Std Deviation	26.1	1.3	3.9	0.9	9.5	1.0	5.5	0
% in Tolerance	51%	100%	100%	99%	100%	100%	100%	100%
% Bias	1%	1%	1%	-2%	-2%	-2%	-2%	0%
Excluded Values	0	0	0	2	0	0	0	3

All of the standards except AMIS0029 report good accuracy with the bulk of the samples returning assays within the set precision limits. The assays for standard AMIS0029 indicates a positive bias of 3% (mean = 917ppm U) (similar to the bias of 4% indicated for that standard for SGS Johannesburg (mean = 927ppm U)) up until November 2008 when there was a shift in the results to a negative bias (see associated figure in Appendix 1).

The blank standard CONTROL BLANK from Genalysis Perth (n=173) has no samples outside the acceptable range. Results are considered acceptable.

14.2.2 Duplicates and Umpire Assaying Analysis - Precision

The database for the Etango deposit contains duplicate sample information for field re-splits (RC and ¼ core diamond), umpire pulp re-assays and laboratory pulp replicate assays. In all cases, the original sample was crushed and pulverised at SGS Johannesburg and analysed at either SGS Johannesburg or SGS Perth. The field duplicate samples were crushed and pulverised at Genalysis Johannesburg. All field duplicate and umpire pulp samples were analysed at Genalysis Perth.

The summary statistics for the duplicate analyses are shown in Table 14.2.2_1 and summary charts are shown in Appendix 1. For the purposes of the precision analysis, a lower limit of 10ppm U was applied to the data prior to analysis.

Table 14.2.2_1
Etango Project
Summary of Data Precision for SGS and Genalysis Laboratories for XRF Analysis of Uranium U (ppm)

Sample Type	Number of Data Pairs		Comparative Means (ppm) (Original Lab./Duplicate Lab.)		% Within AMPRD Limits (20%/40%)	
	SGS - JB	SGS - Perth	SGS - JB	SGS - Perth	SGS - JB	SGS - Perth
Umpire RC Field Duplicates [1]	1,819	263	104/104	105/114	69/82	72/87
Umpire Diamond Field Duplicates [1]	222	-	136/140	-	65/77	-
Umpire RC Pulp Duplicates [2]	1,484	142	103/96	79/82	74/87	76/88
Umpire Diamond Pulp Duplicates [2]	173	-	123/115	-	79/90	-
Laboratory RC Pulp Repeats - XRF [3]	2,086	430	87/87	87/85	95/98	88/95
Laboratory Diamond Pulp Repeats - XRF [3]	290	21	121/122	57/57	97/99	76/93

[1] Duplicate samples crushed at Genalysis Johannesburg and analysed at Genalysis Perth.

[2] Pulp duplicates analysed at Genalysis Perth.

[3] Pulp repeats analysed at SGS

Field Duplicates

Both the RC and diamond field duplicates exhibit good precision. The samples assayed at SGS Johannesburg show moderate to good precision with the Genalysis duplicates with 82% of RC field duplicates and 77% of the diamond duplicates within a 40% AMPRD limit (i.e. 20% Rank HARD limit. Both laboratories also reported similar means for each dataset (104ppm versus 104ppm U for the RC and 136ppm versus 140ppm U for the diamond duplicates).

Although the SGS Perth RC field duplicates exhibiting good precision (87% of the duplicates within a 40% AMPRD limit or 20% Rank HARD limit) the mean of the SGS Perth RC samples exhibit an overall lower mean than those from Genalysis (105ppm U versus 114ppm U) indicating a 9% bias. The bias is most pronounced for original samples having greater than 500ppm U.

Umpire Pulp Duplicates

The RC and diamond pulp duplicates for SGS Johannesburg exhibit moderate to good precision, with 74% of RC pulp duplicates and 79% of the diamond pulp duplicates within a generally acceptable limit of 20% AMPRD (or 10% RANK HARD), and correlation coefficient's of 0.97 and 0.95 respectively. The pulp duplicates from Genalysis Perth exhibit an overall lower mean than those from SGS Johannesburg, 96ppm U versus 103ppm U indicating a 7% bias for RC pulp duplicates and 115ppm U versus 123 ppm U indicating a 7% bias for the diamond pulp duplicates. The bias in the RC pulp duplicates is most pronounced for duplicate samples having greater than 700ppm U and the bias in the diamond pulp duplicates is most pronounced for duplicate samples having greater than 300ppm U.

The RC pulp duplicates for SGS Perth (n=142) exhibit moderate to good precision, with 76% of the data within a generally acceptable limit of 20% AMPRD (or 10% RANK HARD), a correlation coefficient of 0.97 and comparative means between the two laboratories of 79ppm versus 82ppm U for SGS Johannesburg and Genalysis Perth respectively, indicating an 4% relative bias between the two laboratories. The relative bias is most pronounced for samples above 250ppm U.

Laboratory Pulp Repeats (Replicates)

The RC and diamond laboratory pulp replicates for SGS Johannesburg exhibit great precision with 95% of the RC and 97% of the diamond laboratory pulp replicates within a limit of 20% AMPRD (or 10% RANK HARD) and correlation coefficient of 1. The means for the original and replicate samples are comparative with 87ppm versus 87ppm U for the RC and 121 versus 122 U for the diamond laboratory pulp replicates.

The pulp replicates for SGS Perth exhibit lower levels of precision with 88% of the RC and 76% of the diamond laboratory pulp replicates within a limit of 10% RANK HARD and correlation coefficient's of 0.98 and 1.04 respectively. The means for the original and replicate samples are comparative with 87ppm versus 85ppm U for the RC and 57ppm versus 57ppm U for the diamond laboratory pulp replicates. The data for the diamond laboratory pulp duplicates may be biased based on the low number of samples available (n=21).

14.3 Independent Sampling

Coffey Mining visited the Anomaly A / Oshiveli site during April 2008 and collect samples for the purposes of independent sampling (Figure 14.3_1). A total of 40 RC samples from GARC0362 were placed into plastic bags with numbered security tags attached by the author directly after drilling and splitting in the field. Once tagged the bags were sent to Bannerman's sample storage yard for processing.

Ten diamond samples were also collected from GOADH042; these were collected from the core tray located at Bannerman's core, then placed in plastic bags with numbered security tags attached. The tagged samples were then sent to the SGS Johannesburg laboratories where the security tags were inspected by Coffey Mining personnel, prior to sample preparation.

Figure 14.3_1
Etango Project
Samples Tagged for Independent Sampling

The assay results from the samples are shown in Table 14.3_1. The results clearly illustrate typical examples of mineralisation from the property, with a maximum value of 1,392ppm U_3O_8 from sample A26295. The average of the 40 RC samples collected from hole GARC0361 was 235ppm U_3O_8. The average of the 10 diamond samples collected was 13ppm U_3O_8.

Table 14.3_1
Etango Project
Independent Sampling Results

Hole ID	From	To	Sample ID	U_3O_8 (ppm)	Hole ID	From	To	Sample ID	U_3O_8 (ppm)
RC Samples									
GARC0362	0	1	A26281	4.99	GARC0362	20	21	A26302	24
GARC0362	1	2	A26282	4.99	GARC0362	21	22	A26303	76
GARC0362	2	3	A26283	16	GARC0362	22	23	A26304	232
GARC0362	3	4	A26284	30	GARC0362	23	24	A26305	137
GARC0362	4	5	A26285	15	GARC0362	24	25	A26306	127
GARC0362	5	6	A26286	14	GARC0362	25	26	A26307	194
GARC0362	6	7	A26287	14	GARC0362	26	27	A26308	610
GARC0362	7	8	A26288	173	GARC0362	27	28	A26309	584
GARC0362	8	9	A26289	176	GARC0362	28	29	A26310	62
GARC0362	9	10	A26290	156	GARC0362	29	30	A26311	135
GARC0362	10	11	A26291	162	GARC0362	30	31	A26312	178
GARC0362	11	12	A26292	217	GARC0362	31	32	A26313	35
GARC0362	12	13	A26293	557	GARC0362	32	33	A26314	141
GARC0362	13	14	A26294	1008	GARC0362	33	34	A26315	292
GARC0362	14	15	A26295	1392	GARC0362	34	35	A26316	377
GARC0362	15	16	A26296	453	GARC0362	35	36	A26317	211
GARC0362	16	17	A26297	446	GARC0362	36	37	A26318	200
GARC0362	17	18	A26298	151	GARC0362	37	38	A26319	410
GARC0362	18	19	A26299	299	GARC0362	38	39	A26321	4.99
GARC0362	19	20	A26301	87	GARC0362	39	40	A26322	12
Diamond Samples									
GOADH0042	6.79	7.79	J2436	4.99	GOADH0042	11.79	12.79	J2441	4.99
GOADH0042	7.79	8.79	J2437	4.99	GOADH0042	12.79	13.79	J2442	20
GOADH0042	8.79	9.79	J2438	4.99	GOADH0042	13.79	14.79	J2443	62
GOADH0042	9.79	10.79	J2439	4.99	GOADH0042	14.79	15.79	J2444	13
GOADH0042	10.79	11.79	J2440	4.99	GOADH0042	15.79	16.79	J2445	4.99

14.4 Assessment of Project Database

Bannerman routinely insert blanks and standards at a rate of 1:20 into the sample stream in the range of 87 to 890ppm U. It is noted that as of the date of this study, none of the Bannerman standards had been analysed by SGS Perth.

Analyses of the Bannerman inserted standards indicate that the SGS Johannesburg laboratories are reporting a relative bias of between 4% and 8% higher than the expected values for these standards with AMIS0029 (EV = 890ppm U) reporting a 4% bias, AMIS0045 (EV = 87) reporting a 7% bias, AMIS0085 (EV = 266) reporting a 5% bias and AMIS0086 (EV = 128ppm U) reporting an 8% bias. Genalysis Perth also uses two of the same standards and reports a relative bias of 1% for AMIS0029 and 1% for AMIS0045. Analyses of the SGS Johannesburg/Genalysis duplicates indicated a good level of precision between the laboratories with similar means for all datasets. Based upon the good correlation between the laboratories, it is possible that the EV for standards AMIS0085 and AMIS0086 may be understated.

An investigation between ICP-MS and XRF undertaken on 550 pulp samples at SGS Perth indicated that ICP-MS reports a 6% higher mean to the XRF. The data indicated however that the XRF reports adequately even at the lower U grades i.e. >50ppm.

In addition to the ICP-MS and XRF comparison Bannerman has undertaken XRF comparison between its primary laboratory SGS Johannesburg with ALS Chemex and Setpoint

Laboratories. Field duplicates reference samples were split and sent to SGS Johannesburg, ALS Chemex and Setpoint for 1014 samples. The results from this investigation indicated that the XRF results from SGS Johannesburg (n=999, mean=202) reports between the ALS Chemex (n=1012, mean=180) and Setpoint Laboratories (n=1012, mean=209). Based on the ICP-MS and XRF laboratory comparisons it appears that the XRF reports within acceptable limits. The summary statistics and charts for the comparative analyses are shown in in Appendix 1. Further investigation may be required to continue to monitor and determine if SGS Johannesburg analysis is biased high or if the EV for the standards are understated.

The results of the RC field duplicates for SGS Perth indicate a general negative bias with respect to Genalysis in the order of 9%. This potential bias should be tested with the insertion of industry standard to the SGS Perth laboratory and further action taken as necessary.

Based upon Coffey's analysis of the duplicates data and the laboratory based standards data, the Bannerman assaying is considered to meet industry acceptable standards for sample accuracy and precision and is acceptable for use in resource estimation studies.

As of November 2007, Bannerman has used the Acquire commercial database software system to manage their drillhole data. The use of such database management software is considered to be of high industry standard as it enables the incorporation of large datasets into an organised, auditable structure. Checks by Coffey Mining have identified no material issues with the database and it is considered acceptable for use in resource estimations.

15 ADJACENT PROPERTIES

The Bannerman EPL's are situated within the highly prospective Central Zone of the Damara Orogenic Belt, which is currently subject to intensive exploration and development by a number of international mining and exploration companies. Significant nearby uranium projects include the Rössing Mine, the Langer Heinrich Mine, and the nearby Husab project (Figure 4.4.1_1 in Section 4).

15.1 Rössing Mine

The Rössing Mine is controlled by Rössing Uranium Limited which in turn is owned by Rio Tinto (69%), the Government of Iran (15%), the Industrial Development Corporation of South Africa (10%), the Namibian Government (3%), and private ownership (3%). The mine is located approximately 6.25km from the north-eastern boundary of EPL 3345 and is the largest granite-hosted uranium mine in the world. Production commenced in 1978.

Uranium mineralisation is associated with post-D_3 Type D and E alaskites (Basson and Greenaway, 2004) which have preferentially intruded into pyroxene-hornblende gneiss and biotite-amphibole schist units of the Khan Formation in the northern ore zone, and into biotite-amphibole schist/lower marble/lower biotite-cordierite gneiss of the Rössing Formation in the central ore zone (Roesener and Schreuder, 1997). The main, primary uranium mineral is magmatic uraninite (Basson and Greenaway, 2004).

The alaskites range in size from small quartzo-feldspathic lenses to large intrusive bodies, with the bulk of the economic mineralisation being contained in alaskite on the northern limb of the 'mine' synclinorium (Roesener and Schreuder, 1997).

The stratigraphic trend which hosts the Rössing Mine is interpreted to extend into the centre of EPL 3345, highlighting the highly prospective nature of this tenement.

15.2 Langer Heinrich Mine

The Langer Heinrich uranium mine, which is owned by Paladin Resources Ltd, is located directly within the excised portion of EPL 3346 (Figure 4.4.1_1 of Section 4). The mine came into production in December 2006.

The Langer Heinrich deposit is a calcrete related uranium deposit that is associated with valley fill sediments in a Tertiary paleodrainage system. The uranium occurs as carnotite. The deposit occurs over a 15km strike length and has up to 8m of river sand and scree cover (Paladin, 2007b).

Due to the proximity of such a large, proven calcrete-hosted system, this type of mineralisation will be prospective within Bannerman's EPL's.

15.3 Husab JV Project

The Husab Joint Venture project is controlled by Extract Resources Ltd ('Extract'). It consists of two EPL's with a total area of 637km^2 and is located directly between Bannerman's tenements (EPL 3345 and EPL 3346). In January 2009, Extract publically reported an Inferred Resource of 115Mt at 430ppm U_3O_8 above a 100ppm U_3O_8 lower cutoff for its Rossing South prospect.

The tenements contain primary alaskite hosted mineralisation (the main exploration focus) and secondary carnotite and calcrete hosted mineralisation. Mineralised alaskites occur along the contact between the Khan Formation and marbles of the Husab Formation (Morel, 2007).

16 MINERAL PROCESSING AND METALLURGICAL TESTING

No further work has been undertaken in this section. Please refer to the previous technical report from August 2008 (Inwood, N.A. 2008b, Etango Project, Namibia. Technical Report by Coffey Mining Pty Ltd for Bannerman Resources Limited) for associated text.

17 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

In January 2009, Coffey Mining completed a resource estimate for the combined Anomaly A/Oshiveli uranium deposit. The Qualified Person responsible for the resource estimate is Mr Neil Inwood, who is a Specialist Resource Geologist with the consultancy Coffey Mining Pty Ltd. The Qualified Person's certificate for Mr Inwood is included in Appendix 3. The details of the resource estimation are summarised in the following section.

No formal Reserve estimate has been completed for the deposit.

17.1 Resource Database and Validation

17.1.1 Database

For the 2009 resource update, only holes drilled by Bannerman were used. The drillhole database in the vicinity of the estimation consists of 527 RC and 64 diamond drillholes totalling 135,248m.

The drillholes were oriented typically at 60º dip to the east (UTM grid) with a drill spacing ranging from 50m by 50m to 50m by 100.

A combination of chemical assaying (36,228 samples - 99% of the total) and factored radiometric data (482 1m composites) was used for the estimation of the mineralised zones.

Where the chemical assays returned below detection limit, half the detection limit was assigned to the intervals. Intervals which were not sampled internal to mineralised zones were given a grade of 0.001ppm U_3O_8. On a case by case basis, some intervals were treated as null (i.e. no samples) for drillholes which contained mineralised intervals and had not yet received any assaying results. The assays used for the resource estimate were allocated to the resc_u3o8 field in the database.

The results of any new GRS downhole surveys available since the 2008 resource estimate were also incorporated into the 2009 drillhole database.

17.1.2 Validation

The 2009 drillhole database was checked by a variety of methods including:-

- Checks of the top 200 assays against original laboratory certificates.
- Database and visual comparison of assay, collar and survey data against the 2008 validated database.
- 3D analysis of collar positions and downhole survey traces.

No significant data related issues were identified and the resulting database was considered to be robust and appropriate for use in resource estimation.

17.2 Geological Interpretation and Modelling

17.2.1 Geological and Mineralisation Model

The majority of the uranium mineralisation is associated with the alaskite bodies and follows the trends of the alaskite contacts, with typically little significant mineralisation occurring in the surrounding sediments. The alaskite contacts were therefore considered at the time of modelling and used to guide sectional and 3D modelling of the mineralisation shapes.

As the new drilling for 2009 was essentially infill drilling, the 2008 alaskite interpretation was used to code the lithology for the 2009 resource update.

To establish appropriate grade continuity, the mineralisation model for the Anomaly A/Oshiveli deposit was based upon a nominal 75ppm U_3O_8 mineralisation halo. This nominal mineralisation outline also represented the natural cutoff of U_3O_8 mineralisation exhibited in the drillholes, with grades typically falling below 30ppm to 20ppm U_3O_8 away from the logged alaskite contacts. The mineralisation boundaries within the alaskites bodies were often extended up to 2m to the alaskite contacts, even if these intervals were not mineralised above the nominal 75ppm U_3O_8 cutoff.

The mineralisation constraints were generated based upon sectional interpretation and three dimensional analyses of the available drilling data. The mineralised zones (Figure 17.2.1_1) were modelled as 49 distinct 3m to 168m thick zones with a northerly trend. The zones dip from -10° to -40° to the west. Individual zones were modelled from 150m to 1,400m long.

Figure 17.2.1_2 shows a typical sectional interpretation with the mineralised zones, alaskite interpretation and the contact zone between the Chuos, Khan and Etusis meta-sediments. Individual mineralised zones which did not have more than two drillhole intersections on two consecutive 50m or 100m spaced sections were not estimated.

17.2.2 Weathering Profile

The pedolith (Figure 17.2.1_2) predominantly consists of <1m of transported sands. In places minor calcrete or gypcrete is encountered within the transported sand and where present it often binds the sand grains together to form a surface cap. The base of the weathering profile in the alaskites and surrounding meta-sediments was logged to extend typically less than 50m from the surface. The 2008 modelled weathering profile was used for the resource estimate. A brief analysis to determine the effect of density and U_3O_8 grades within the profile was conducted.

Some leaching of uranium from the alaskites near surface was evident. This is thought to be associated with oxidation observed in the upper parts of the deposit. Based upon the available core density measurements, the effect of weathering on density within the profile is considered to be negligible.

Figure 17.2.1_1
Etango Project
2009 Modelled Mineralised Zones

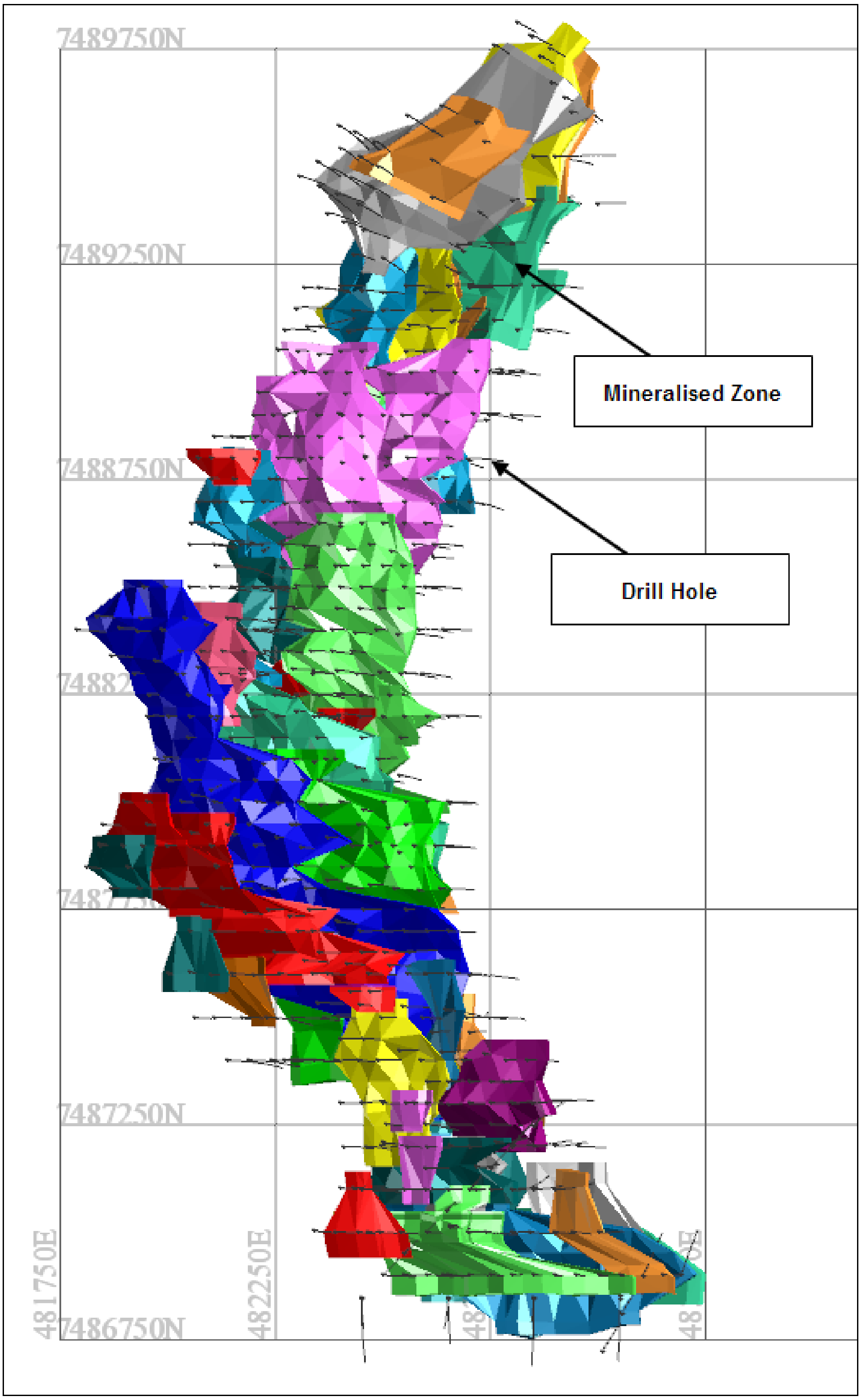
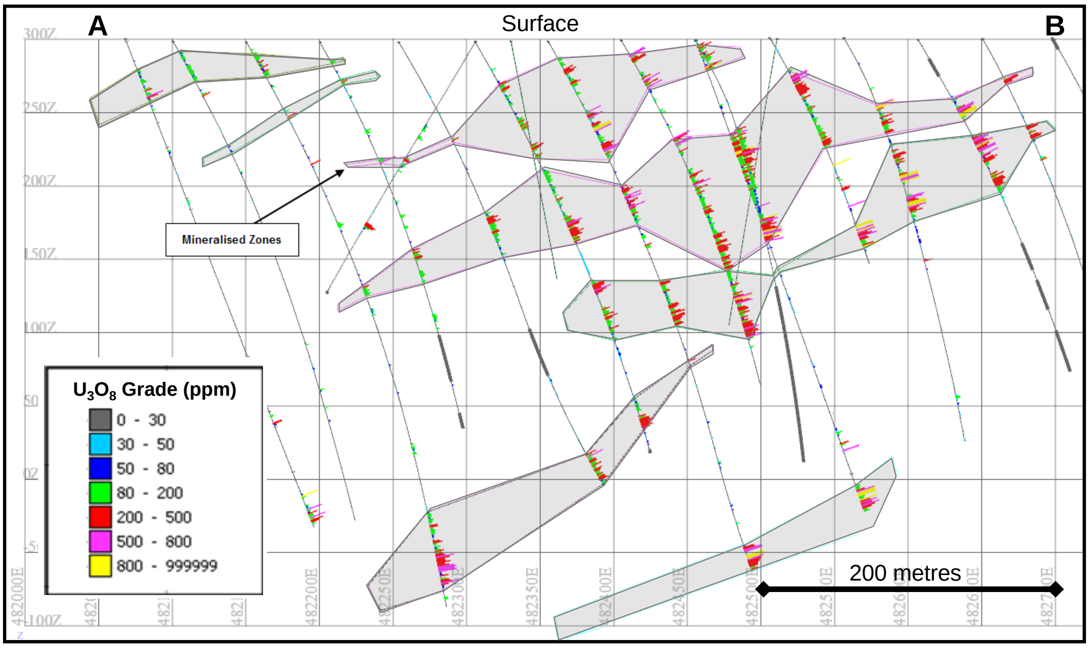


Figure 17.2.1_2
Etango Project
Section 7,488,800mN with Drilling, Lithology and U_3O_8 Values



17.3 Statistical Analysis

Most of the assays (99%) used in the resource estimate were analysed by XRF, with the remainder being factored gamma log eU_3O_8 analysis sourced from the Auslog tool.

In 2008, a comparative analysis was conducted between the radiometric and XRF data to determine the robustness of the radiometric datasets (Inwood, 2008a). The analysis indicated that the radiometric datasets were positively biased with respect to the XRF assaying. As the radiometric data constituted such a small portion of the resource data set, the factors obtained from the 2008 study were applied to the radiometric data for 2009.

The linear regressions used for the factoring of the Auslog eU_3O_8 data to minimise any relative bias are shown below:

- Bin 1 – 0ppm to 1,100ppm eU_3O_8
  - Factored Auslog = Auslog eU_3O_8ppm * 0.86 - 26.44
- Bin 2 - 1,100ppm to 1,700ppm eU_3O_8
  - Factored Auslog = Auslog eU_3O_8ppm * 1.03 - 66.58
- Bin 3 - > 1,700ppm
  - Factored Auslog = Auslog eU_3O_8ppm * 0.96 + 79

17.3.1 Statistical Analysis of Composites and Top Cuts

The bulk of the sampled intervals were 1m in length. To emulate any potential mining sub-bench size (i.e. 2.5m) it was decided to use 3m U_3O_8 composites for the estimation with a minimum allowable length of 1.2m. Any residuals (composites <1.2m) were not used in the estimates. Further statistical investigations were performed upon the 3m U_3O_8 composites from within each of the mineralised zones. Summary statistics of the 3m U_3O_8 composites are shown in Table 17.3.2_1. Full statistical plots from all of the mineralised zones are shown in Appendix 2.

Figures 17.3.2_1 and 17.3.2_2 show typical histogram and log-probability plots of the 3m U_3O_8 composite data from within Zones 2 and 14. Both plots demonstrate the strong positive tail typical of the deposit; however both datasets also have a relatively low coefficient of variations (standard deviation/mean 0.77 for Zone 2 and 1.02 for Zone 14) indicating that positive outliers do not necessarily heavily impact upon the mean of the data population

Assessment of the high grade U_3O_8 composites was completed to determine the requirement for high-grade cutting to be used for resource estimation. The approach taken included:

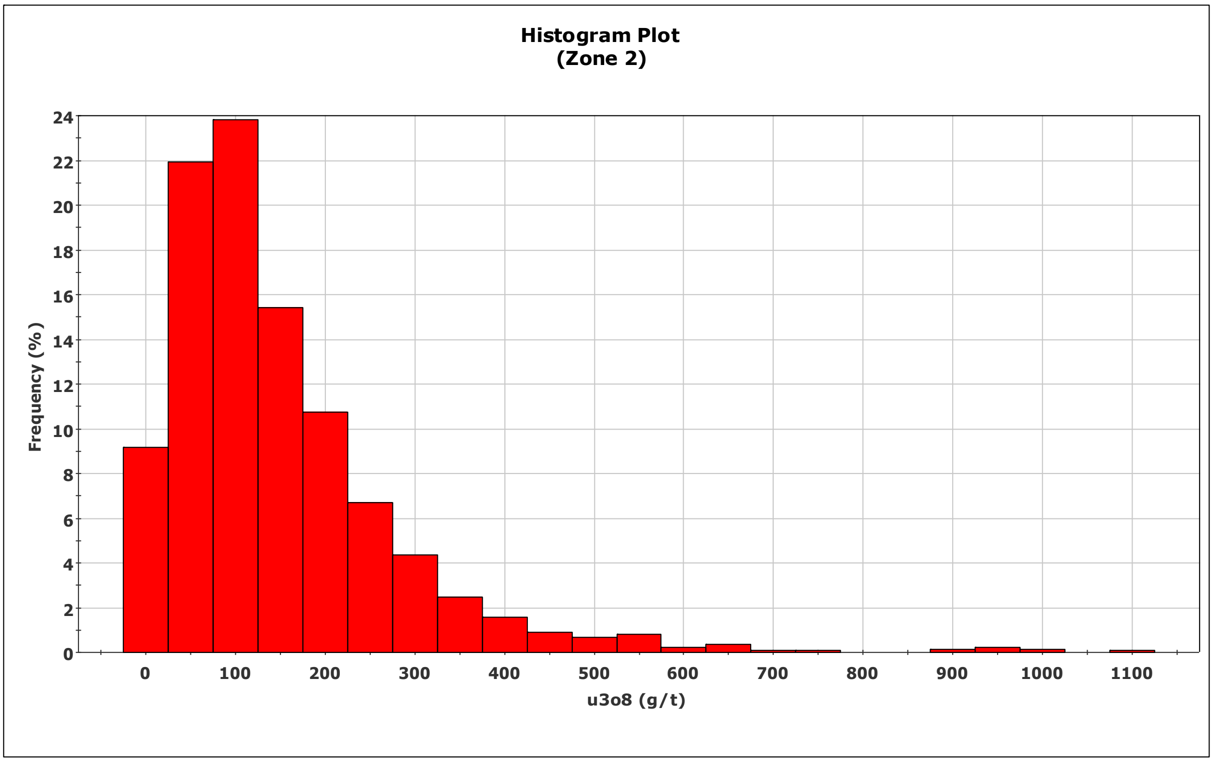
- Detailed review of histogram and probability plots, with significant breaks in populations used to interpret possible outliers;
- Detailed review of spatial distribution plots; and
- Ranking of the composite data and the investigation of the influence of individual composites on the mean and standard deviation.

The top cuts used and their effect on the mean of the mineralised zones average grade are shown in Table 17.3.2_1. The effect of applying top cuts to the bulk of the zones was to reduce the naïve mean by between 1 and 7%. However some zones were highly sensitive to the cutting of a relatively few high grade samples (e.g. Zone 35, where the cutting of five samples resulted in a 15% decrease in the mean) due to extreme high-grade outliers.

Table 17.3.2_1
Anomaly A / Oshiveli - Uranium Project
Summary Statistics for 3m U_3O_8 Composites (ppm)

Uncut 3m Composites									Cut 3m Composites			
Zone	**Number**	**Min.**	**Max.**	**Mean**	**Median**	**Std Dev**	**Variance**	**C.V.**	**Cut Mean**	**Decrease**	**Cut**	**# Cut**
1	262	5	1,364	**205**	152	186	34,546	0.91	**202**	99%	800	3
2	1,330	3	1,104	**171**	138	132	17,461	0.77	**170**	99%	800	8
3	1,258	5	1,632	**210**	168	167	27,852	0.79	**209**	99%	900	6
4	246	5	740	**144**	117	106	11,171	0.73	**142**	98%	500	4
5	350	12	1,944	**248**	191	232	53,900	0.94	**240**	97%	900	7
6	84	5	636	**194**	163	139	19,419	0.72	**193**	99%	550	2
7	37	23	1,142	**310**	196	274	75,199	0.89	**295**	95%	800	3
8	10	88	255	**146**	136	45	2,045	0.31	**146**	100%	None	0
9	329	10	1,695	**223**	151	214	45,664	0.96	**217**	97%	900	5
10	201	3	485	**165**	156	99	9,797	0.60	**165**	100%	None	0
11	62	5	462	**155**	125	110	12,182	0.71	**155**	100%	None	0
12	177	5	468	**114**	104	81	6,613	0.72	**114**	100%	None	0
13	473	5	2,512	**182**	137	175	30,473	0.96	**176**	97%	650	4
14	798	3	2,842	**250**	175	254	64,637	1.02	**244**	98%	1200	6
15	129	5	749	**213**	182	122	14,896	0.57	**212**	99%	600	1
16	149	5	1,340	**277**	234	193	37,090	0.70	**273**	99%	800	1
17	76	8	1,055	**291**	212	231	53,445	0.80	**284**	98%	800	2
18	1,417	2	1,908	**211**	166	190	36,070	0.90	**209**	99%	1050	10
19	57	5	473	**168**	144	130	16,947	0.78	**168**	100%	None	0
20	456	5	2,132	**253**	210	224	50,358	0.89	**251**	99%	1100	3
21	116	5	1,105	**166**	125	163	26,617	0.99	**157**	95%	550	2
22	254	5	1,852	**235**	170	223	49,792	0.95	**228**	97%	850	6
23	800	5	2,282	**230**	173	224	50,349	0.98	**227**	99%	1150	6
24	155	5	855	**208**	182	156	24,354	0.75	**204**	98%	600	4
25	311	5	1,689	**207**	162	191	36,322	0.92	**203**	98%	800	3
26	310	5	1,989	**229**	178	211	44,707	0.93	**221**	97%	800	4
27	195	5	1,492	**212**	150	196	38,248	0.92	**204**	96%	700	4
28	21	5	412	**164**	159	108	11,657	0.66	**164**	100%	None	0
29	147	5	998	**164**	117	164	26,980	1.00	**158**	96%	600	3
30	539	5	1,127	**165**	139	134	17,874	0.81	**161**	97%	600	9
31	126	8	1,230	**212**	162	191	36,654	0.90	**204**	96%	680	4
32	134	5	285	**104**	99	56	3,145	0.54	**104**	100%	None	0
33	161	5	1,368	**175**	126	174	30,164	0.99	**168**	96%	600	6
34	345	5	2,165	**173**	127	189	35,839	1.09	**164**	95%	650	7
35	138	2	3,132	**190**	100	327	106,885	1.72	**162**	**85%**	700	5
36	63	7	899	**197**	134	179	31,975	0.91	**189**	96%	600	2
37	28	34	404	**128**	105	82	6,703	0.64	**128**	100%	None	0
38	51	5	1,417	**247**	197	234	54,968	0.95	**231**	94%	650	2
39	24	43	1,009	**247**	160	220	48,220	0.89	**230**	93%	600	1
40	33	5	396	**149**	129	100	10,062	0.67	**149**	100%	None	0
41	96	5	719	**145**	115	123	15,140	0.85	**138**	96%	450	4
42	39	2	1,574	**203**	130	268	71,633	1.32	**203**	100%	None	0
43	47	9	415	**113**	99	71	5,081	0.63	**113**	100%	None	0
44	69	65	489	**223**	203	91	8,316	0.41	**223**	100%	None	0
45	37	5	370	**151**	125	112	12,482	0.74	**151**	100%	None	0
46	59	7	520	**107**	77	104	10,844	0.98	**107**	100%	None	0
47	16	66	317	**145**	127	65	4,198	0.45	**145**	100%	None	0
48	18	46	254	**125**	89	77	5,929	0.61	**125**	100%	None	0
49	17	5	922	**178**	124	213	45,287	1.20	**147**	83%	400	1

Figure 17.3.1_1
Etango Project
Statistical Plots for Zone 2



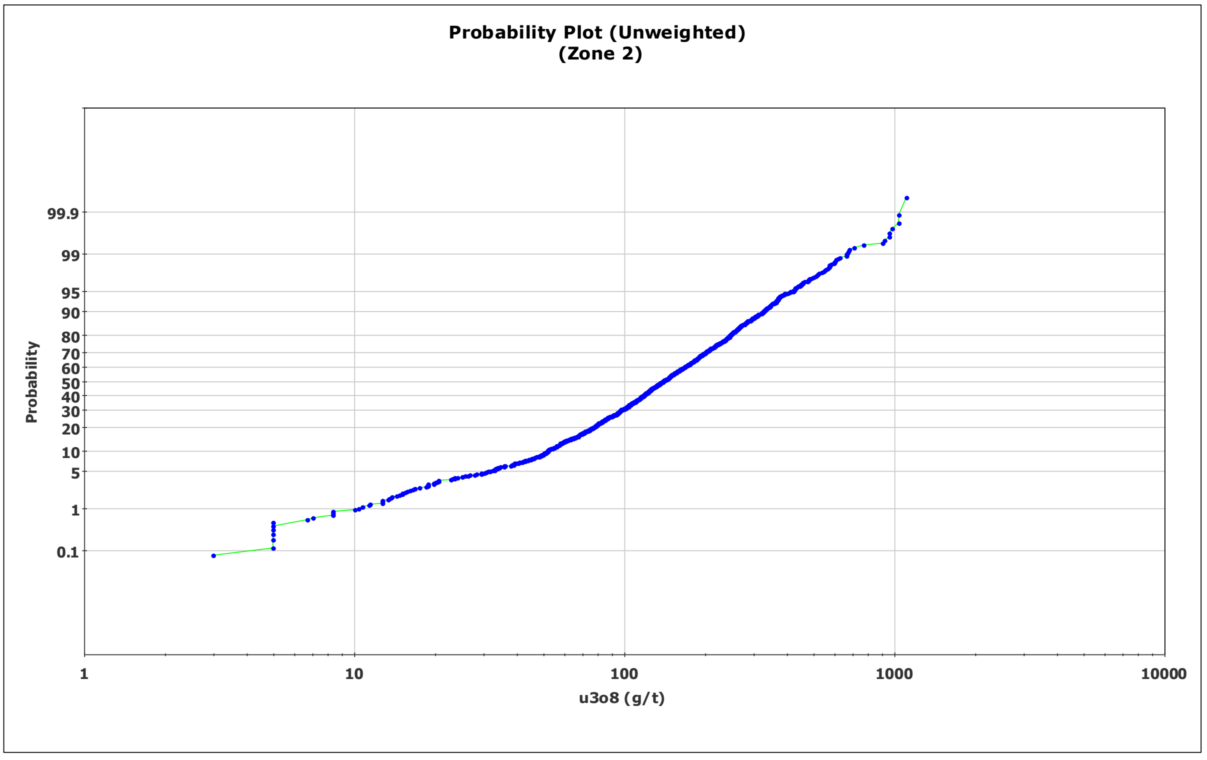
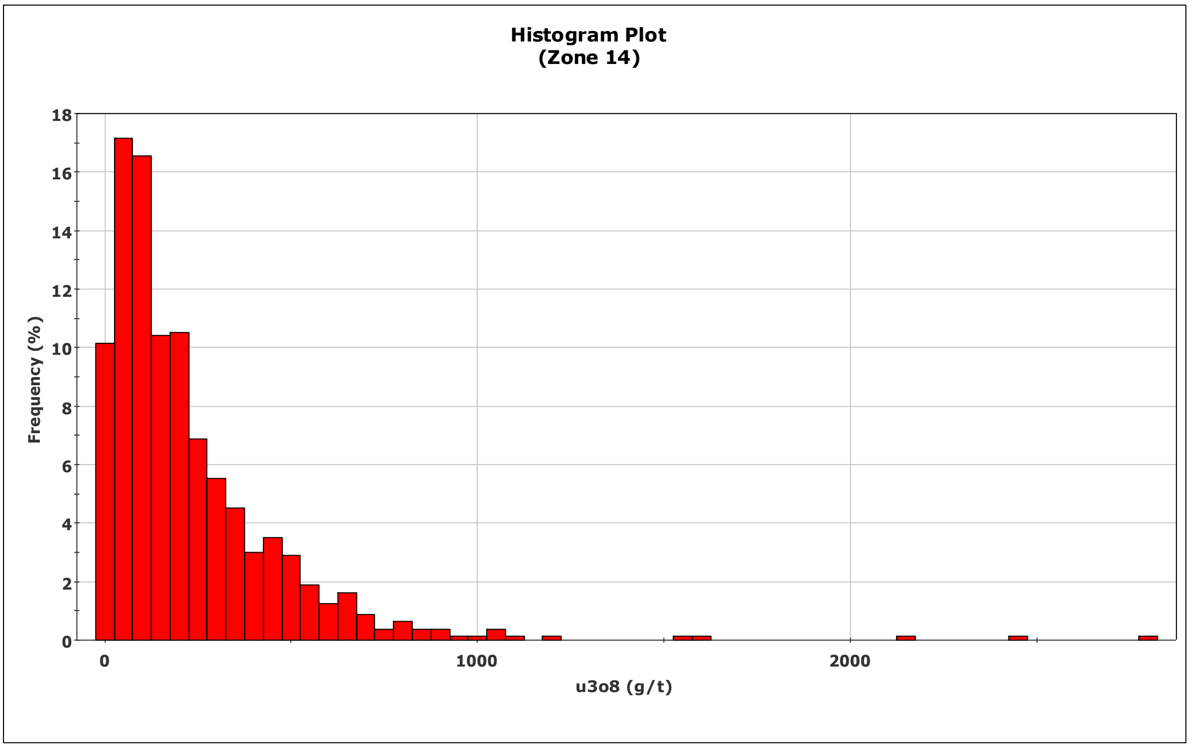
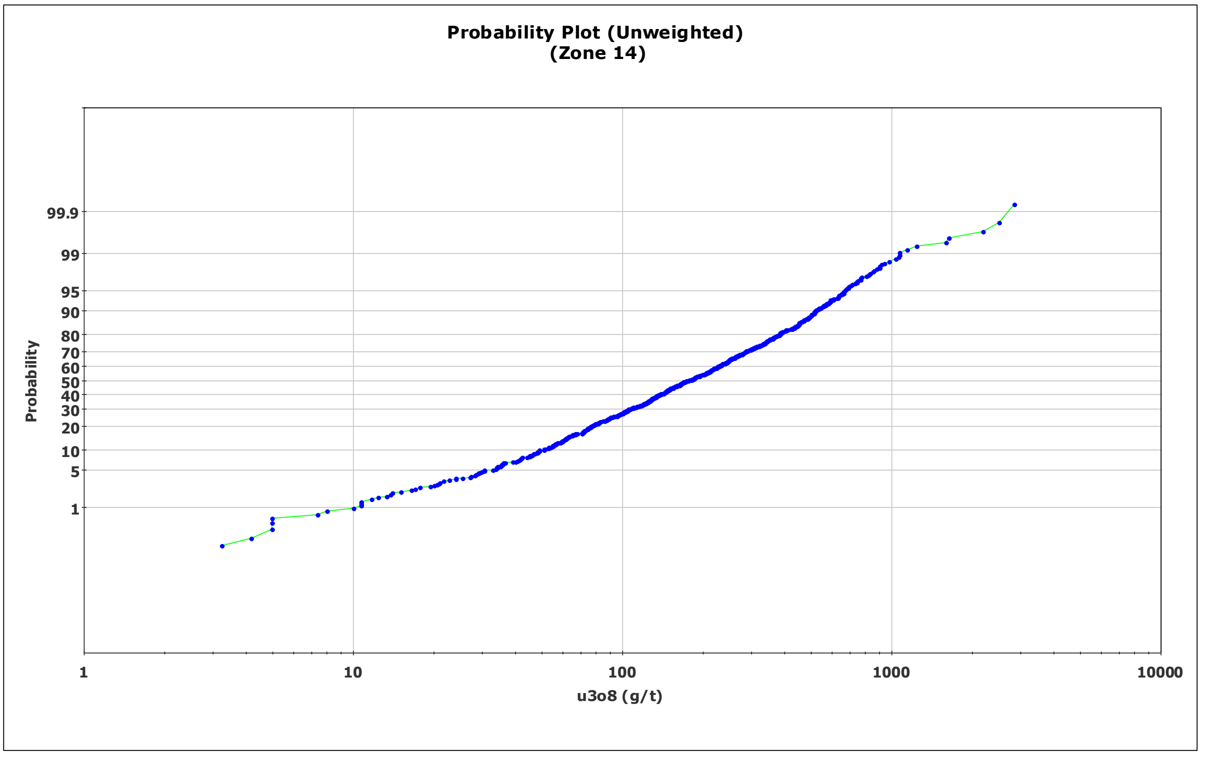


Figure 17.3.1_2
Etango Project
Statistical Plots for Zone 14





17.3.2 Bulk Density Data

The bulk density values used for the 2009 resource update were based upon the analysis conducted for the 2008 estimate. A total of 6,749 density (4,820 water immersion and calliper) and specific gravity (1,929 air pycnometer) measurements were available. The 4,820 density readings were studied to determine the appropriate density values for use in the resource.

The density readings were taken from 39 diamond drillholes located along the trend of the deposit (Figure 17.3.2_1) with 166 water immersion measurements available and 4,654 calliper measurements available. Summary statistics for the mineralised zone and sediment density and SG measurements are shown in Tables 17.3.2_1 and 17.3.2_2.

Table 17.3.2_1

Anomaly A / Oshiveli - Uranium Project

Summary Statistics for Mineralised Zone Density and SG Values (t/m^3)

Item	Calliper	Immersion	Calliper and Immersion	Pycnometer (SG)
Count	2,027	45	2,072	779
Minimum	1.92	2.5	1.92	2.56
Maximum	5.45	3.17	5.45	3.51
Mean	**2.62**	**2.67**	**2.62**	**2.69**
Median	2.62	2.62	2.62	2.67
Standard Deviation	0.12	0.14	0.12	0.1
Variance	0.02	0.02	0.02	0.01
Coefficient of Variation	0.05	0.05	0.05	0.04

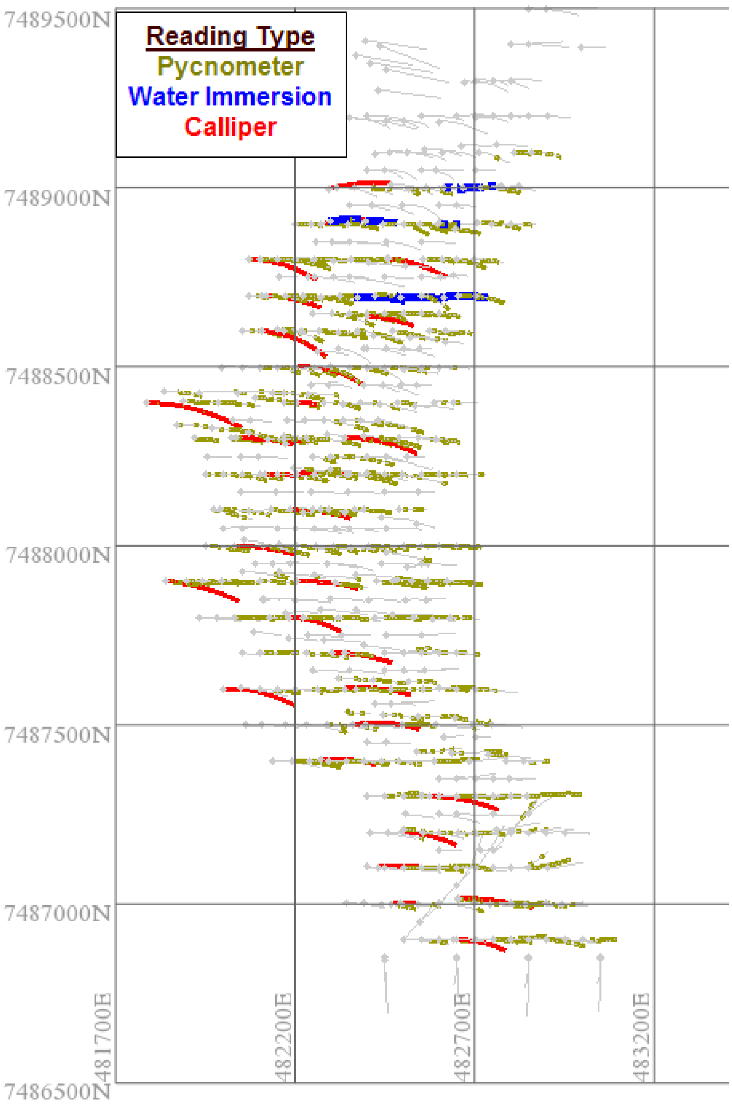
Table 17.3.2_2

Anomaly A / Oshiveli - Uranium Project

Summary Statistics for Meta-sediment Density (Calliper and Water Immersion) Values (t/m^3)

Item	Chuos (CGN)	Khan (KGN)	Etusis (EGN)
Count	1,274	36	25
Minimum	1.58	2.05	2.35
Maximum	3.83	3	3.14
Mean	**2.69**	**2.76**	**2.77**
Median	2.69	2.79	2.74
Standard Deviation	0.09	0.15	0.15
Variance	0.01	0.02	0.02
Coefficient of Variation	0.03	0.05	0.05

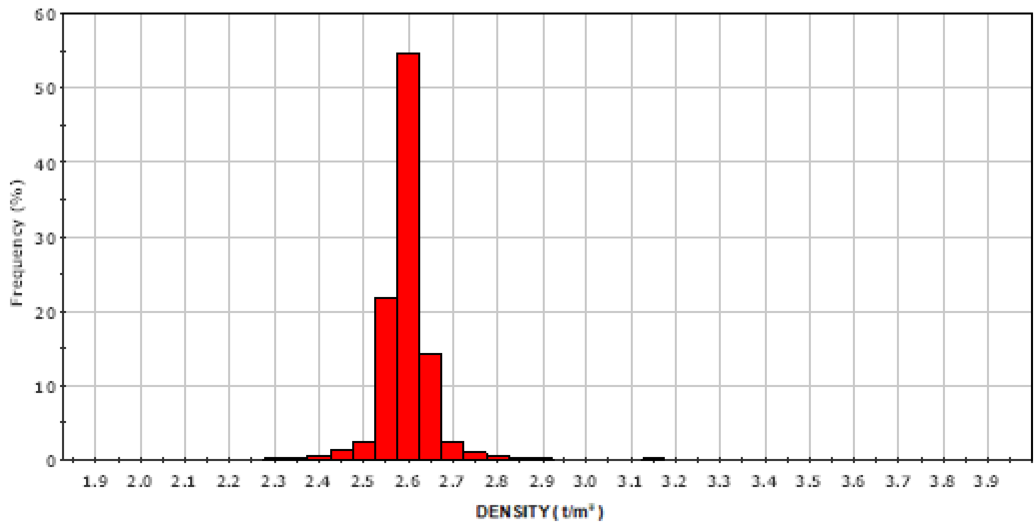
Figure 17.3.2_1
Etango Project
Location of Density and Specific Gravity Readings



The mineralised zones consist predominantly of alaskite lithologies with minor meta-sedimentary units. For the mineralised zones, the density measurements made using the calliper method (2,027 values) averaged 2.62t/m^3; whilst the measurements made using the immersion method (45 values) showed an average of 2.67t/m^3. The average of both datasets is 2.62t/m^3. Based upon the water immersion and calliper readings, the Chuos, Khan and Etusis units had average density values of 2.69t/m^3, 2.76t/m^3 and 2.77t/m^3 respectively.

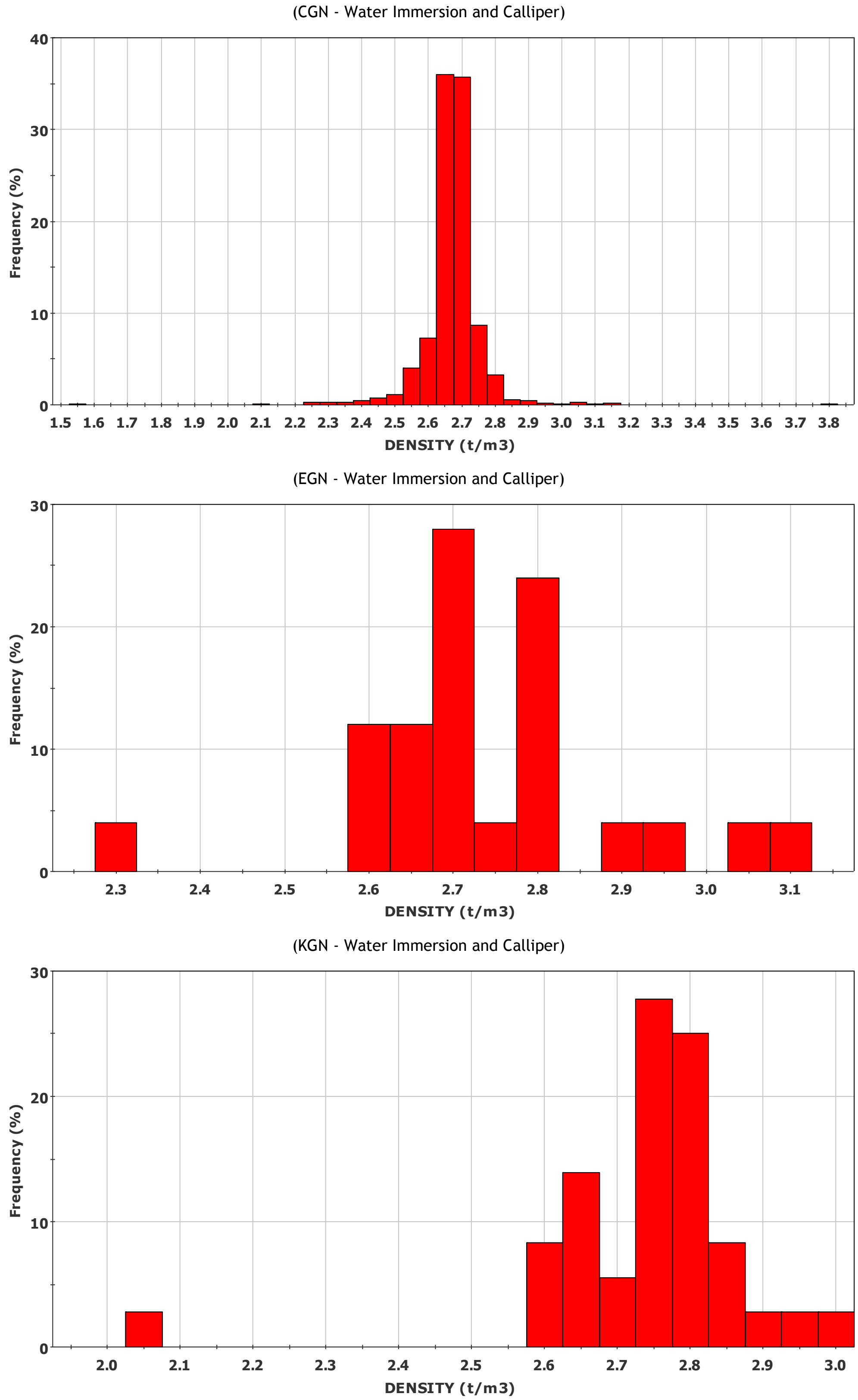
Figure 17.3.2_2 shows histogram plots of the mineralised zone density data. These zones consist predominantly of alaskite lithologies with minor metasedimentary units. Figure 17.3.3_2 shows histogram plots of the meta-sedimentary units density data.

Figure 17.3.2_2
Anomaly A / Oshiveli - Uranium Project
Histogram Plots of The Mineralised Zones Density Measurements



A total of 128 density measurements were available from the predominantly waste meta-sedimentary units. These had an average density value of 2.67t/m^3 (Table 17.3.2_2). Figure 17.3.2_3 shows a histogram plot of the meta-sediment density measurements.

Figure 17.3.2_3
Anomaly A / Oshiveli - Uranium Project
Histogram Plot of Density Readings from the Meta-Sediments



17.3.3 Variography

As the 2009 resource update predominantly consisted of infill drilling, the variography used for the 2009 resource update was based on the analysis conducted for the 2008 resource, which is described below.

In this document, the term 'variogram' is used as a generic word to designate the function characterising the variability of variables versus the distance between two samples. The Isatis geostatistical software was used to analyse the Anomaly A / Oshiveli variography. Both traditional semi-variograms and correlograms were used to analyse the spatial variability of the U_3O_8 3m composites for four of the major mineralised zones. Down-hole variography was calculated and used to determine the nugget for each of the zones.

Table 17.3.3_1 summarises the resulting variogram models used in the resource estimate. All zones exhibited a well structured downhole variogram with a relative nugget between 27% and 43% and a total range of between 27m and 32m. The variography in the major and semi-major axis generally poorly defined having a spherical structure with a relative sill of between 35% and 50% at ranges of between 35m to 50m in the major axis. This has typically resulted in most of the zones having 68% to 75% of the total variance modelled within the range of the first structure. The total range of the major axis varies from 90m to 150m.

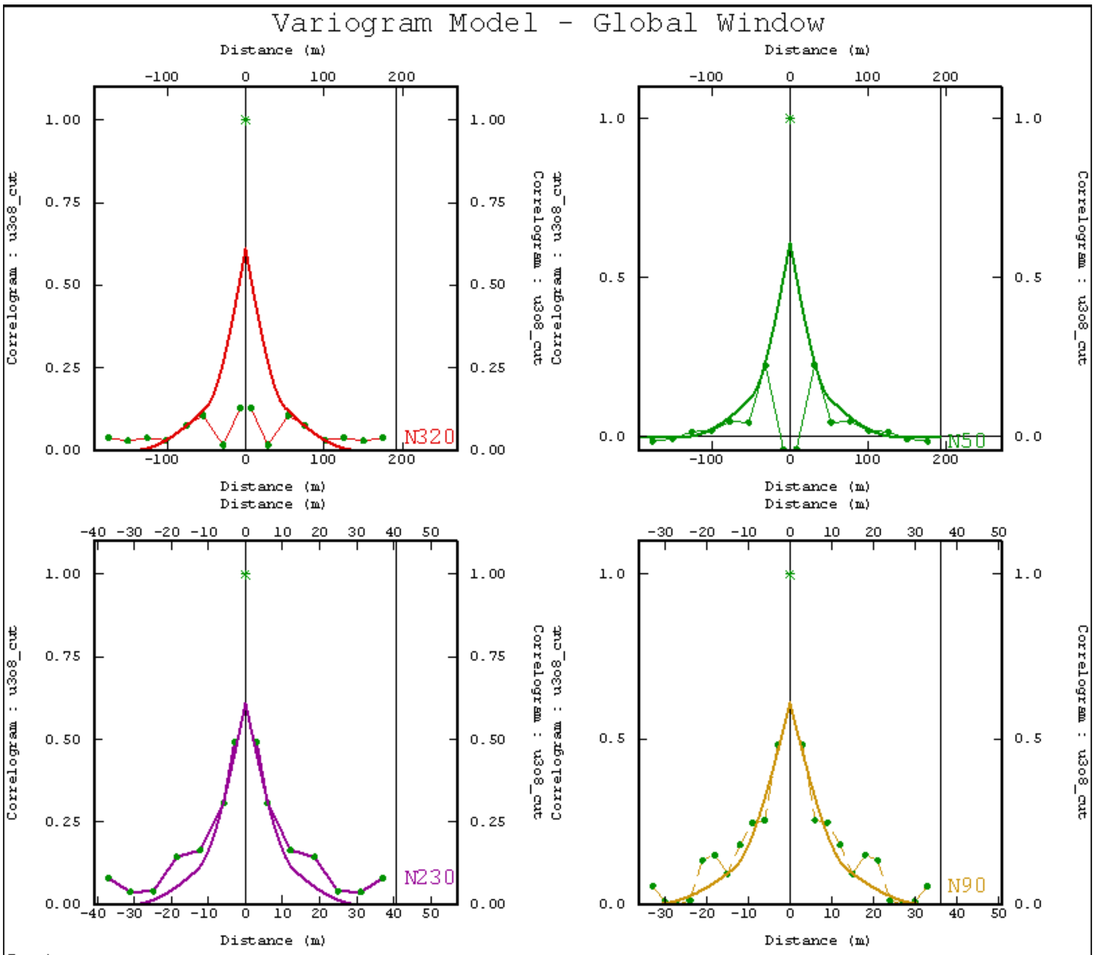
Figure 17.3.3_1 shows the obtained variography from Zone 3 as an example. Summary plots of the variography for the main zones are included in Appendix 2.

After investigation of the variography of the remaining zones, it was decided to base the variogram parameters of the mineralised zones upon the variography modelled for either Zones 2, 3 or 23 (see Table 17.3.3_1) based upon similarities in grade and geometry. The variogram orientation for these zones were changed as required to follow the orientation trend of the zones, as indicated in Table 17.5.1_1.

Table 17.3.3_1
Etango Project
Relative Variogram Parameters for the Main Mineralised Zones

Zone	Applied to Zones	Orientation			Co	C_1	Range 1 (m)			C_2	Range 2 (m)		
		Bearing	Plunge	Dip			X	Y	Z		X	Y	Z
2	1,2, 5, 6, 7, 15, 19, 21, 31, 33, 35, 36, 39, 40, 47, 48, 49	320	0	24	0.31	0.40	35	35	8	0.29	100	110	28
3	3, 4, 8, 9, 11, 11, 16, 17, 28, 38, 41, 42, 43, 45	320	0	24	0.39	0.35	50	50	13	0.26	144	134	31
13	13	310	0	30	0.32	0.45	50	50	11	0.23	150	150	25
14	14	320	0	24	0.27	0.41	40	20	15	0.32	150	90	30
18	18	320	0	24	0.40	0.35	40	40	12	0.25	130	100	32
23	12, 20, 22, 23, 24, 25, 26, 28, 29, 32, 37, 44, 46	0	0	45	0.24	0.50	40	40	13	0.26	150	150	25
30 and 34	30 and 34	0	0	0	0.34	0.43	20	20	10	0.22	130	130	27

Figure 17.3.3_1
Etango Project
Zone 3 Correlogram Plot



Isatis

```
3mcomps/3mcomps_no_diln(zone_s{zone=3})
- Variable #1 : u3o8_cut
Experimental Variogram : in 1 direction(s)
D2   : N50
       Angular tolerance =   45.00
       Lag =   25.00m, Count = 17 lags, Tolerance = 50.00%
Model : 3 basic structure(s)
Global rotation = (Az=130.00, Ay=  0.00, Ax=-24.00)
S1   - Nugget effect, Sill =        0.39
S2   - Spherical - Range = 13.00m, Sill =        0.35
       Directional Scales = (     50.00m,     50.00m,     13.00m)
S3   - Spherical - Range = 31.00m, Sill =        0.26
       Directional Scales = (    144.00m,    134.00m,     31.00m)
```

neil_inwood
Jul 29 2008   10:43:43
AnomA_july29

17.4 Block Model Construction

A block model was created using Surpac mining software with a parent cell size of 25m (Easting) by 25m (Northing) by 10m (RL) which was sub-blocked down to 6.25m (Easting) by 6.25m (Northing) by 1.25m (RL). No rotation was applied to the block model. The block model parameters are summarised below in Table 17.4_1. The variables coded into the block model are shown below in Table 17.4_2.

Table 17.4_1
Etango Project
Block Model Parameters

	Easting (X)	Northing (Y)	RL (Z)
Min. Coordinates	481,500	7,486,500	-300
Max. Coordinates	483,400	7,489,900	310
Block size (m)	25	25	10
Sub Block size (m)	6.25	6.25	1.25

Table 17.4_2
Etango Project
Block Model Variables

Variables	Type	Default	Description
ave_dist	Real	0	Average distance to Informing Samples
category	Integer	0	Classification category: 2 = indicated, 3 - Inferred
U_3O_8_cut	Real	-99	OK estimate for cut U_3O_8
U_3O_8_uncut	Real	-99	OK estimate for uncut U_3O_8
lith	Integer	0	1 = Alaskite, 2 = Chuos, 3 = Khan, 4 = Etusis
density	Real	2.62	Insitu Dry Bulk Density
estflag	Integer	0	Estimation pass
krig_var	Real	-99	Kriging variance
near_samp	Real	0	Distance to nearest sample
nholes	Integer	0	Number of Informing drillholes
nsamps	Integer	0	Number of informing samples
zone	Integer	99	Mineralised Zone : 0=air, 99 = waste, 1-49= mineralised zones

17.5 Grade Estimation

17.5.1 OK Estimate

Grade was estimated into to the block model using Ordinary Block Kriging ('OK') for U_3O_8 and related variables. No mathematical change of support was applied to emulate selective mining scenarios as it was considered that the parent cell block size of 25m by 25m by 10m would be similar in size to likely selective mining blocks.

Sample neighbourhood testing was conducted using Isatis geostatistical software to determine an appropriate search strategy for the OK estimation. The neighbourhood testing included investigations into the minimum and maximum number of samples used for estimation, block discrimination, negative kriging weights, the slope of regression and the resulting kriging variance.

As the Bannerman drilling had been completed on a regular grid pattern, drillhole data clustering was not significant and the same sample selection criteria were used for all mineralised zones. The resulting staged sample search strategy as summarised in Table 17.5.1_1.

Table 17.5.1_1
Etango Project
Sample Search Parameters – Ordinary Kriging

Zones	Pass	Search Orientation			Search Radii			Number of Samples		
		Bearing	Plunge	Dip	Major Axis (m)	Semi-Major Axis (m)	Minor Axis (m)	Min	Max	Max / Hole
35	1 2 3	0	-30	24	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5
5,15	1 2 3	0	-20	0	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5
15,40,43, 48	1 2 3	0	-20	24	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5
47	1 2 3	0	-10	0	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5
30,34	1 2 3	0	0	0	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5
1,6,7,8,9,11,16,17,21,21,22, 32,36,37,38,39,44,45,46,49	1 2 3	0	0	24	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5
10	1 2 3	0	0	30	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5
12,23,33	1 2 3	0	0	45	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5
24,25,26,28,29,31	1 2 3	0	15	24	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5
13	1 2 3	310	0	30	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5
2,3,4,14,18,19,27,41,42	1 2 3	320	0	24	65 130 260	65 130 260	32.5 65 130	12 12 6	30 30 24	5 5 5

The variogram parameters used for the estimation were based upon the variography discussed in Section 17.3.4 and summarised in Table 17.3.4_1. Domain control was used for the OK estimate using whole block discretisation of 5 points in the x-dimension, 5 points in the y-direction and 3 points in the z-dimension for a total of 75 points per whole block estimate. Any sub-blocks within the 3D limit of each whole block were assigned the whole block OK estimate.

17.5.2 Validation

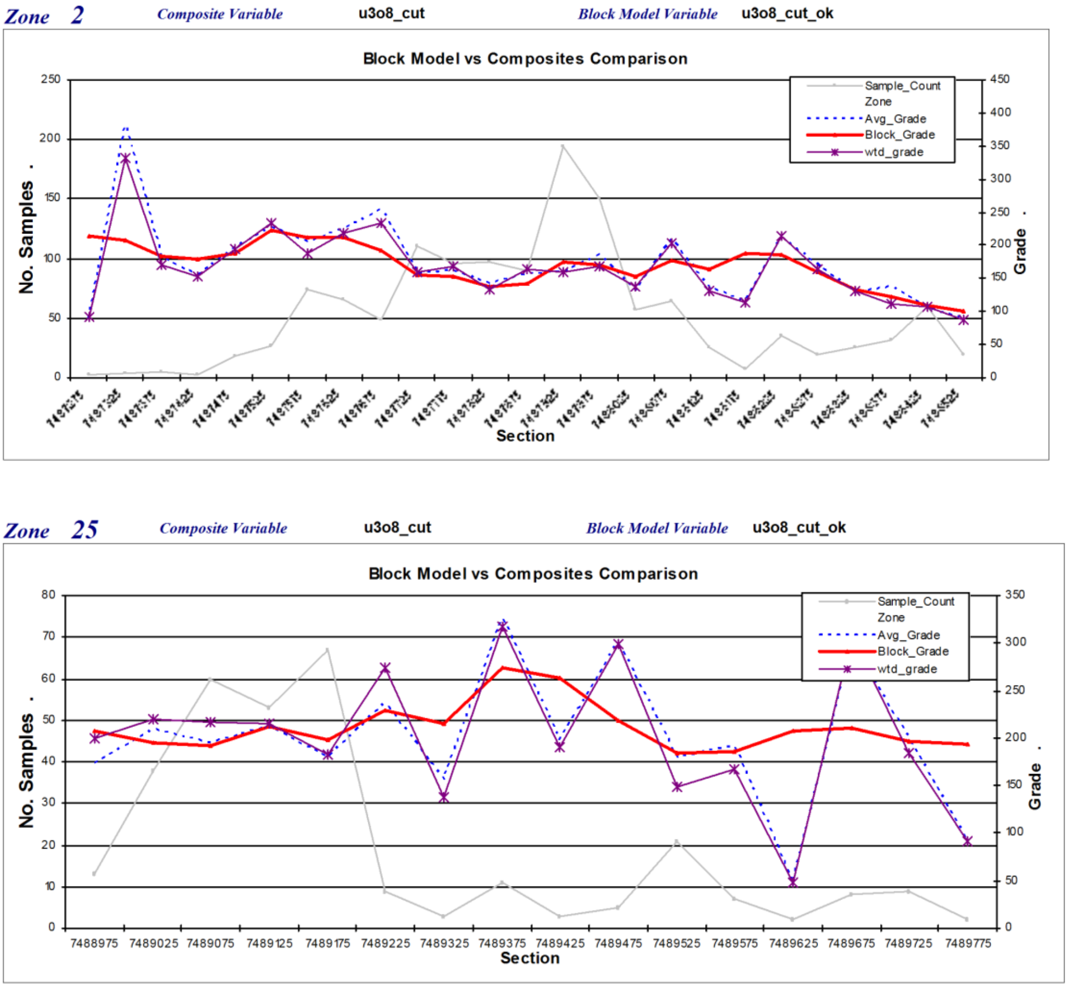
A detailed visual and statistical review of the OK estimate was conducted including:

- A comparison of the block model whole block estimate versus the mean of the composited dataset, including weighting where appropriate to account for data clustering (see Table 17.5.2_1); and
- Visual and graphical comparison of the input composites data with the block grade estimates in various cross section views and in plan. Figure 17.5.2_1 shows an example of the validation plots from Zones 2 and 25.

Table 17.5.2_1
Etango Project
OK Block Estimates Versus 3m Composite Data Comparison

Zone	Block Model Grade (ppm)	Composite Mean Grade (ppm)		% Difference	
		Naïve	Declustered (100X x 100Y x 6Z)	BM to Naive	BM to Decl.
1	**195**	202	204	-3%	-4%
2	**167**	170	168	-2%	-1%
3	**205**	209	202	-2%	1%
4	**143**	142	142	1%	1%
5	**241**	240	243	1%	-1%
6	**200**	193	204	4%	-2%
7	**300**	295	304	2%	-1%
8	**148**	146	150	1%	-1%
9	**214**	217	205	-1%	4%
10	**159**	165	157	-4%	1%
11	**143**	155	153	-8%	-7%
12	**113**	114	113	-1%	0%
13	**176**	176	175	0%	1%
14	**244**	244	238	0%	3%
15	**206**	212	210	-2%	-2%
16	**280**	273	272	2%	3%
17	**282**	284	274	-1%	3%
18	**211**	209	209	1%	1%
19	**167**	168	175	-1%	-4%
20	**243**	251	251	-3%	-3%
21	**140**	157	158	-11%	-11%
22	**236**	228	228	3%	3%
23	**226**	227	235	0%	-4%
24	**200**	204	203	-2%	-1%
25	**207**	203	205	2%	1%
26	**212**	221	231	-4%	-8%
27	**202**	204	202	-1%	0%
28	**164**	164	166	0%	-1%
29	**158**	158	164	0%	-4%
30	**161**	161	167	0%	-4%
31	**193**	204	205	-6%	-6%
32	**109**	104	106	5%	3%
33	**179**	168	167	7%	7%
34	**164**	164	164	0%	0%
35	**181**	162	182	12%	0%
36	**195**	189	201	3%	-3%
37	**126**	128	124	-1%	2%
38	**226**	231	242	-2%	-6%
39	**251**	230	237	9%	6%
40	**155**	149	151	4%	3%
41	**126**	138	140	-9%	-10%
42	**169**	203	180	-16%	-6%
43	**114**	113	108	1%	6%
44	**222**	223	224	-1%	-1%
45	**156**	151	160	3%	-3%
46	**97**	107	110	-9%	-12%
47	**150**	145	151	4%	-1%
48	**127**	125	125	1%	1%
49	**147**	147	147	0%	0%

Figure 17.5.2_1
Etango Project
Comparative Plot of Informing Composites and Block Model Grade



Zones which exhibited large grade differences to the input composites where checked in 3D (e.g. Zone 46) for potential errors, these differences were typically found to result from the proportional effect of a low number of composites in smaller zones of irregular geometries.

Overall, the grade estimate showed a good reproduction of the composite datasets with internal grade zonation within larger blocks being appropriately delineated.

17.6 Density

The density values used for the resource model were based upon the data analysed in Section 17.3.2. A value of 2.62t/m^3 was used for all material within the modelled alaskite bodies. The same value was coded into all modelled mineralised zones.

Densities of 2.69t/m^3, 2.76t/m^3 and 2.77t/m^3 were coded for the Chuos, Khan and Etusis lithologies respectively.

Based upon analysis of the available core density measurements, the effect of weathering on the density of the profile is considered to be minor and no change was applied to the density of the different lithologies based upon the weathering profile.

17.7 Resource Reporting and Classification

17.7.1 Introduction

The resource estimate for the Anomaly A / Oshiveli uranium deposit has been categorised in accordance with the criteria laid out in the Canadian National Instrument 43-101 ("CNI43") and the JORC Code. A combination of Indicated and Inferred Resources been defined using definitive criteria determined during the validation of the grade estimates, with detailed consideration of the CNI43 categorisation guidelines.

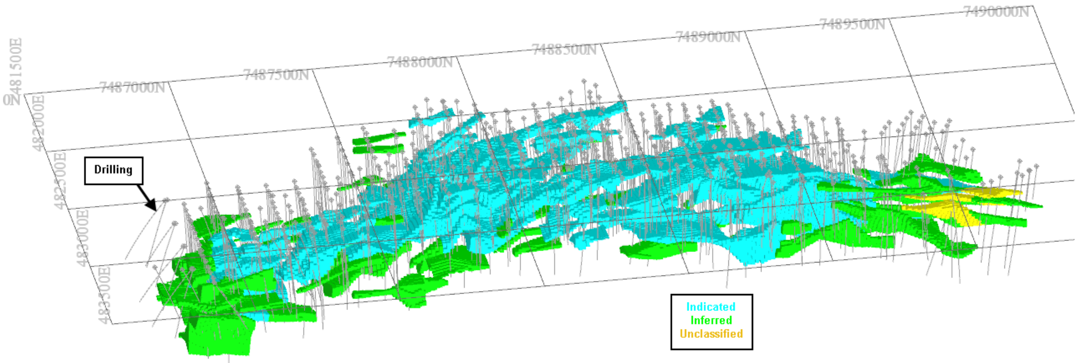
17.7.2 Criteria for Resource Categorisation

The resource has been classified as a combination of Indicated and Inferred Mineral Resources based on the confidence level of the key criteria that were considered during resource classification as presented in Table 17.7.2_1. Figure 17.7.2_1 illustrates the classification applied to the resource.

Table 17.7.2_1
Etango Project
Confidence Levels of Key Categorisation Criteria

Items	Discussion	Confidence
Drilling Techniques	RC/Diamond - industry standard approach.	High
Logging	Standard nomenclature applied with recording and apparent high quality.	High
Drill Sample Recovery	Acceptable recoveries determined for the majority of the drilling.	High
Sub-sampling Techniques and Sample Preparation	Industry standard for both RC and diamond drilling	High
Quality of Assay Data	Good internal laboratory and external quality control data available for the majority of the chemical assaying.	High
Verification of Sampling and Assaying	Twinning of selected RC and diamond holes indicates diamond drilling results are similar to RC results.	High
Location of Sampling Points	Most drillhole collars surveyed by DGPS surveyed and most drillholes have been downhole surveyed.	High
Data Density and Distribution	The deposit defined on a notional 50mE x 50mN to 50mE x 100mN drillhole spacing with most holes drilled through the mineralised zones.	Moderate - High
Audits or Reviews	Coffey Mining has reviewed the site drilling and sampling procedures.	High
Database Integrity	No material errors identified.	High
Geological Interpretation	The interpreted lithological and mineralisation boundaries are considered robust and of good confidence.	Moderate - High
Estimation and Modelling Techniques	Estimates based on detailed statistical and geostatistical analysis.	Moderate to High
Cutoff Grades	Range of cutoff grades reported.	NA
Mining Factors or Assumptions	Whole block estimates for all mineralised regions completed for 25mE by 25mN by 10mRL size blocks. The effect of emulating smaller mining blocks has not been investigated.	Moderate

Figure 17.7.2_1
Etango Project
Oblique View of the Classified Block Model



<u>Indicated Resources</u>

An Indicated category was assigned based on blocks estimated in pass one or two of the estimate, for mineralised zones with a strong geological understanding, consistent mineralisation shape, and a nominal 50m by 50m to 50m by 100m drillhole coverage.

<u>Inferred Resources</u>

An Inferred category was applied to all mineralisation zones (apart from Zone 44) which were not classified as Indicated.

<u>Unclassified Estimate</u>

Portions of three zones (Zones 26, 25 and 29) were not classified in areas which were poorly defined by very broad spaced drilling. As this portion of the model is not classified, the corresponding estimate is not suitable for public reporting and is not tabulated as part of the resource.

17.7.3 Grade Tonnage Reporting

The reported resource for the combined Anomaly A and Oshiveli deposit reported above various cutoffs is summarised below (Table 17.7.3_1).

Coffey Mining is unaware of any mining, metallurgical, infrastructure or other relevant factors which may materially affect the resource. The availability of suitable water and power supplies may be key factors in any future mining studies.

The previous, now superseded, resource is tabulated below (Table 17.7.3_2) for reference.

Table 17.7.3_1
Etango Project, Namibia –
February 2009 Resource Estimate – Combined Anomaly A and Oshiveli Prospect
Reported at various cutoffs using a bulk density of 2.62 t/m^3
Ordinary Kriged estimate based upon 3m cut U_3O_8 composites
Block dimensions of 25mNS by 25mEW by 10mRL

	Lower Cut (ppm)	Tonnes Above Cutoff (Mt)	U_3O_8 (ppm)	Contained U_3O_8 (M lb)
Inferred	50	92.5	189	38.5
	100	87.0	195	37.4
	150	63.2	221	30.7
	200	34.5	259	19.7
Indicated	50	204.8	202	91.1
	100	195.5	207	89.2
	150	146.2	234	75.4
	200	86.7	275	52.6

Note: Figures have been rounded.

Table 17.7.3_2
Etango Project, Namibia –
Superseded August 2008 Resource Estimate
Anomaly A Prospect
Reported at various cutoffs using a bulk density of 2.62 t/m^3
Ordinary Kriged estimate based upon 3m cut U_3O_8 composites
Block dimensions of 25mNS by 25mEW by 10mRL

	Lower Cut (ppm)	Tonnes Above Cutoff (Mt)	U_3O_8 (ppm)	Contained U_3O_8 (M lb)
Inferred	50	95.9	192	40.5
	100	91.6	197	39.7
	150	65.5	224	32.3
	200	34.5	268	20.4
Indicated	50	150.9	205	68.0
	100	145.0	209	66.9
	150	112.3	233	57.7
	200	69.4	269	41.2

Note: Figures have been rounded.

17.8 Conclusions

The February resource update for the combined Anomaly A and Oshivelli deposit has resulted in a 19.5% increase in the total contained U_3O_8 to 129.6 Mlb U_3O_8 when compared to the August 2008 estimate of 108.5 Mlb U_3O_8 when reported above a 50ppm U_3O_8 lower cutoff. The 50m by 50m infill drilling has both firmed up the geological control of many of the mineralised zones and demonstrated the continuity of uranium mineralisation which can be variable throughout the alaskites.

Coffey Mining has the following concluding remarks for any future resource estimation studies:

- The sample collection and assaying schemes used by Bannerman are considered industry acceptable practice and should be maintained and monitored.

- Though not analysed in detail, the initial results of the comparison of he RC and Diamond twin drilling programs indicate that no bias between the two drilling methods is present. The close spaced twin drilling does indicate that, in some instances, alaskite contacts and mineralisation can be highly variable over short distances.
- Based upon the density data available, there is no significant difference between the densities of the weathered and unweathered alaskite and meta-sedimentary lithologies.
- Further investigations are required to determine the cause of the apparent minor positive bias indentified by the U standards at SGS Johannesburg.

18 OTHER RELEVANT DATA AND INFORMATION

18.1 Potential for Mining Operations

No further work has been undertaken in this section. Please refer to the previous technical report from August 2008 (Inwood, N.A. 2008b, Etango Project, Namibia. Technical Report by Coffey Mining Pty Ltd for Bannerman Resources Limited) for associated text.

18.1.1 Mining

No further work has been undertaken in this section. Please refer to the previous technical report from August 2008 (Inwood, N.A. 2008b, Etango Project, Namibia. Technical Report by Coffey Mining Pty Ltd for Bannerman Resources Limited) for associated text.

18.1.2 Geotechnical and Hydrogeology Input

Nine geotechnical holes have been drilled and logged as at mid March 2009. Samples are sent to Rocklab in South Africa for Direct Shear, Uniaxial Compressive Strength, Elastic Modulus & Poisson's Ratio Stress (UCM) and Triaxial Compressive Strength, Elastic Modulus & Poisson's Ratio Stress (TCM) tests. Testwork results for the last four holes are pending.

Eight hydrological holes were drilled around the proposed pit, plant and TSF areas. Holes were drilled vertically to a depth of 100m. Water samples were analysed for major anions and cations, pH, acidity, alkalinity, total salts and electric conductivity. Further tests will be completed during the March 2009 quarter.

18.1.3 Operating Costs

No further work has been undertaken in this section. Please refer to the previous technical report from August 2008 (Inwood, N.A. 2008b, Etango Project, Namibia. Technical Report by Coffey Mining Pty Ltd for Bannerman Resources Limited) for associated text.

18.2 Mineral Processing

A Preliminary Feasibility Study (PFS) is under preparation and Bannerman has engaged Coffey Mining and GRD Minproc, two specialist Australian consultancies to prepare the Study volumes with input from Bannerman and other consultancies as appropriate. This PFS involves additional metallurgical testwork and it is expected that the PFS will be lodged at the beginning of the third quarter of 2009. Subject to this PFS reaching required technical and economic hurdles, a Definitive Feasibility Study (DFS) would then be conducted in the second half of 2009.

Please refer to the previous technical report from August 2008 (Inwood, N.A. 2008b, Etango Project, Namibia. Technical Report by Coffey Mining Pty Ltd for Bannerman Resources Limited) for associated text.

19 INTERPRETATION AND CONCLUSIONS

19.1 Geology and Resources

The region of EPL 3345 currently represents the most significant asset for Bannerman due to the advanced nature of exploration and the identified Indicated and Inferred Resource at Anomaly A/Oshiveli.

In February 2009, Coffey Mining estimated an updated resource for the combined Anomaly A and Oshiveli deposits which included 87Mt at 195ppm U_3O_8 of Inferred Resources and 195.5Mt at 207ppm U_3O_8 of Indicated Resources when reported above a 100ppm U_3O_8 cutoff.

The Etango Project hosts a significant uranium resource and represents an advanced exploration project. The western flank of the Palmenhorst Dome has a prospective strike length of over 10km which incorporates the Anomaly A / Oshiveli deposits. The eastern flank of the Palmenhorst Dome is also highly prospective.

EPL 3345 is located within the highly prospective Central Zone of the Damara Orogenic Belt. Currently 15 historic uranium anomalies have been identified over the EPL 3345 area, some of which correspond to radiometric anomalies associated with the Rössingberg Dome and the Palmenhorst Dome. EPL 3346 is considered prospective for primary and calcrete hosted uranium mineralisation.

The drilling, sampling and assaying procedures are of acceptable industry standards.

19.2 Metallurgical

Additional metallurgical testwork has been completed on drill core samples to further define the comminution, leaching and other characteristics of the Anomaly A / Oshiveli deposit Type D alaskite mineralisation. To date, the testing indicates ore properties suitable for standard comminution and acid leach metal recovery. Chemical analysis indicates that the supplied composite sample is characterised by low levels of impurity elements.

19.3 Mining Studies

As part of the Preliminary Feasibility Study (PFS), pit optimisation and design activities are being conducted. Subject to a positive result of the PFS, a Definitive Feasibility Study will develop final mine plans and associated capital and operating cost estimates.

19.4 Geotechnical and Hydrology

The establishment of geotechnical parameters for both the mine and plant site areas that was recommended in the previous report is underway. Similarly, the recommendations regarding the hydrological drilling to establish the groundwater conditions of the Anomaly A/Oshiveli area are being carried out.

19.5 Project Development

Bannerman is continuing with the PFS activities currently underway at Coffey, GRD Minproc and others to establish the economic potential of the Etango Project. Related activities include environmental assessment and permitting, human resourcing and economic modelling.

20 RECOMMENDATIONS

Bannerman has commissioned both PFS and BFS level reports to demonstrate the economic potential of the Etango Project. The studies are multi-discipline and interdependent and include the following activities:

20.1 Resource Definition

The recommendation that the QAQC regime should be expanded to ensure that Bannerman supplied standards are sent to all primary laboratories has been implemented and should be continuously monitored. Further estimation studies will be required once infill drilling at Oshiveli has been finalised.

20.2 QAQC

Incoming QAQC data is analysed on a monthly basis and any identified issues (e.g. unacceptable blanks assays) are resolved with laboratories on an ongoing basis. The reliability of the XRF analysis is assessed routinely by analysis of pulp duplicates by the umpire lab (Genalysis) and intermittently by ICP analysis of pulp duplicates or by submitting field duplicates for XRF analysis to other laboratories (i.e. not SGS or Genalysis). A secondary method of uranium assaying (e.g. ICP) should be routinely incorporated on selected samples to gauge the reliability of the XRF analysis method.

20.3 Mining Studies

Pit optimisation and design activities are planned on the upgraded resource. The culmination of this work will be the development of the BFS mine plan and associated capital and operating cost estimates.

20.4 Geotechnical and Hydrology

The investigation of geotechnical and hydrological parameters for both the mine and plant site areas that are currently underway should continue. Once completed the results should be adequately interpreted and assessed. Groundwater conditions of the Anomaly A/Oshiveli area are being established via a definitive hydrological study.

20.5 Metallurgical Testwork

Further metallurgical testwork is proposed to provide detailed ore performance parameters for ongoing process and general engineering studies.

20.6 Project Development

Bannerman should continue with the PFS activities currently underway by GRD Minproc and others to establish the economic potential of the Etango Project. Related activities include environmental assessment and permitting, human resourcing and economic modelling.

The estimated budget to achieve the above recommendations is summarised in Table 20_1 below.

Table 20_1
Etango Project
Estimated Budget Recommendations for 2009/2010

Item/Activity	Cost (US$)
Resource Estimation & QAQC	$0.1M
Additional Drilling Studies	$2.0M
Metallurgical Testwork	$1.0M
Feasibility Study	$4.6M
Miscellaneous (includes contingency)	$0.6M
Total	**$9.5M**

21 REFERENCES

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Appendix 1

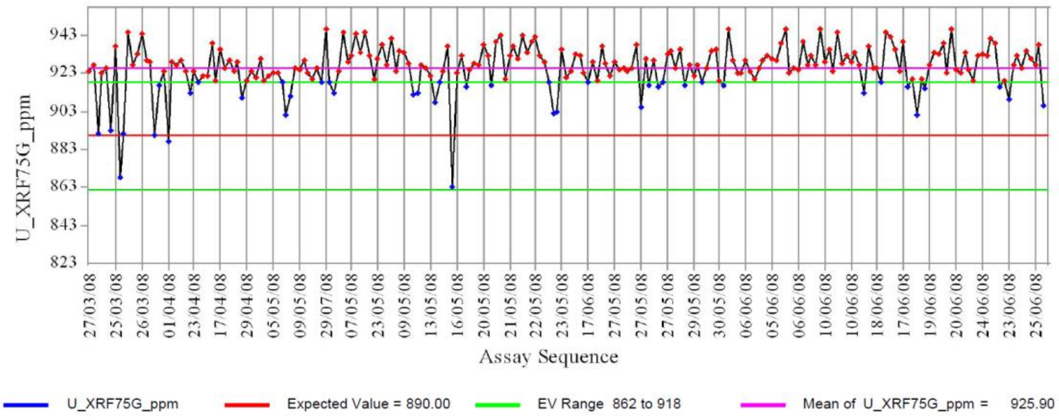
QAQC Plots

Appendix 1
QAQC Plots

Bannerman Supplied Standards – SGS Johannesburg

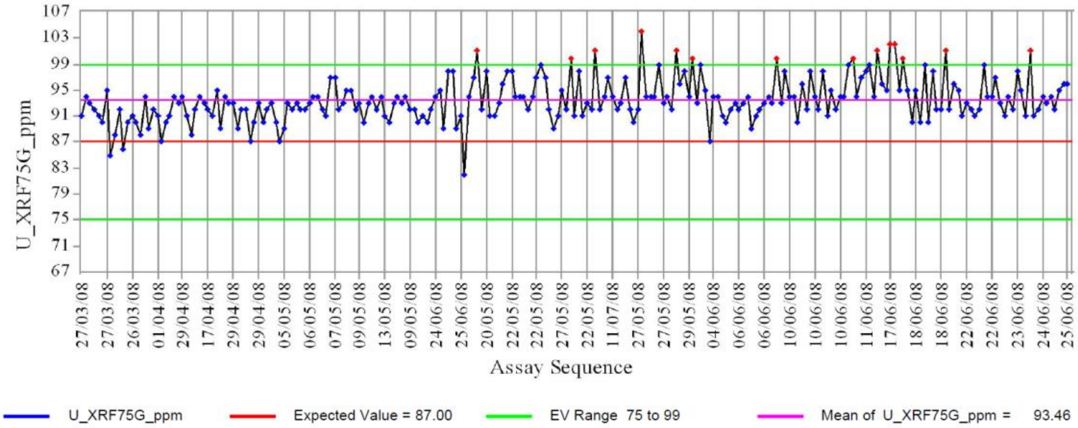
Laboratory:	SGS Johannesburg	No of Analyses:	219
Standard:	**AMIS0029**	Minimum:	863
Element:	U_XRF75G_ppm	Maximum:	946
Units:	ppm	Mean:	925.90
Detection Limit:	10	Std Deviation:	12.15
Expected Value (EV):	890.00	% in Tolerance:	19.18
EV Range:	862 to 918	% Bias:	4.03
Excluded:	18	% RSD:	1.31

Standard Control Plot - Standard: AMIS0029



Laboratory:	SGS Johannesburg	No of Analyses:	235
Standard:	**AMIS0045**	Minimum:	82
Element:	U_XRF75G_ppm	Maximum:	104
Units:	ppm	Mean:	93.46
Detection Limit:	10	Std Deviation:	3.34
Expected Value (EV):	87.00	% in Tolerance:	94.04
EV Range:	75 to 99	% Bias:	7.43
Excluded:	3	% RSD:	3.57

Standard Control Plot - Standard: AMIS0045



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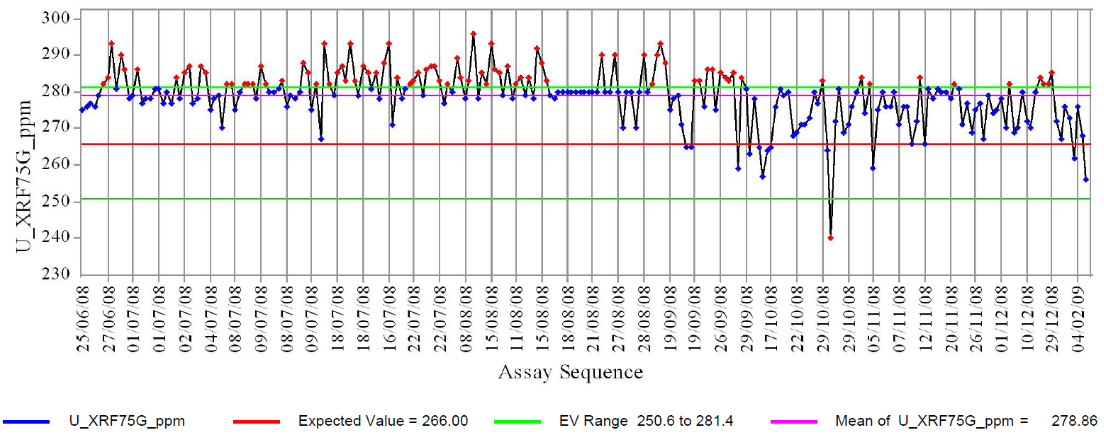
Appendix 1
QAQC Plots

Bannerman Supplied Standards – SGS Johannesburg

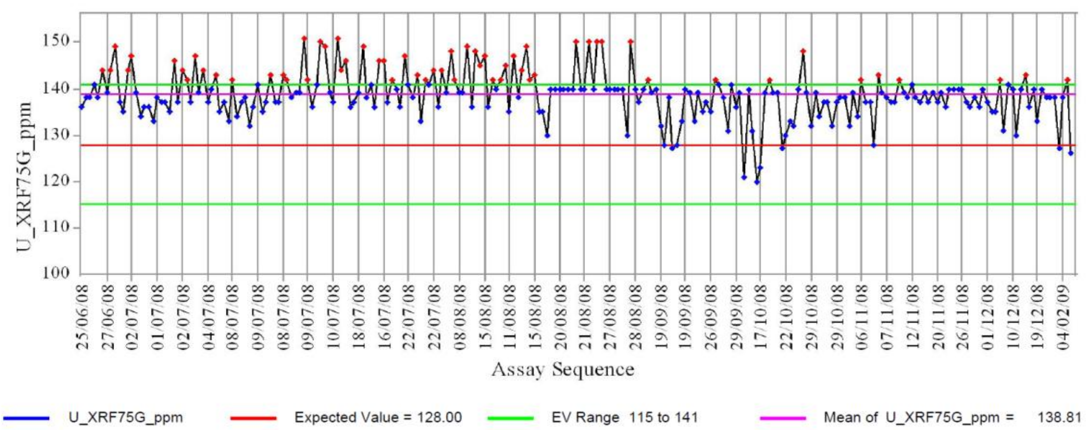
Laboratory:	SGS Johannesburg	No of Analyses:	237
Standard:	**AMIS0085**	Minimum:	240
Element:	U_XRF75G_ppm	Maximum:	296
Units:	ppm	Mean:	278.86
Detection Limit:	10	Std Deviation:	7.32
Expected Value (EV):	266.00	% in Tolerance:	63.71
EV Range:	250.6 to 281.4	% Bias:	4.84
Excluded:	8	% RSD:	2.62

Standard Control Plot - Standard: AMIS0085



Laboratory:	SGS Johannesburg	No of Analyses:	237
Standard:	**AMIS0086**	Minimum:	120
Element:	U_XRF75G_ppm	Maximum:	151
Units:	ppm	Mean:	138.81
Detection Limit:	10	Std Deviation:	5.20
Expected Value (EV):	128.00	% in Tolerance:	74.68
EV Range:	115 to 141	% Bias:	8.45
Excluded:	7	% RSD:	3.75

Standard Control Plot - Standard: AMIS0086



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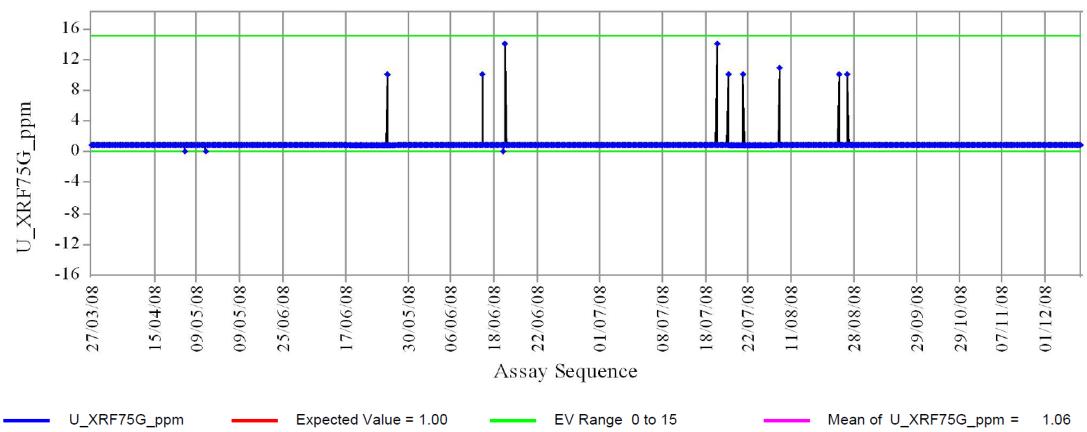
Appendix 1
QAQC Plots

Bannerman Supplied Standards – SGS Johannesburg

Laboratory:	SGS Johannesburg	No of Analyses:	1420
Standard:	**BLANK_BMN**	Minimum:	0.1
Element:	U_XRF75G_ppm	Maximum:	14
Units:	ppm	Mean:	1.06
Detection Limit:	10	Std Deviation:	0.81
Expected Value (EV):	1.00	% in Tolerance:	100.00
EV Range:	0 to 15	% Bias:	6.15
Excluded:	30	% RSD:	75.87

Standard Control Plot - Standard: BLANK_BMN



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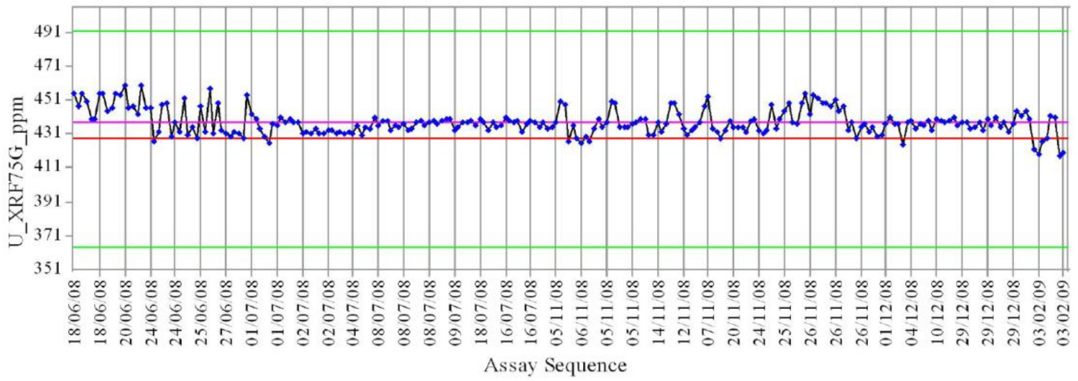
Appendix 1
QAQC Plots

SGS Johannesburg Internal Standards

Laboratory:	SGS Johannesburg	No of Analyses:	235
Standard:	**UREM2**	Minimum:	418
Element:	U_XRF75G_ppm	Maximum:	460
Units:	ppm	Mean:	437.92
Detection Limit:	10	Std Deviation:	7.48
Expected Value (EV):	428.00	% in Tolerance:	100.00
EV Range:	363.8 to 492.2	% Bias:	2.32
Excluded:	4	% RSD:	1.71

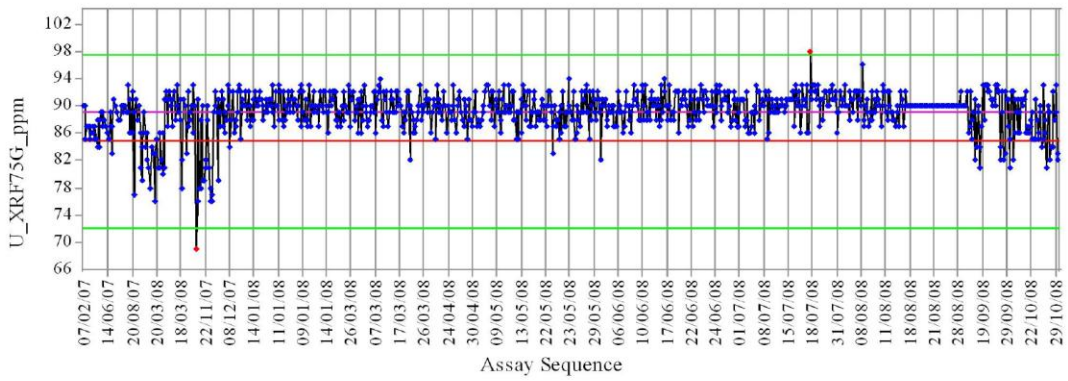
Standard Control Plot - Standard: UREM2



U_XRF75G_ppm — Expected Value = 428.00 — EV Range 363.8 to 492.2 — Mean of U_XRF75G_ppm = 437.92

Laboratory:	SGS Johannesburg	No of Analyses:	1004
Standard:	**UREM4**	Minimum:	69
Element:	U_XRF75G_ppm	Maximum:	98
Units:	ppm	Mean:	89.15
Detection Limit:	10	Std Deviation:	2.95
Expected Value (EV):	84.80	% in Tolerance:	99.80
EV Range:	72.08 to 97.52	% Bias:	5.13
Excluded:	3	% RSD:	3.30

Standard Control Plot - Standard: UREM4



U_XRF75G_ppm — Expected Value = 84.80 — EV Range 72.08 to 97.52 — Mean of U_XRF75G_ppm = 89.15

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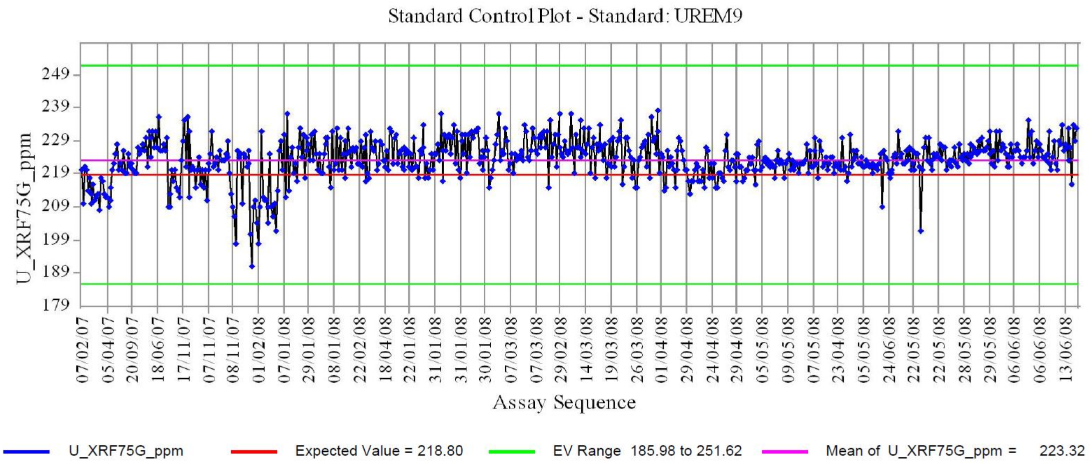
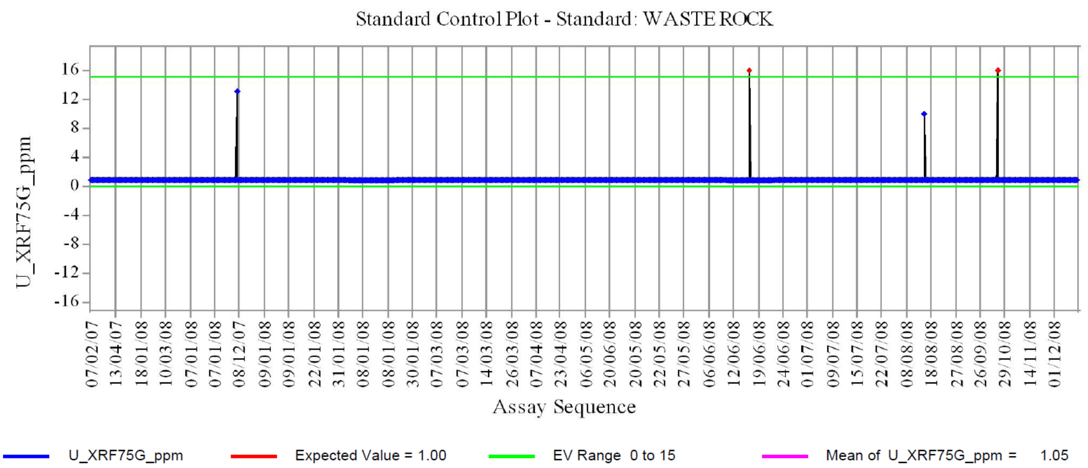
Appendix 1
QAQC Plots

SGS Johannesburg Internal Standards

Laboratory:	SGS Johannesburg	No of Analyses:	672
Standard:	**UREM9**	Minimum:	191
Element:	U_XRF75G_ppm	Maximum:	238
Units:	ppm	Mean:	223.32
Detection Limit:	10	Std Deviation:	6.16
Expected Value (EV):	218.80	% in Tolerance:	100.00
EV Range:	185.98 to 251.62	% Bias:	2.07
Excluded:	0	% RSD:	2.76



Laboratory:	SGS Johannesburg	No of Analyses:	1039
Standard:	**WASTE ROCK**	Minimum:	1
Element:	U_XRF75G_ppm	Maximum:	16
Units:	ppm	Mean:	1.05
Detection Limit:	10	Std Deviation:	0.80
Expected Value (EV):	1.00	% in Tolerance:	99.81
EV Range:	0 to 15	% Bias:	4.91
Excluded:	6	% RSD:	76.69



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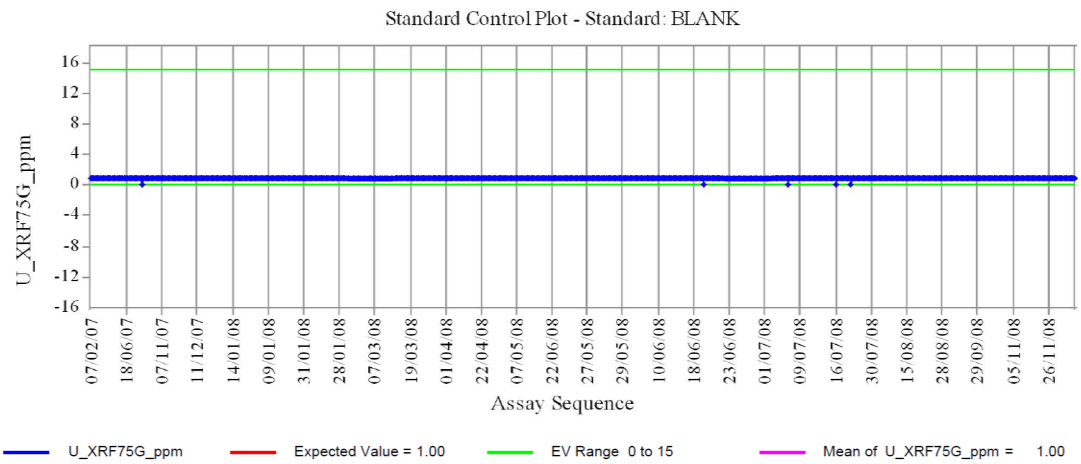
Appendix 1
QAQC Plots

SGS Johannesburg Internal Standards

Laboratory:	SGS Johannesburg	No of Analyses:	4220
Standard:	**BLANK**	Minimum:	0.01
Element:	U_XRF75G_ppm	Maximum:	1
Units:	ppm	Mean:	1.00
Detection Limit:	10	Std Deviation:	0.04
Expected Value (EV):	1.00	% in Tolerance:	100.00
EV Range:	0 to 15	% Bias:	-0.16
Excluded:	17	% RSD:	4.04



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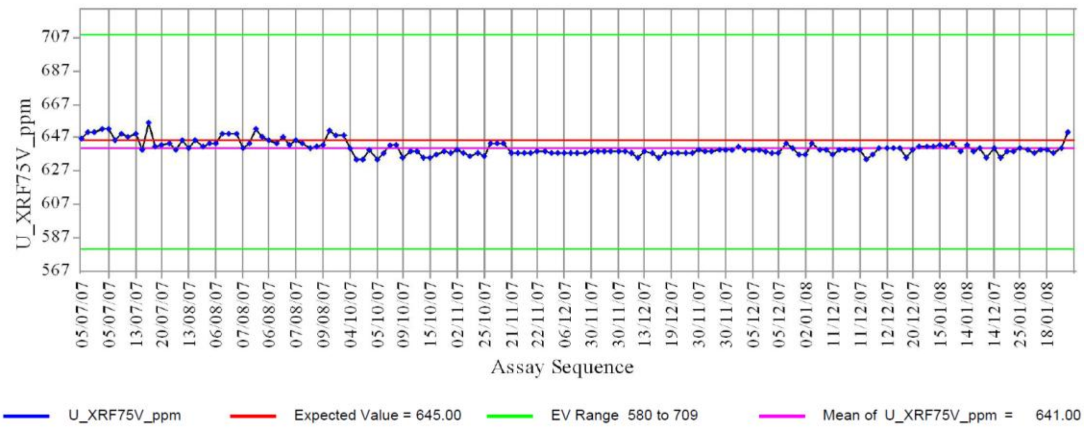
Appendix 1
QAQC Plots

SGS Perth Internal Standards

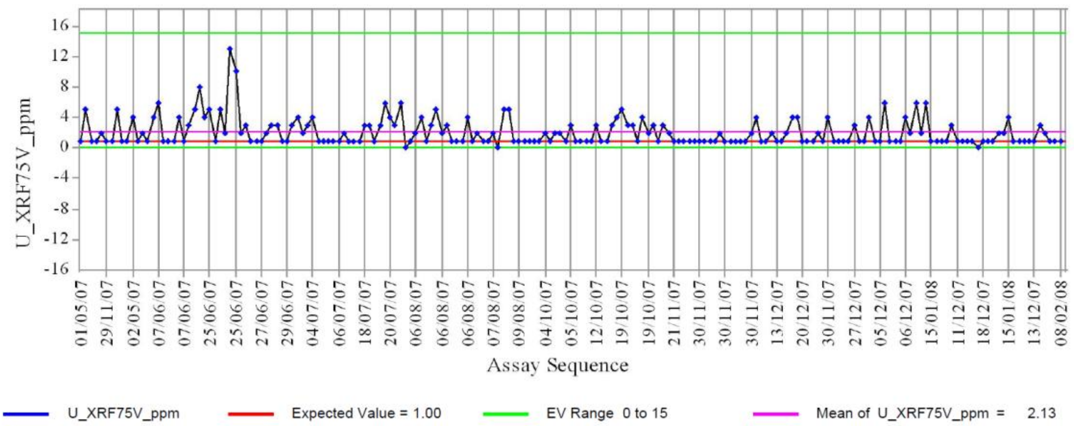
Laboratory:	SGS Perth	No of Analyses:	148
Standard:	**SY3**	Minimum:	634
Element:	U_XRF75V_ppm	Maximum:	656
Units:	ppm	Mean:	641.00
Detection Limit:	2	Std Deviation:	4.23
Expected Value (EV):	645.00	% in Tolerance:	100.00
EV Range:	580 to 709	% Bias:	-0.62
Excluded:	2	% RSD:	0.66

Standard Control Plot - Standard: SY3



Laboratory:	SGS Perth	No of Analyses:	191
Standard:	**WASTE ROCK**	Minimum:	0.1
Element:	U_XRF75V_ppm	Maximum:	13
Units:	ppm	Mean:	2.13
Detection Limit:	2	Std Deviation:	1.78
Expected Value (EV):	1.00	% in Tolerance:	100.00
EV Range:	0 to 15	% Bias:	112.72
Excluded:	0	% RSD:	83.58

Standard Control Plot - Standard: WASTE ROCK



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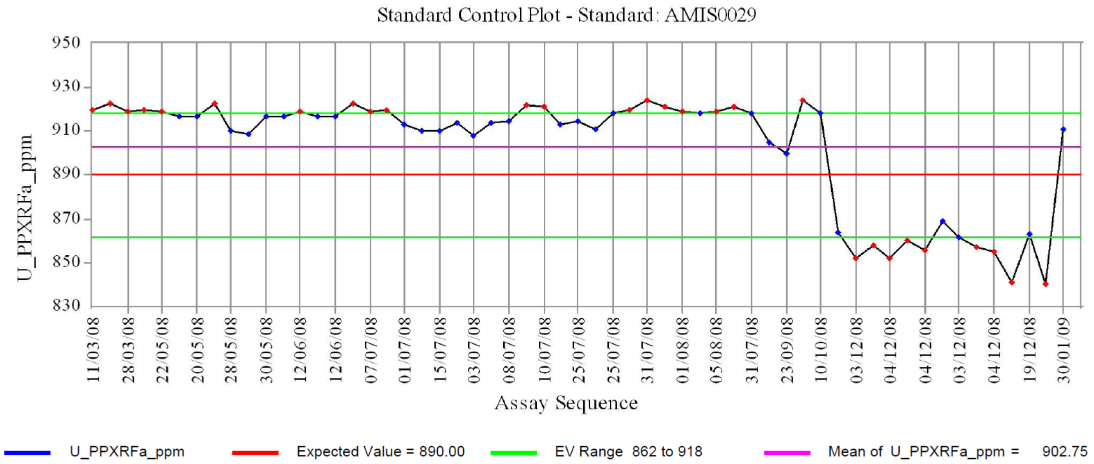
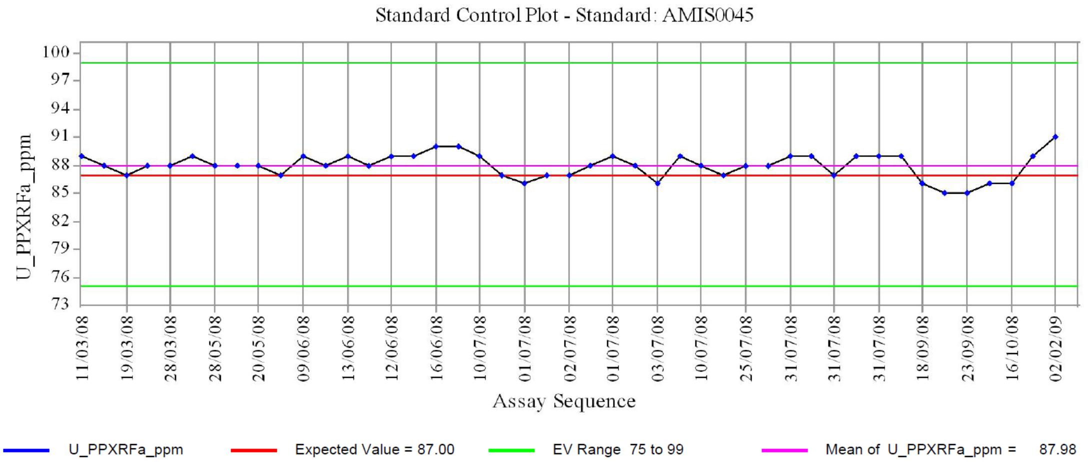
Appendix 1
QAQC Plots

Genalysis Perth Internal Standards

Laboratory:	Genalysis Perth	No of Analyses:	57
Standard:	**AMIS0029**	Minimum:	840
Element:	U_PPXRFa_ppm	Maximum:	924
Units:	ppm	Mean:	902.75
Detection Limit:	2	Std Deviation:	26.07
Expected Value (EV):	890.00	% in Tolerance:	50.88
EV Range:	862 to 918	% Bias:	1.43
Excluded:	0	% RSD:	2.89



Laboratory:	Genalysis Perth	No of Analyses:	45
Standard:	**AMIS0045**	Minimum:	85
Element:	U_PPXRFa_ppm	Maximum:	91
Units:	ppm	Mean:	87.98
Detection Limit:	2	Std Deviation:	1.31
Expected Value (EV):	87.00	% in Tolerance:	100.00
EV Range:	75 to 99	% Bias:	1.12
Excluded:	0	% RSD:	1.49



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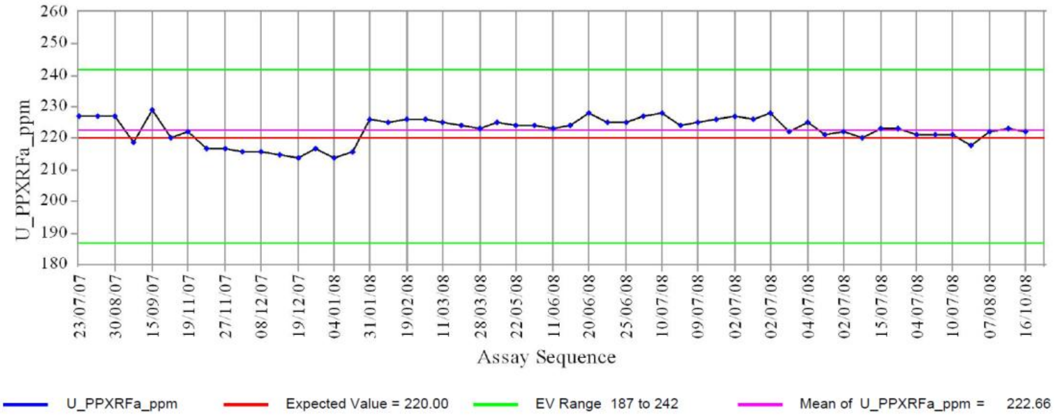
Appendix 1
QAQC Plots

Genalysis Perth Internal Standards

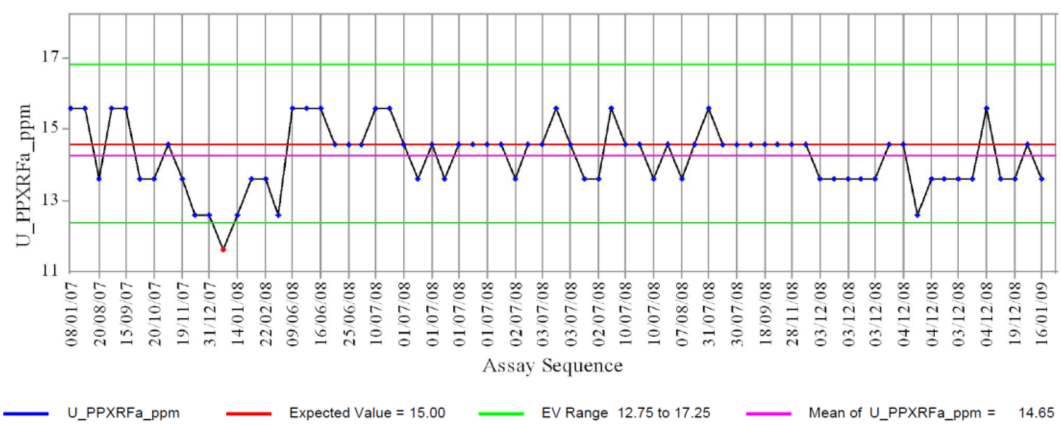
Laboratory:	Genalysis Perth	No of Analyses:	53
Standard:	**BL-1**	Minimum:	214
Element:	U_PPXRFa_ppm	Maximum:	229
Units:	ppm	Mean:	222.66
Detection Limit:	2	Std Deviation:	3.94
Expected Value (EV):	220.00	% in Tolerance:	100.00
EV Range:	187 to 242	% Bias:	1.21
Excluded:	0	% RSD:	1.77

Standard Control Plot - Standard: BL-1



Laboratory:	Genalysis Perth	No of Analyses:	71
Standard:	**SARM1**	Minimum:	12
Element:	U_PPXRFa_ppm	Maximum:	16
Units:	ppm	Mean:	14.65
Detection Limit:	2	Std Deviation:	0.91
Expected Value (EV):	15.00	% in Tolerance:	98.59
EV Range:	12.75 to 17.25	% Bias:	-2.35
Excluded:	2	% RSD:	6.18

Standard Control Plot - Standard: SARM1



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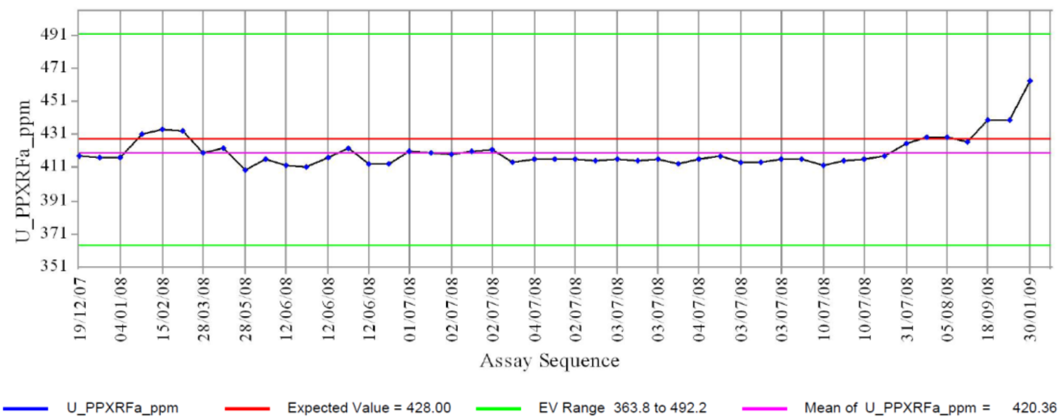
Appendix 1
QAQC Plots

Genalysis Perth Internal Standards

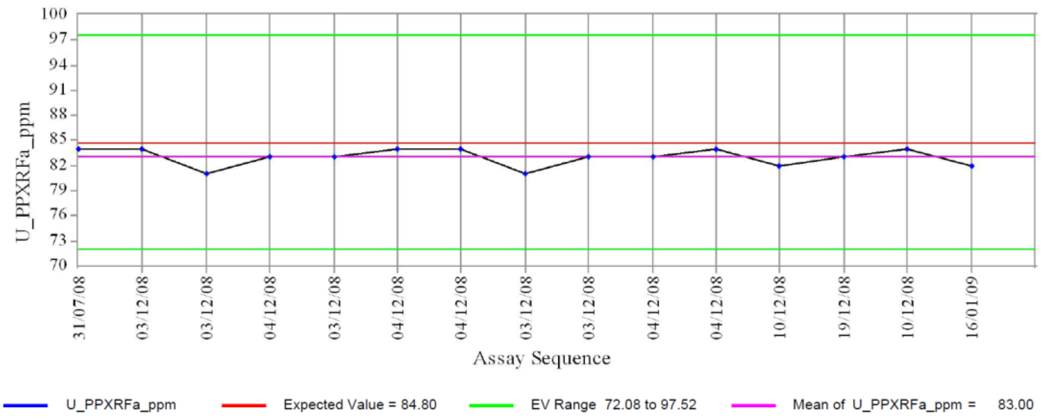
Laboratory:	Genalysis Perth	No of Analyses:	47
Standard:	**UREM2**	Minimum:	410
Element:	U_PPXRFa_ppm	Maximum:	463
Units:	ppm	Mean:	420.36
Detection Limit:	2	Std Deviation:	9.50
Expected Value (EV):	428.00	% in Tolerance:	100.00
EV Range:	363.8 to 492.2	% Bias:	-1.78
Excluded:	0	% RSD:	2.26

Standard Control Plot - Standard: UREM2



Laboratory:	Genalysis Perth	No of Analyses:	15
Standard:	**UREM4**	Minimum:	81
Element:	U_PPXRFa_ppm	Maximum:	84
Units:	ppm	Mean:	83.00
Detection Limit:	2	Std Deviation:	1.03
Expected Value (EV):	84.80	% in Tolerance:	100.00
EV Range:	72.08 to 97.52	% Bias:	-2.12
Excluded:	0	% RSD:	1.24

Standard Control Plot - Standard: UREM4



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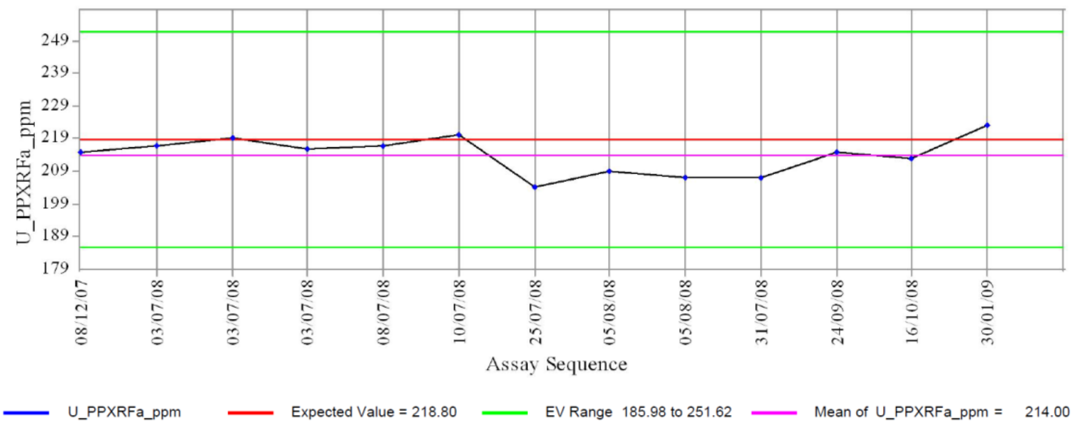
Appendix 1
QAQC Plots

Genalysis Perth Internal Standards

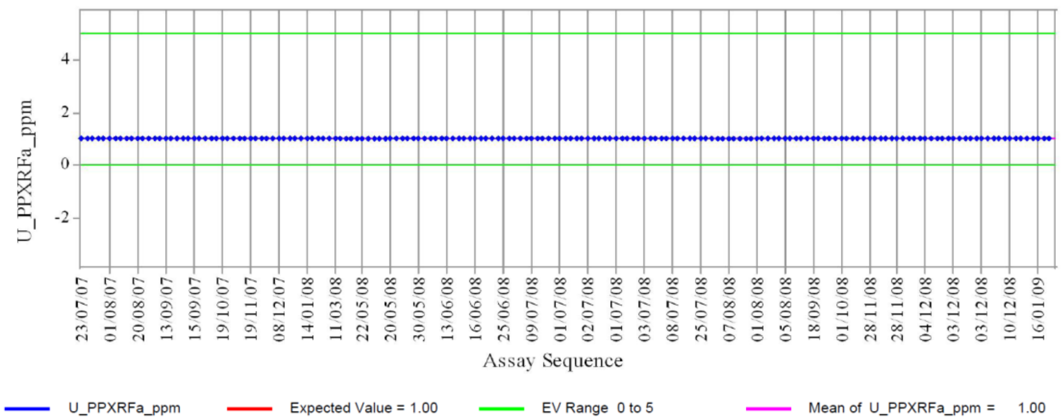
Laboratory:	Genalysis Perth	No of Analyses:	13
Standard:	**UREM9**	Minimum:	204
Element:	U_PPXRFa_ppm	Maximum:	223
Units:	ppm	Mean:	214.00
Detection Limit:	2	Std Deviation:	5.48
Expected Value (EV):	218.80	% in Tolerance:	100.00
EV Range:	185.98 to 251.62	% Bias:	-2.19
Excluded:	0	% RSD:	2.56

Standard Control Plot - Standard: UREM9



Laboratory:	Genalysis Perth	No of Analyses:	173
Standard:	**Control Blank**	Minimum:	1
Element:	U_PPXRFa_ppm	Maximum:	1
Units:	ppm	Mean:	1.00
Detection Limit:	2	Std Deviation:	0.00
Expected Value (EV):	1.00	% in Tolerance:	100.00
EV Range:	0 to 5	% Bias:	0.00
Excluded:	3	% RSD:	0.00

Standard Control Plot - Standard: Control Blank



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Appendix 1
QAQC Plots

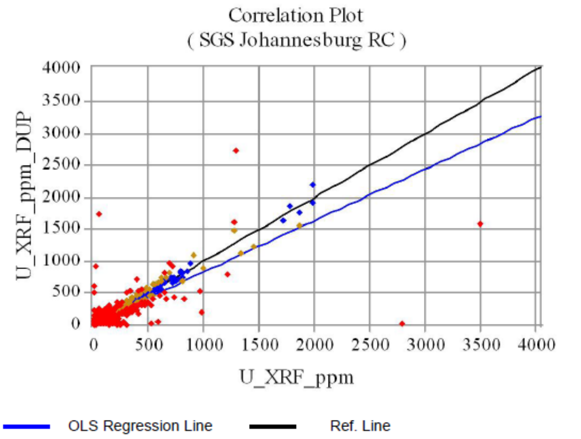
Duplicates Data

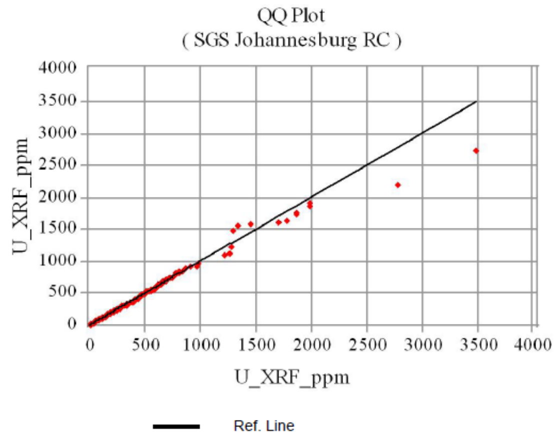
SGS Johannesburg versus Genalysis Perth Field Duplicates - RC

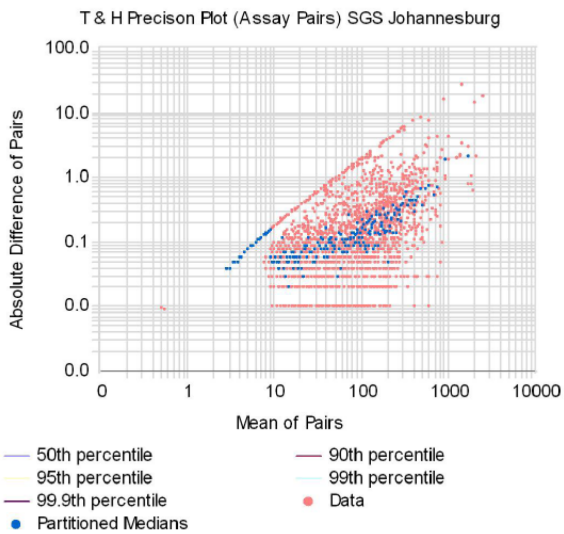
ANOMALY A

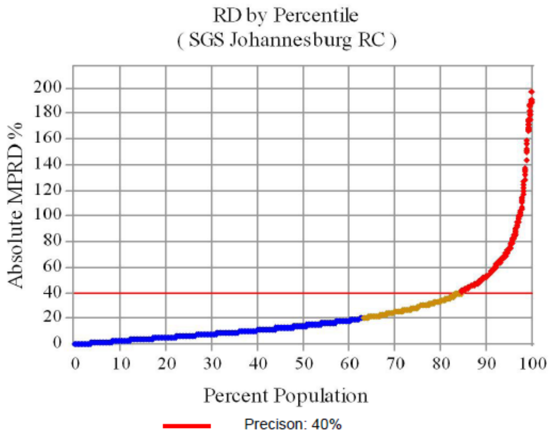
(SGS Johannesburg RC)

	U_XRF_ppm	U_XRF_ppm_DUP	Units		Results
No. Pairs:	1819	1819			
Minimum:	10.00	10.00	ppm		
Maximum:	3495.00	2735.00	ppm		
Mean:	103.61	103.86	ppm		
Median:	90.00	89.00	ppm	% Pop with AMPRD > 20%:	31.34
Std. Deviation:	219.19	206.07	ppm	% Pop with AMPRD > 30%:	24.08
Coefficient of Variation:	2.12	1.98		% Pop with AMPRD > 40%:	18.47









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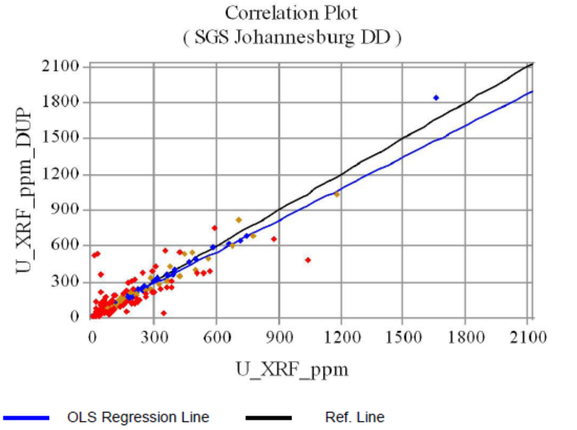
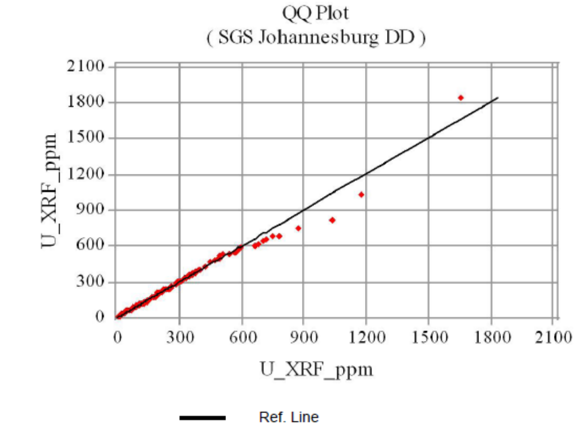
Appendix 1
QAQC Plots

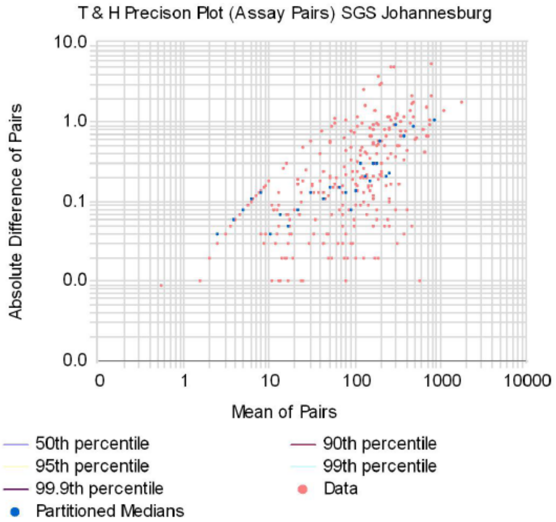
Duplicates Data
SGS Johannesburg versus Genalysis Perth Field Duplicates - DD

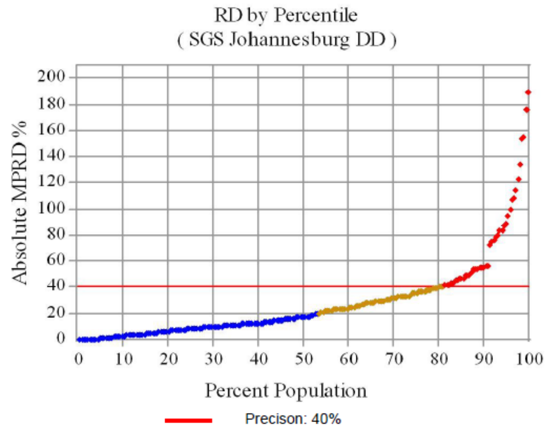
ANOMALY A
(SGS Johannesburg DD)

	U_XRF_ppm	U_XRF_ppm_DUP	Units		Results
No. Pairs:	222	222			
Minimum:	10.00	10.00	ppm		
Maximum:	1655.00	1836.00	ppm		
Mean:	136.38	139.88	ppm		
Median:	129.00	128.00	ppm	% Pop with AMPRD > 20%:	34.91
Std. Deviation:	219.61	211.67	ppm	% Pop with AMPRD > 30%:	27.48
Coefficient of Variation:	1.61	1.51		% Pop with AMPRD > 40%:	23.42









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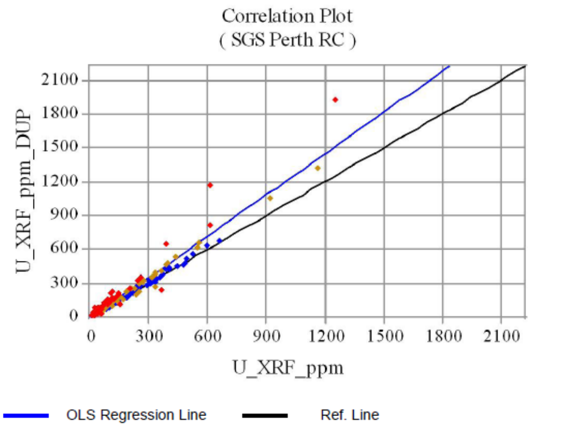
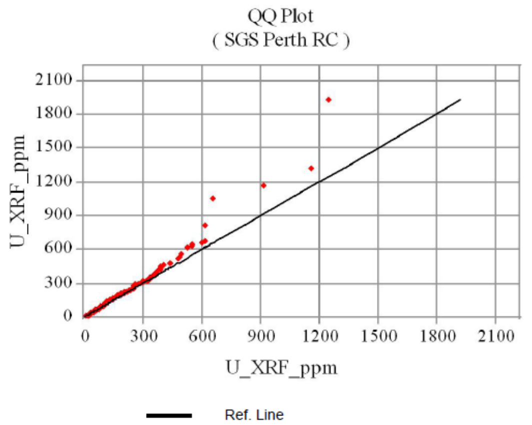
Appendix 1
QAQC Plots

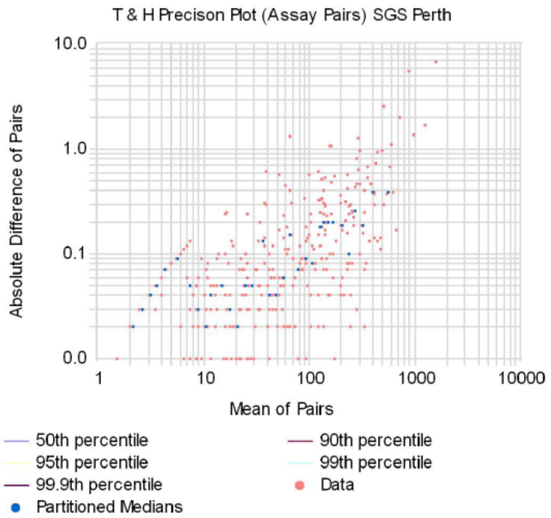
Duplicates Data
SGS Perth versus Genalysis Perth Field Duplicates - RC

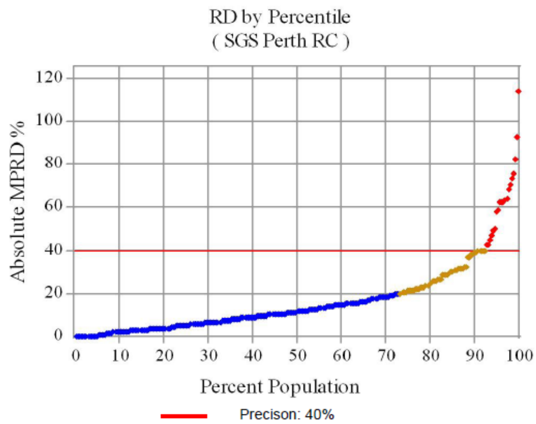
ANOMALY A
(SGS Perth RC)

	U_XRF_ppm	U_XRF_ppm_DUP	Units		Results
No. Pairs:	263	263			
Minimum:	10.00	10.00	ppm		
Maximum:	1250.00	1923.00	ppm		
Mean:	104.58	113.60	ppm		
Median:	88.00	95.00	ppm	% Pop with AMPRD > 20%:	27.76
Std. Deviation:	174.69	218.68	ppm	% Pop with AMPRD > 30%:	19.58
Coefficient of Variation:	1.67	1.93		% Pop with AMPRD > 40%:	13.50









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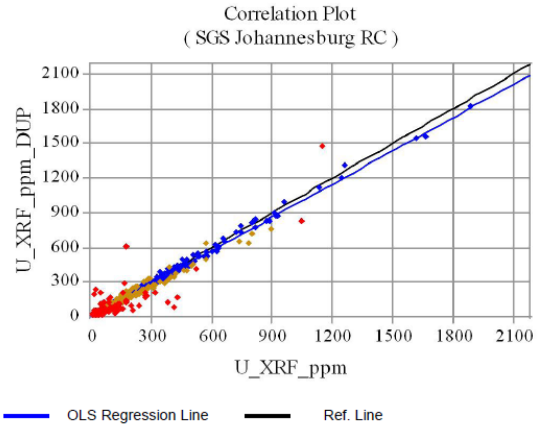
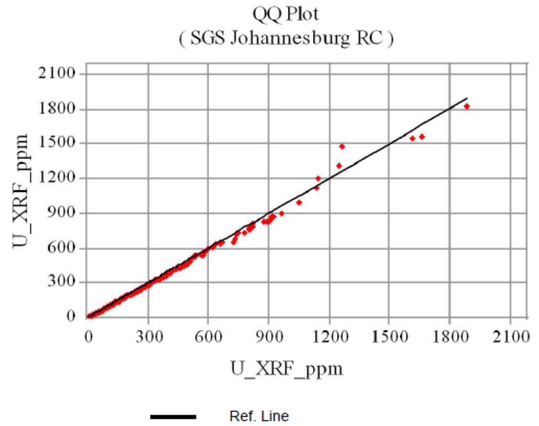
Appendix 1
QAQC Plots

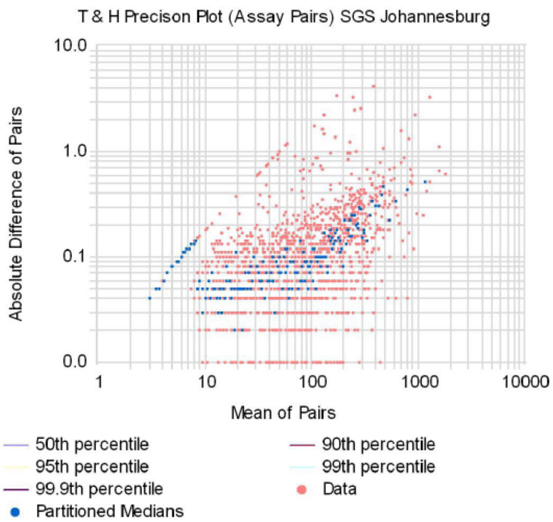
Duplicates Data
SGS Johannesburg versus Genalysis Perth PULPSP - RC

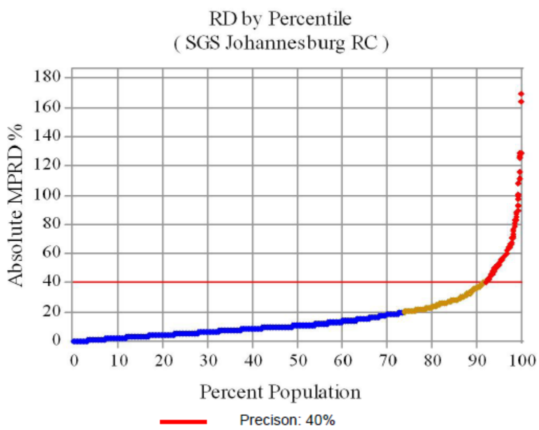
ANOMALY A
(SGS Johannesburg RC)

	U_XRF_ppm	U_XRF_ppm_DUP	Units		Results
No. Pairs:	1484	1484			
Minimum:	10.00	10.00	ppm		
Maximum:	1889.00	1828.00	ppm		
Mean:	102.51	95.66	ppm		
Median:	87.00	80.00	ppm	% Pop with AMPRD > 20%:	26.48
Std. Deviation:	172.85	167.85	ppm	% Pop with AMPRD > 30%:	17.96
Coefficient of Variation:	1.69	1.75		% Pop with AMPRD > 40%:	13.04









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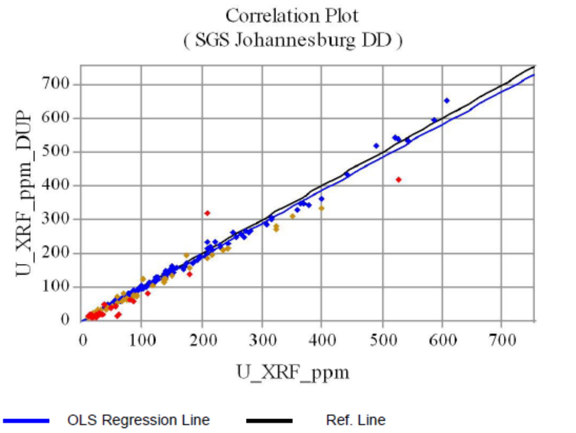
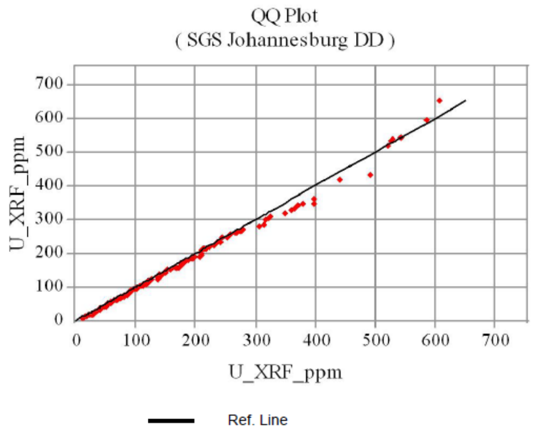
Appendix 1
QAQC Plots

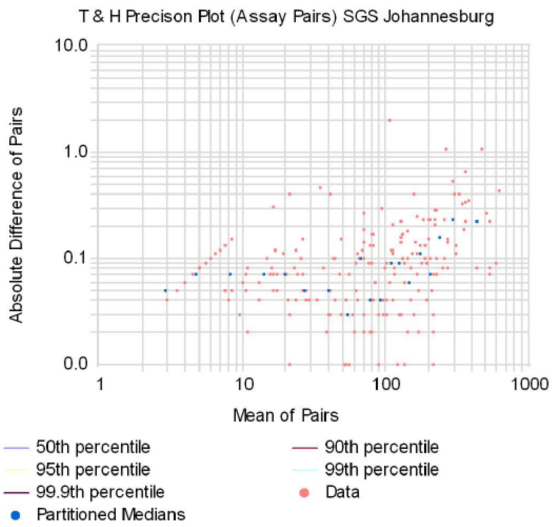
Duplicates Data
SGS Johannesburg versus Genalysis Perth PULPSP - DD

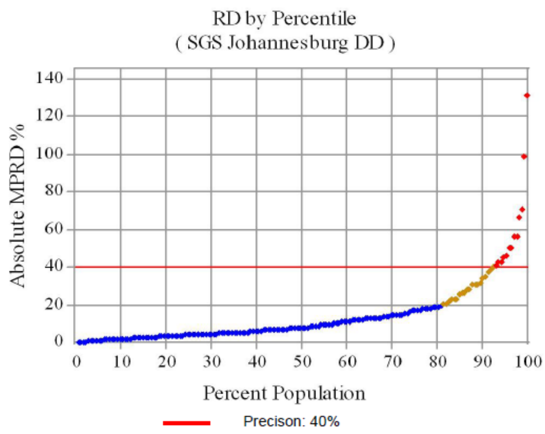
ANOMALY A
(SGS Johannesburg DD)

	U_XRF_ppm	U_XRF_ppm_DUP	Units		Results
No. Pairs:	173	173			
Minimum:	10.00	10.00	ppm		
Maximum:	609.00	652.00	ppm		
Mean:	122.74	114.57	ppm		
Median:	107.00	103.00	ppm	% Pop with AMPRD > 20%:	21.39
Std. Deviation:	127.88	126.31	ppm	% Pop with AMPRD > 30%:	13.87
Coefficient of Variation:	1.04	1.10		% Pop with AMPRD > 40%:	9.54









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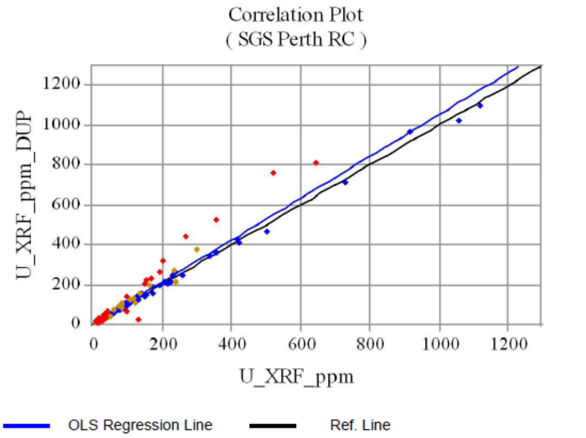
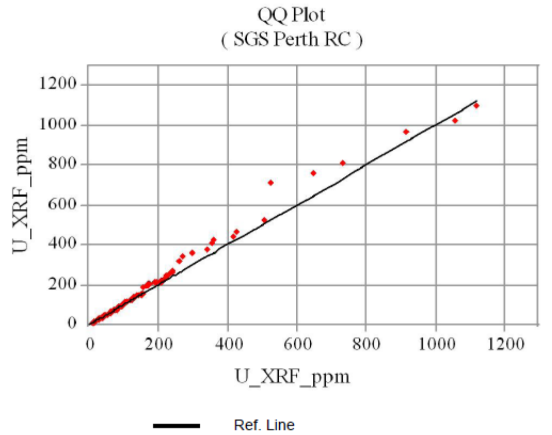
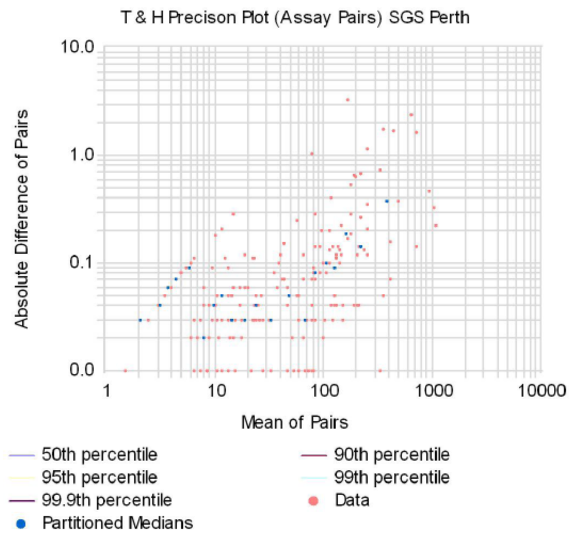
Duplicates Data
SGS Perth versus Genalysis Perth PULPSP - RC

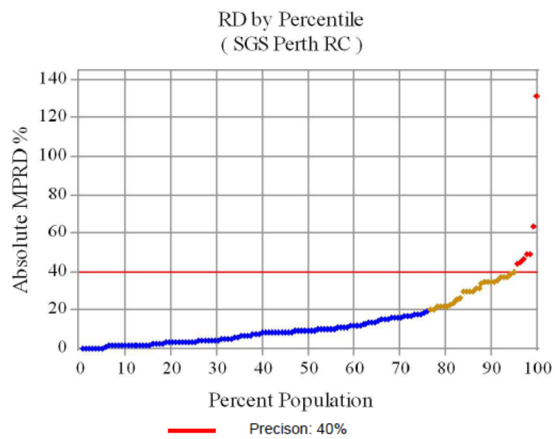
ANOMALY A
(SGS Perth RC)

	U_XRF_ppm	U_XRF_ppm_DUP	Units		Results
No. Pairs:	142	142			
Minimum:	10.00	10.00	ppm		
Maximum:	1120.00	1098.00	ppm		
Mean:	79.42	82.25	ppm		
Median:	75.50	72.00	ppm	% Pop with AMPRD > 20%:	23.94
Std. Deviation:	186.41	200.03	ppm	% Pop with AMPRD > 30%:	16.90
Coefficient of Variation:	2.35	2.43		% Pop with AMPRD > 40%:	11.97









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Appendix 1
QAQC Plots

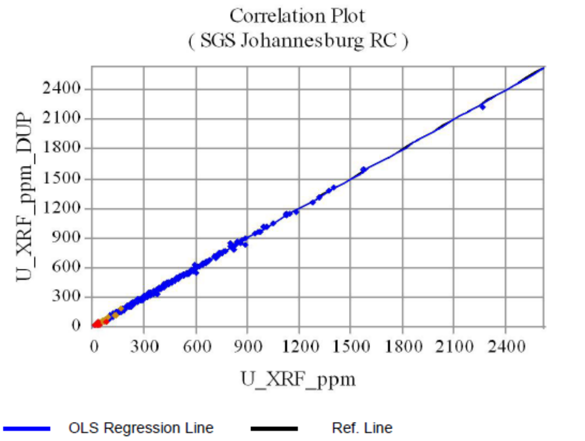
Duplicates Data

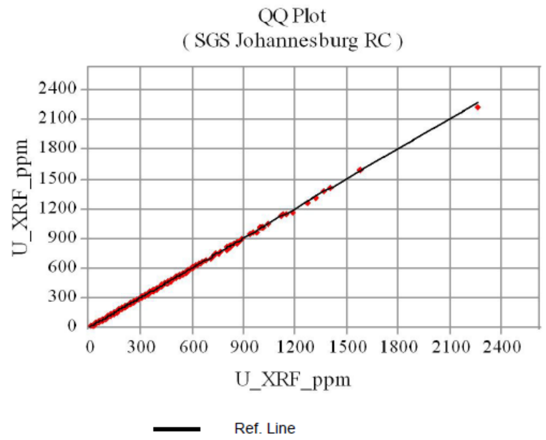
SGS Johannesburg versus SGS Johannesburg Lab Repeat - RC

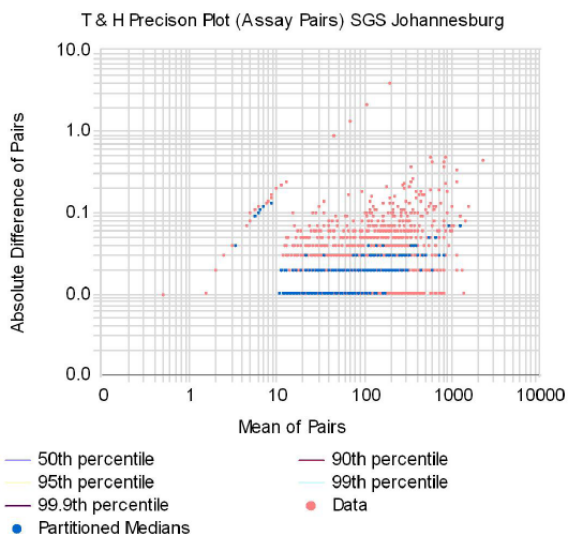
ANOMALY A

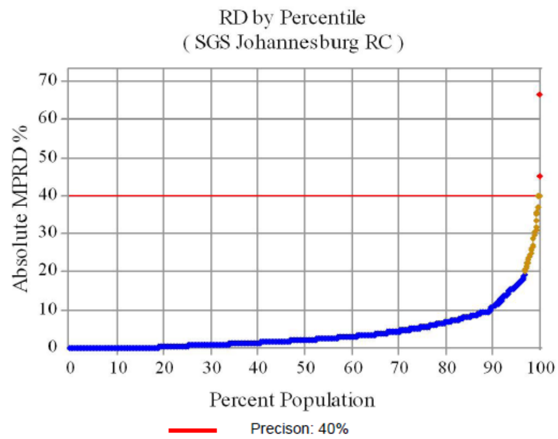
(SGS Johannesburg RC)

	U_XRF_ppm	U_XRF_ppm_DUP	Units		Results
No. Pairs:	2086	2086			
Minimum:	10.00	10.00	ppm		
Maximum:	2269.00	2225.00	ppm		
Mean:	86.98	86.92	ppm		
Median:	72.00	72.00	ppm	% Pop with AMPRD > 20%:	5.30
Std. Deviation:	180.15	179.88	ppm	% Pop with AMPRD > 30%:	3.28
Coefficient of Variation:	2.07	2.07		% Pop with AMPRD > 40%:	1.53









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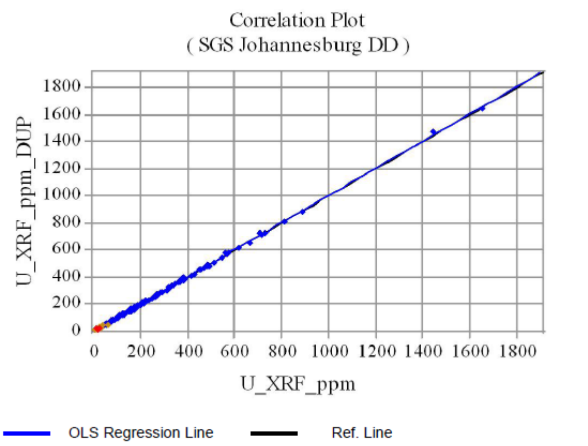
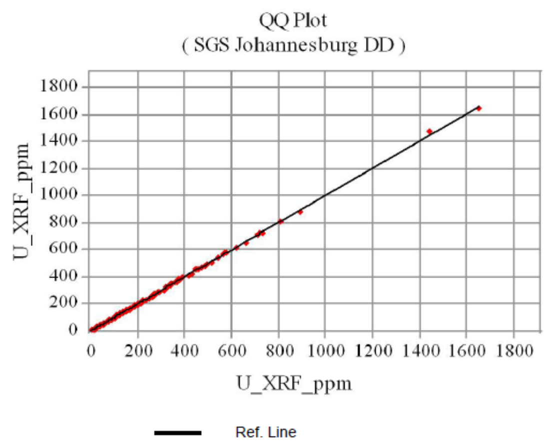
Appendix 1
QAQC Plots

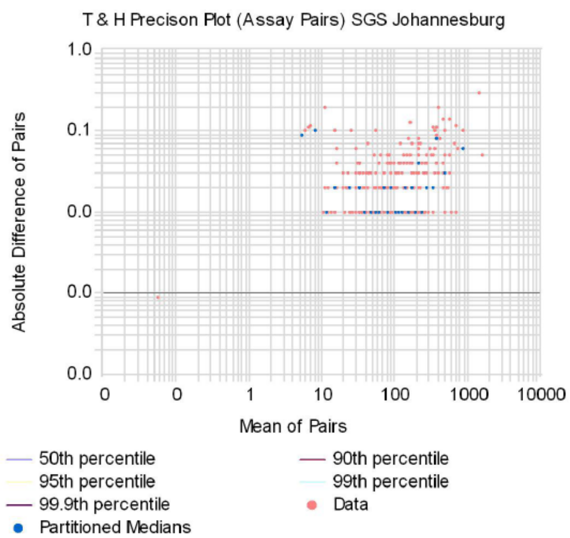
Duplicates Data
SGS Johannesburg versus SGS Johannesburg Lab Repeat - DD

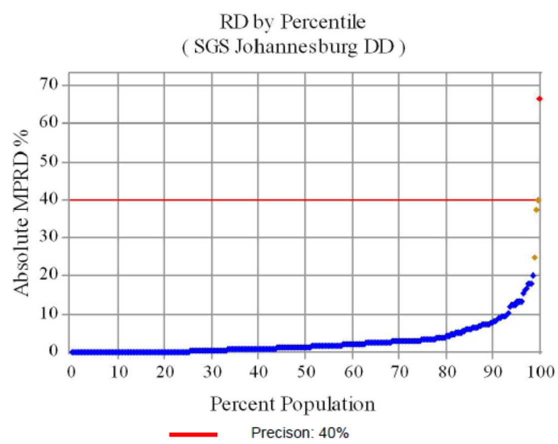
ANOMALY A
(SGS Johannesburg DD)

	U_XRF_ppm	U_XRF_ppm_DUP	Units		Results
No. Pairs:	290	290			
Minimum:	10.00	10.00	ppm		
Maximum:	1655.00	1650.00	ppm		
Mean:	121.35	121.58	ppm		
Median:	109.00	107.50	ppm	% Pop with AMPRD > 20%:	3.45
Std. Deviation:	199.05	199.78	ppm	% Pop with AMPRD > 30%:	1.90
Coefficient of Variation:	1.64	1.64		% Pop with AMPRD > 40%:	0.69









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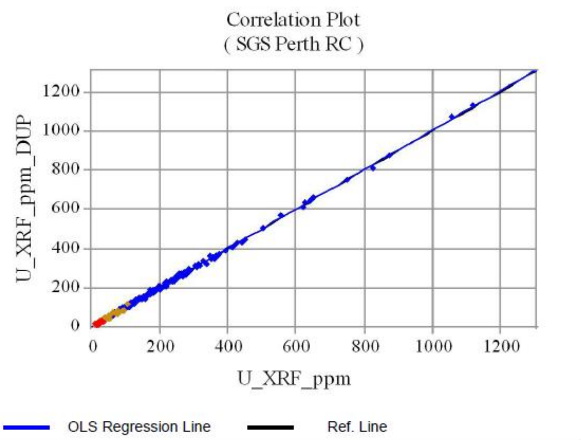
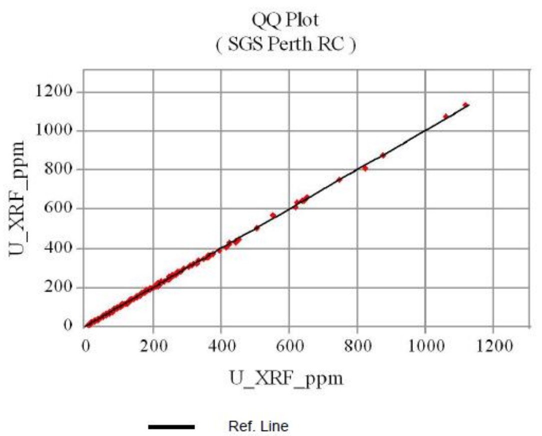
Appendix 1
QAQC Plots

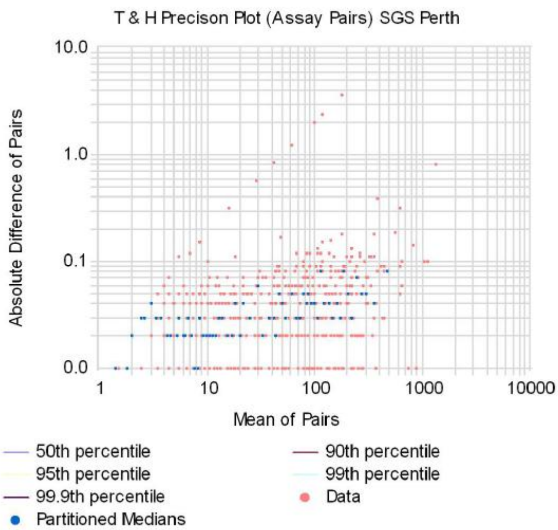
Duplicates Data
SGS Perth versus SGS Perth Lab Repeat - RC

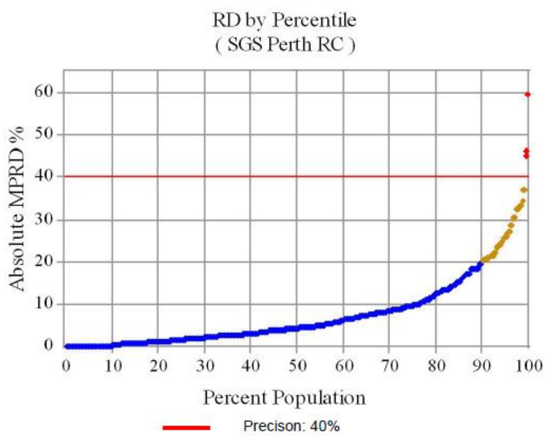
ANOMALY A
(SGS Perth RC)

	U_XRF_ppm	U_XRF_ppm_DUP	Units		Results
No. Pairs:	430	430			
Minimum:	10.00	10.00	ppm		
Maximum:	1120.00	1130.00	ppm		
Mean:	86.85	85.07	ppm		
Median:	75.50	75.00	ppm	% Pop with AMPRD > 20%:	11.86
Std. Deviation:	149.00	150.06	ppm	% Pop with AMPRD > 30%:	7.91
Coefficient of Variation:	1.72	1.76		% Pop with AMPRD > 40%:	5.00









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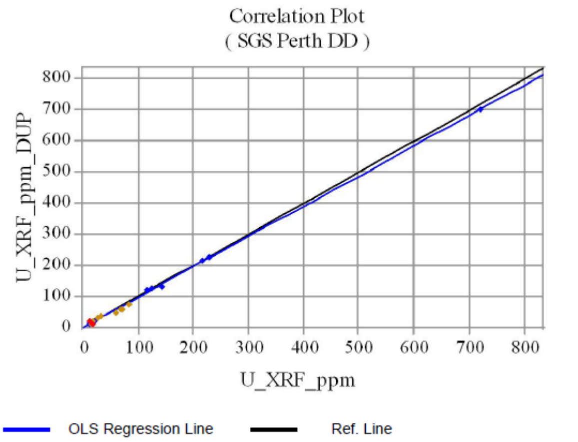
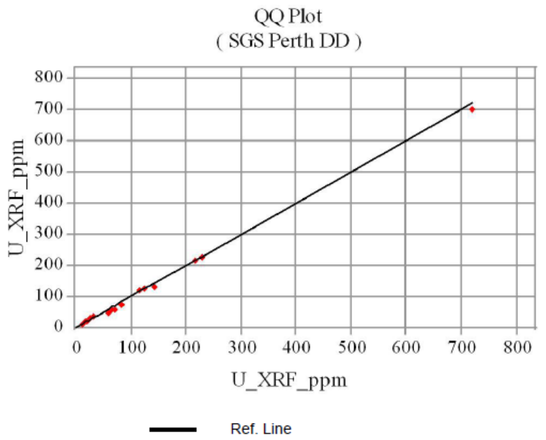
Appendix 1
QAQC Plots

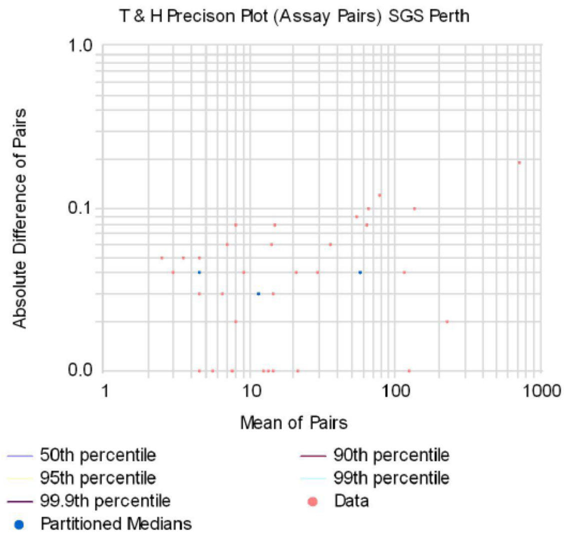
Duplicates Data
SGS Perth versus SGS Perth Lab Repeat - DD

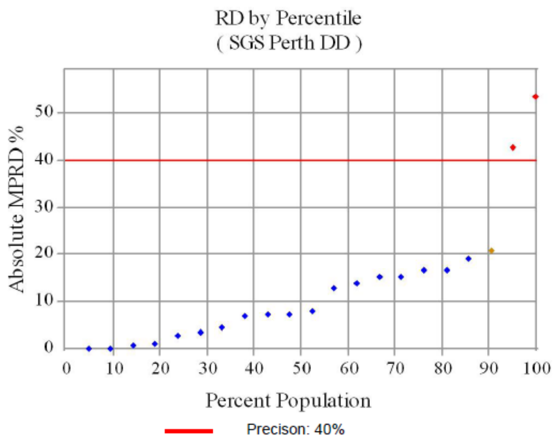
ANOMALY A
(SGS Perth DD)

	U_XRF_ppm	U_XRF_ppm_DUP	Units		Results
No. Pairs:	21	21			
Minimum:	11.00	11.00	ppm		
Maximum:	722.00	703.00	ppm		
Mean:	56.76	57.33	ppm		
Median:	33.00	39.00	ppm	% Pop with AMPRD > 20%:	23.81
Std. Deviation:	158.99	154.61	ppm	% Pop with AMPRD > 30%:	19.05
Coefficient of Variation:	2.80	2.70		% Pop with AMPRD > 40%:	7.14









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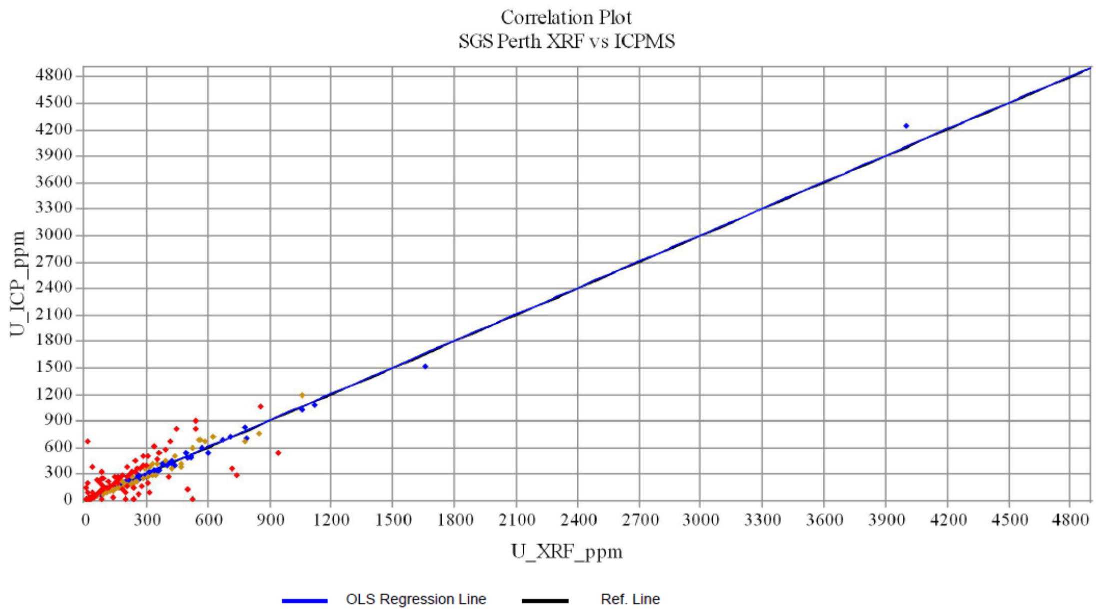
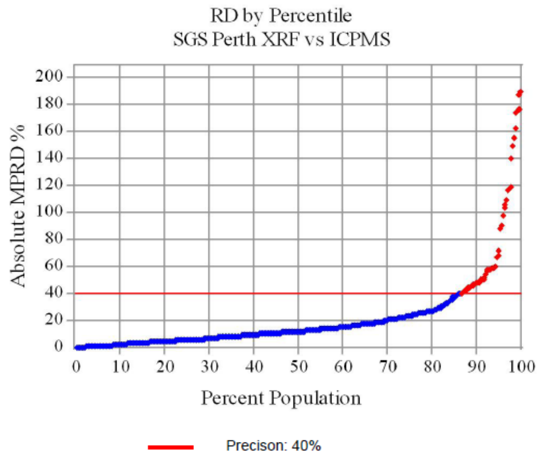
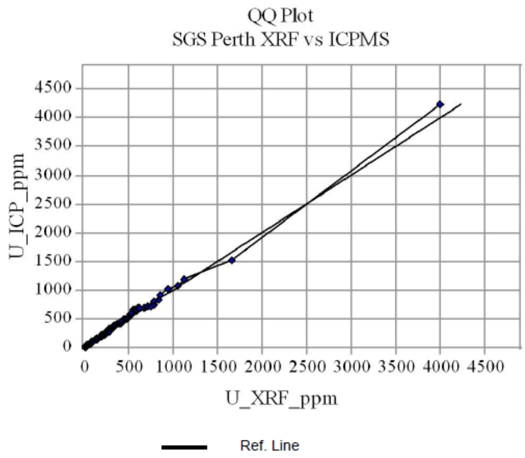
Appendix 1
QAQC Plots

Anomaly A/Oshiveli
SGS Perth Pulp Repeats – XRF vs ICPMS

	U_ppm	U_ppm_DUP	Units		Results
No. Pairs:	406	406			
Minimum:	10.00	10.00	ppm		
Maximum:	4000.00	4240.00	ppm		
Mean:	173.80	183.75	ppm		
Median:	93.50	98.90	ppm	% Pop with AMPRD > 20%:	29.43
Std. Deviation:	275.54	288.95	ppm	% Pop with AMPRD > 30%:	20.07
Coefficient of Variation:	1.59	1.57		% Pop with AMPRD > 40%:	15.27







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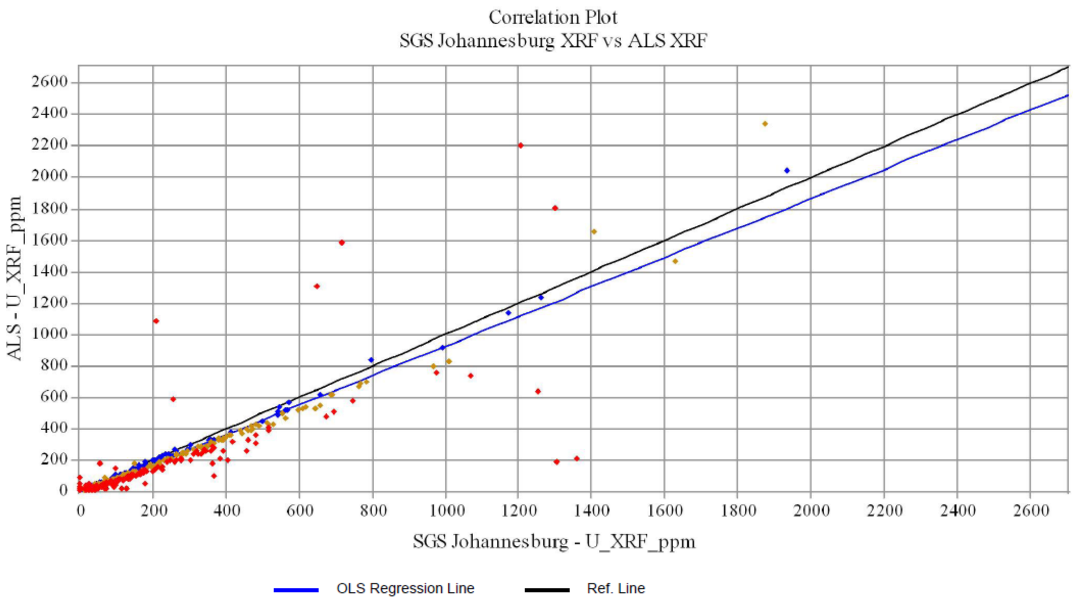
Appendix 1
QAQC Plots

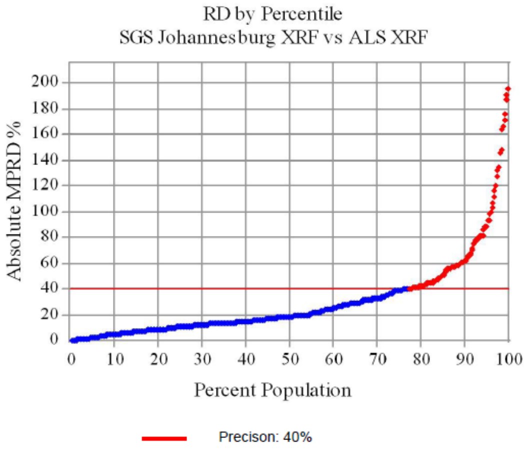
Anomaly A/Oshiveli

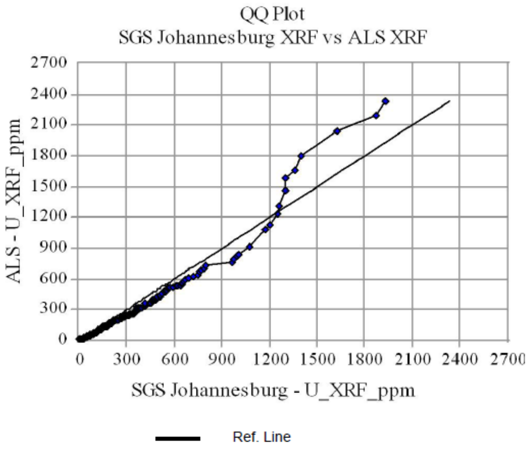
Field Duplicates - XRF

SGS Johannesburg vs ALS Johannesburg

	U_ppm	U_ppm_DUP	Units		Results
No. Pairs:	459	459			
Minimum:	1.00	10.00	ppm		
Maximum:	1937.00	2340.00	ppm		
Mean:	214.23	188.13	ppm		
Median:	118.00	95.00	ppm	% Pop with AMPRD > 20%:	38.45
Std. Deviation:	272.75	285.93	ppm	% Pop with AMPRD > 30%:	29.41
Coefficient of Variation:	1.27	1.52		% Pop with AMPRD > 40%:	22.88







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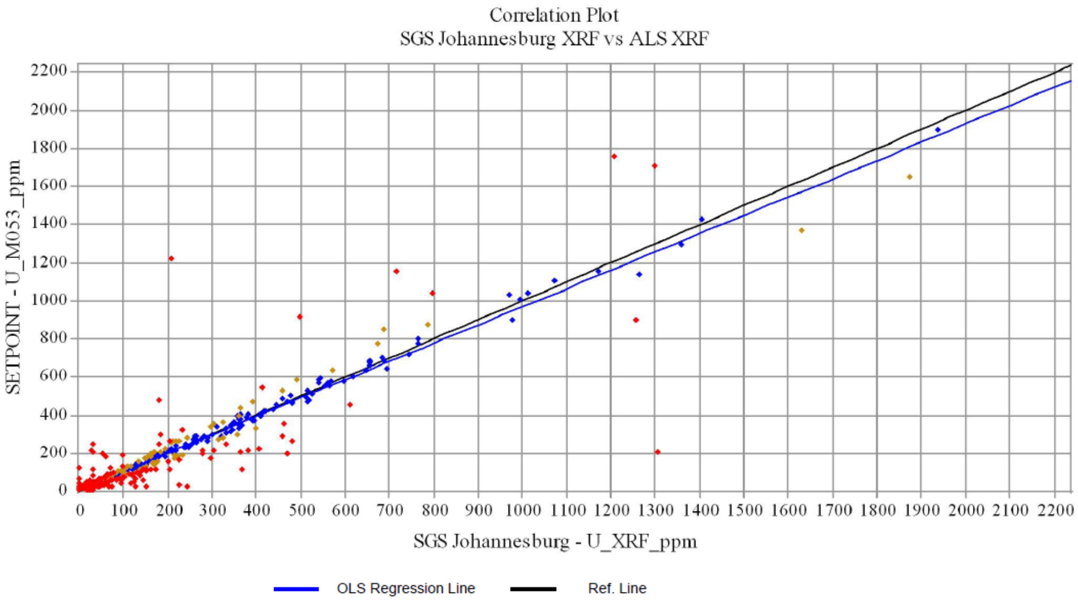
Appendix 1
QAQC Plots

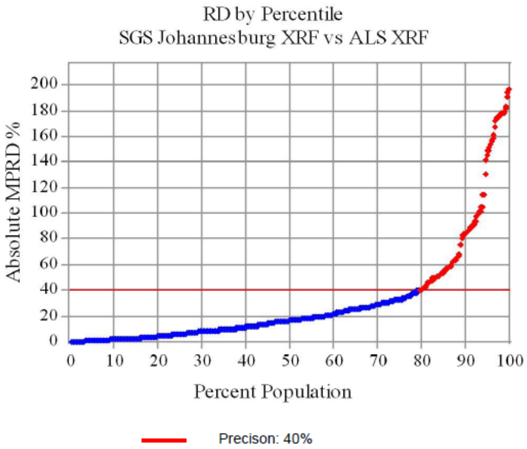
Anomaly A/Oshiveli

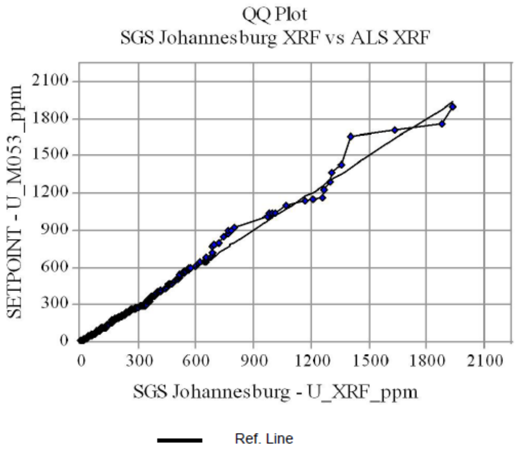
Field Duplicates - XRF

SGS Johannesburg vs Setpoint Johannesburg

	U_ppm	U_ppm_DUP	Units		Results
No. Pairs:	488	488			
Minimum:	1.00	8.48	ppm		
Maximum:	1937.00	1899.07	ppm		
Mean:	201.71	202.88	ppm		
Median:	100.50	97.96	ppm	% Pop with AMPRD > 20%:	32.07
Std. Deviation:	268.97	275.11	ppm	% Pop with AMPRD > 30%:	26.95
Coefficient of Variation:	1.33	1.36		% Pop with AMPRD > 40%:	21.11







Printed using acQuire Resource QAQC Report - Lab Method Comparisons object on 6-Mar-2009

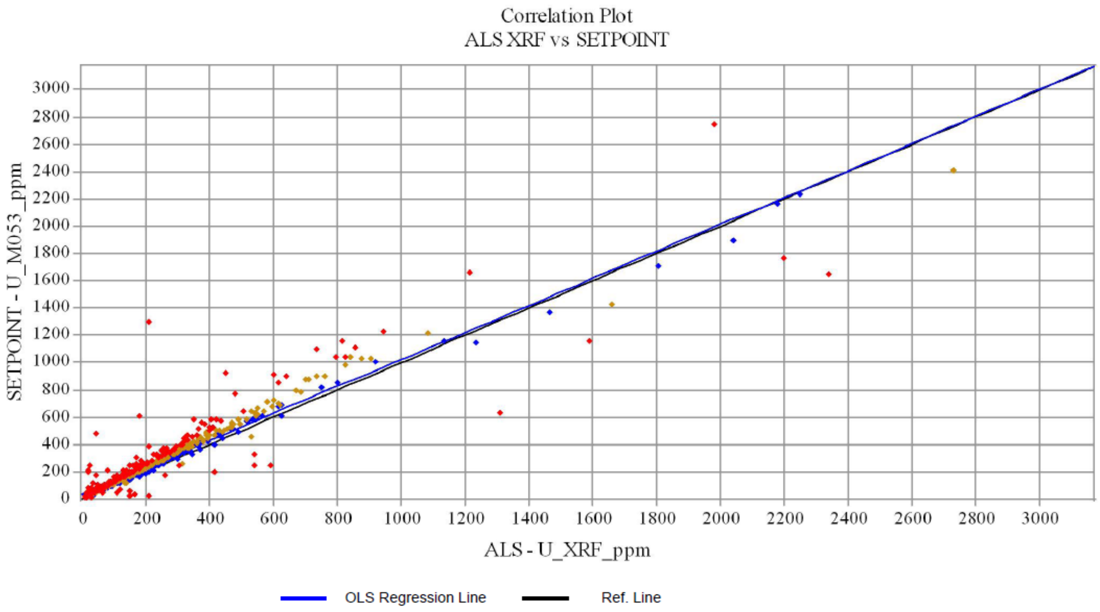
Appendix 1
QAQC Plots

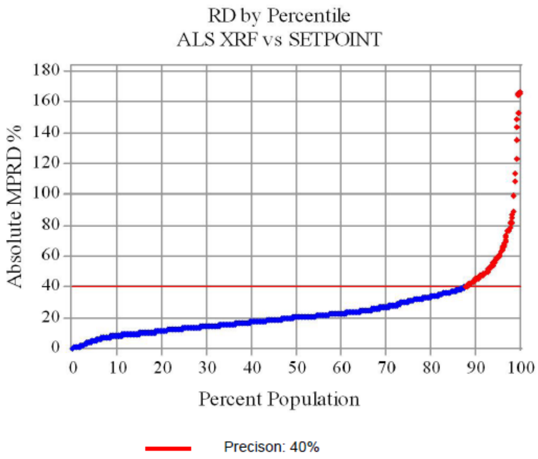
Anomaly A/Oshiveli

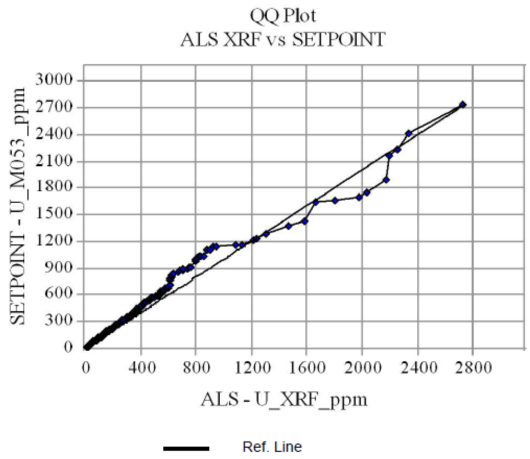
Field Duplicates - XRF

ALS Johannesburg vs Setpoint Johannesburg

	U_ppm	U_ppm_DUP	Units		Results
No. Pairs:	920	920			
Minimum:	10.00	13.57	ppm		
Maximum:	2730.00	2743.85	ppm		
Mean:	197.31	229.15	ppm		
Median:	124.00	147.58	ppm	% Pop with AMPRD > 20%:	42.23
Std. Deviation:	271.41	280.73	ppm	% Pop with AMPRD > 30%:	33.64
Coefficient of Variation:	1.38	1.23		% Pop with AMPRD > 40%:	12.72





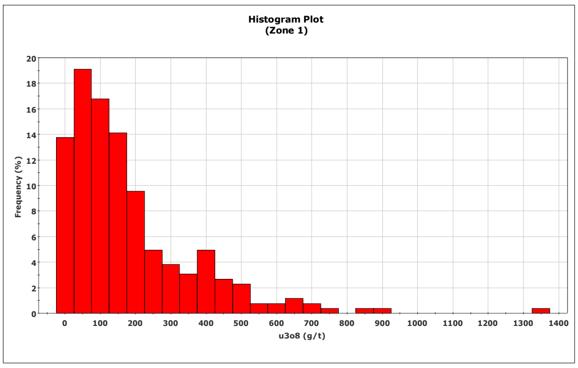


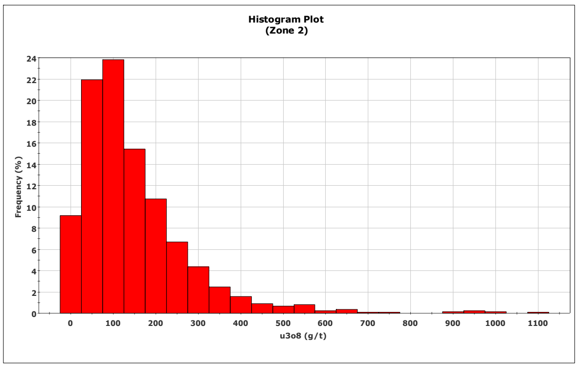
Printed using acQuire Resource QAQC Report - Lab Method Comparisons object on 6-Mar-2009

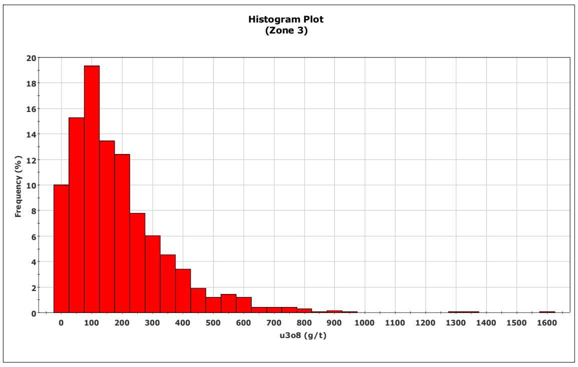
Appendix 2

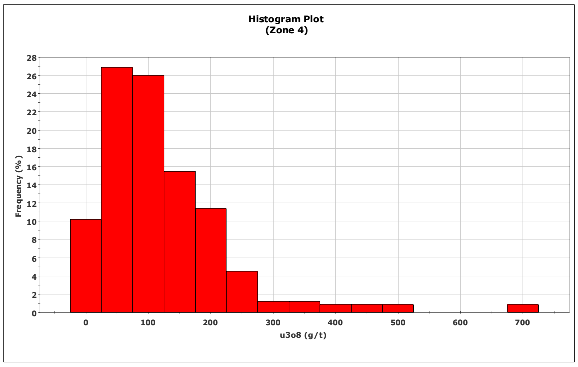
Composite Statistics

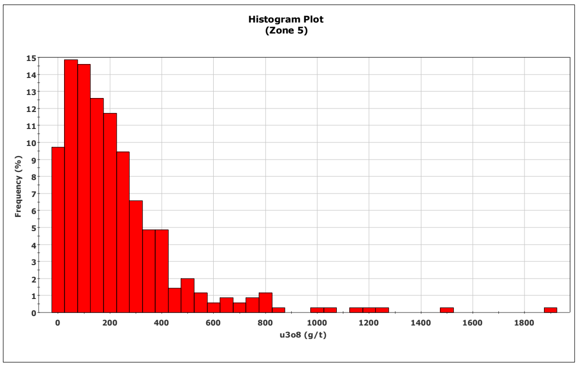
Appendix 2
Composite Statistics

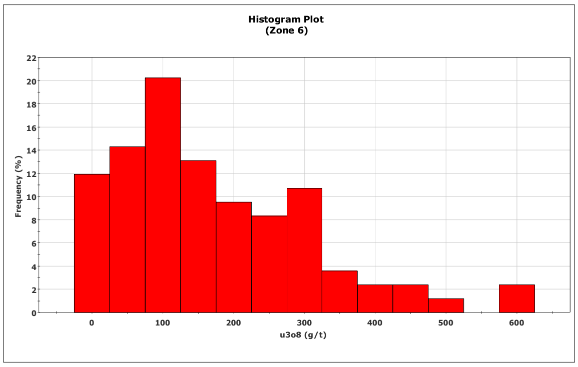


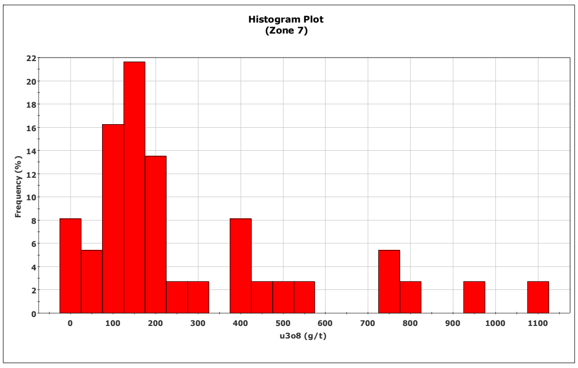


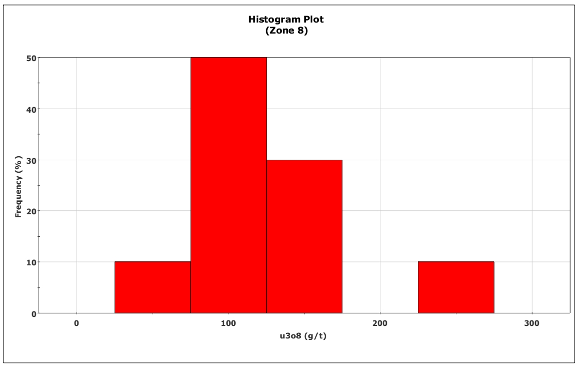




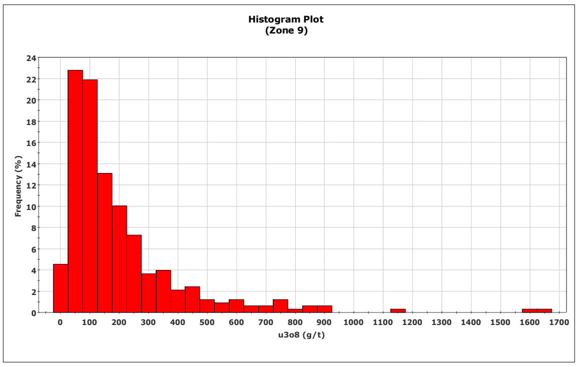


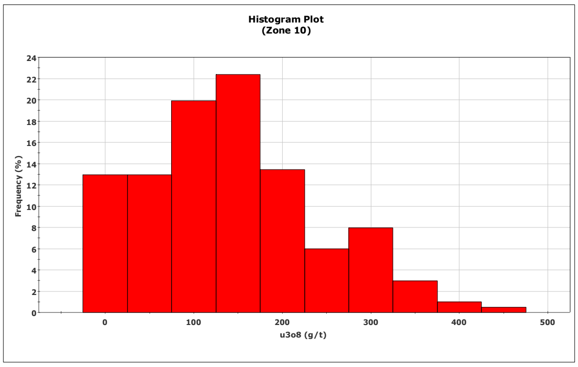


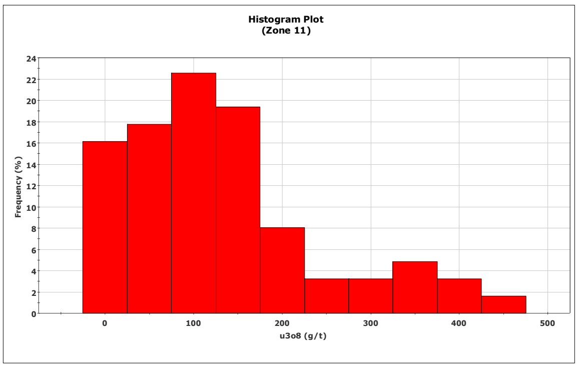


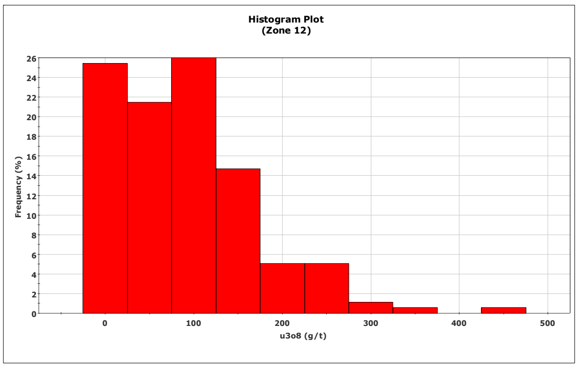


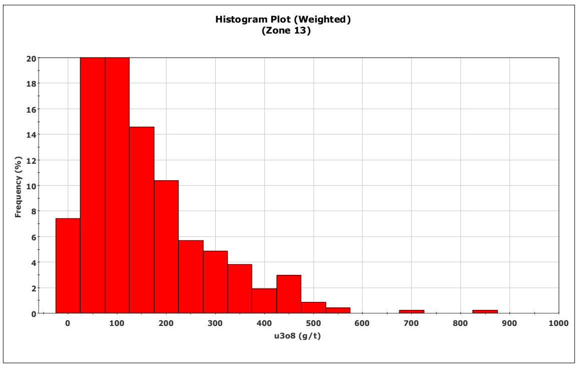
Appendix 2
Composite Statistics

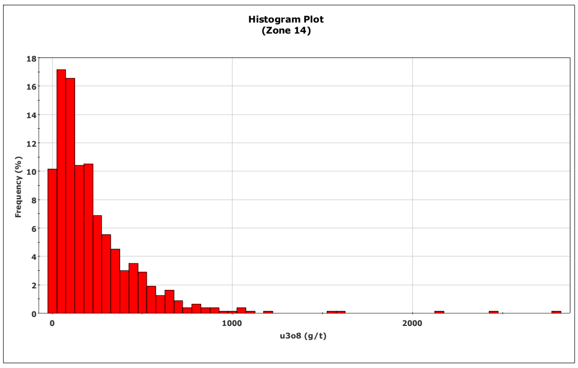


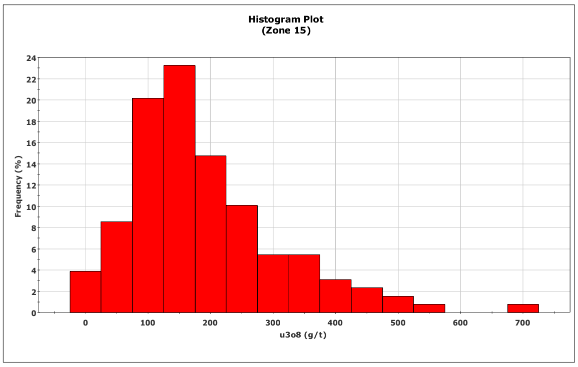


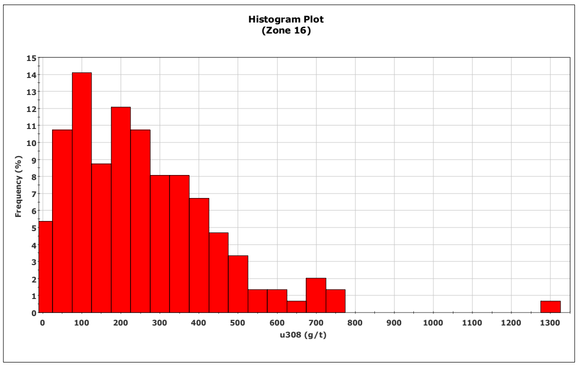




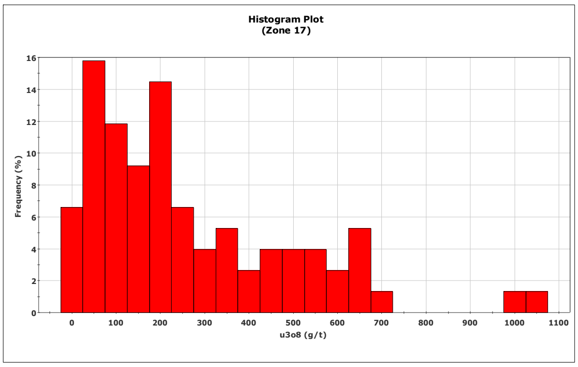


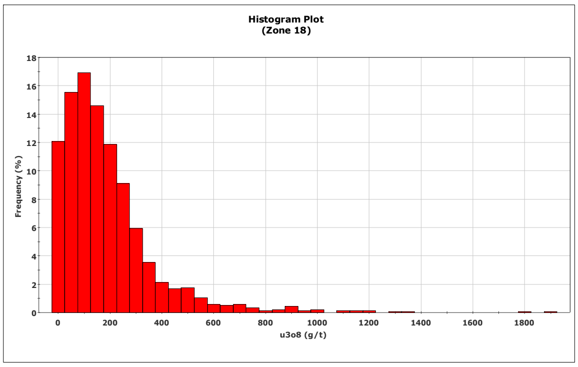


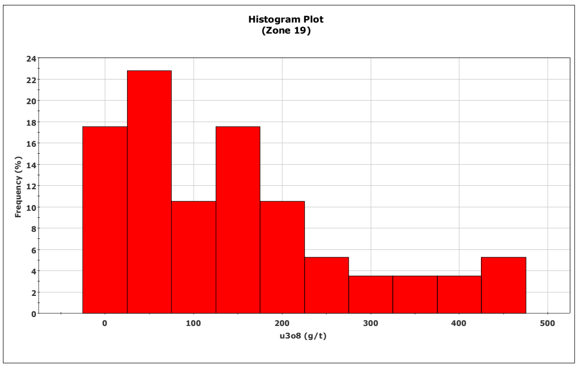


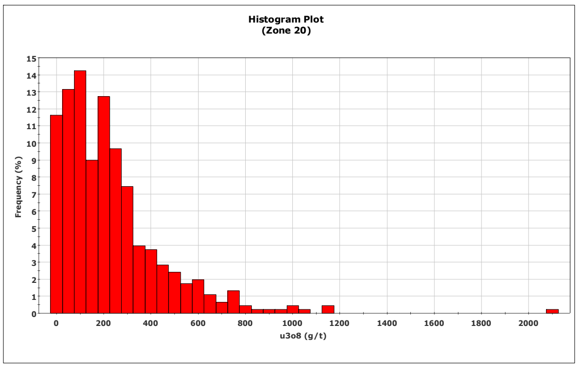


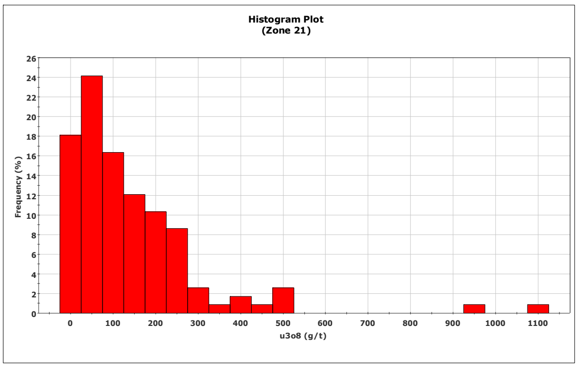
Appendix 2
Composite Statistics

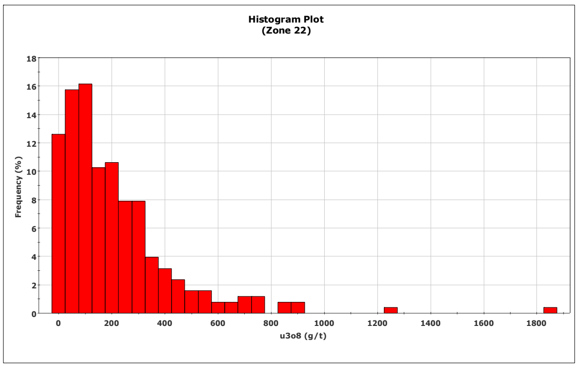


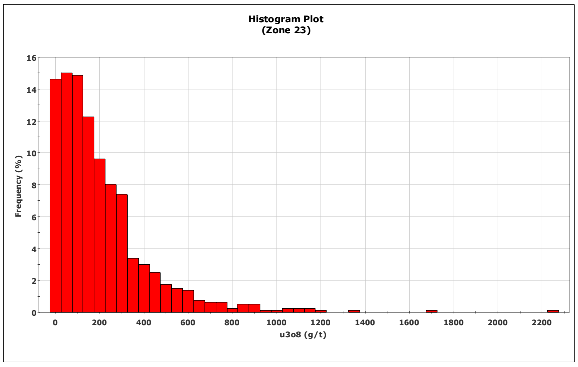


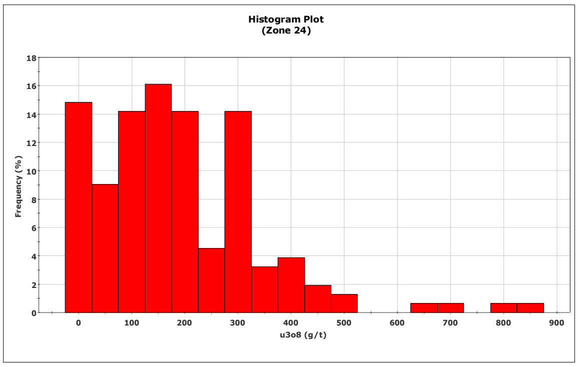




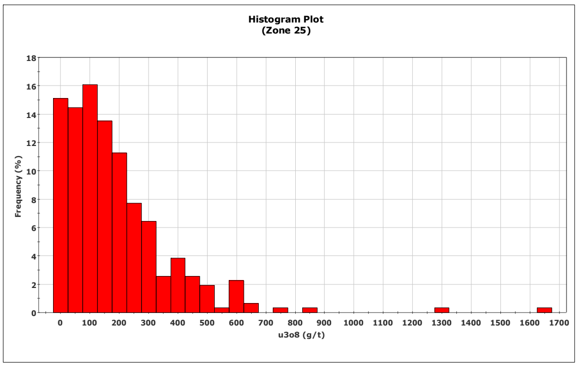


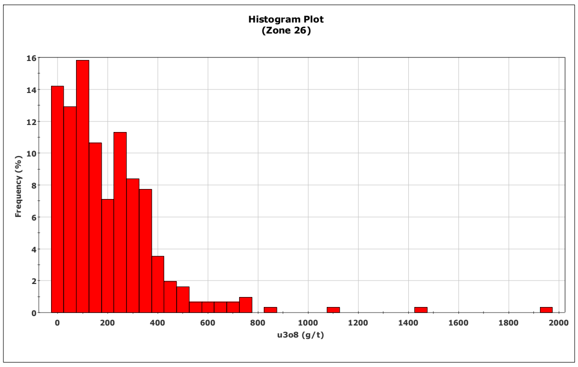


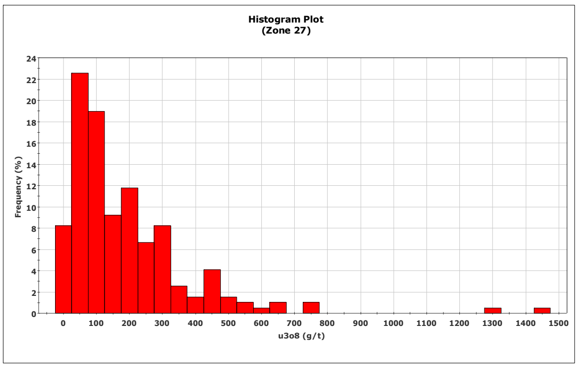


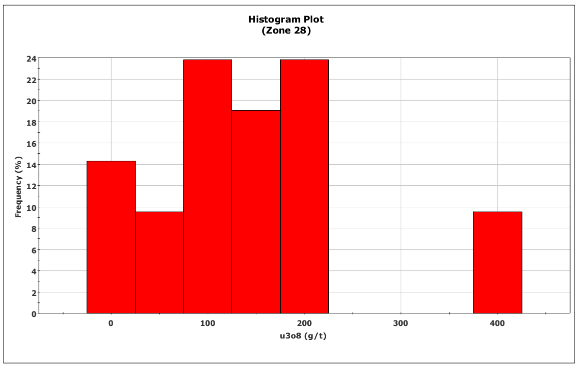


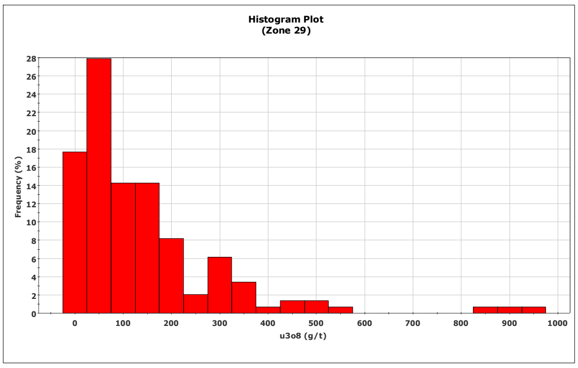
Appendix 2
Composite Statistics

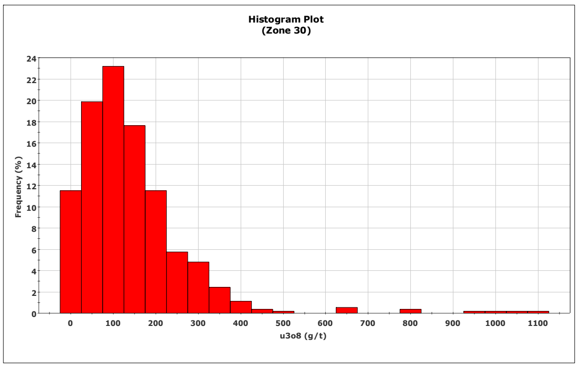


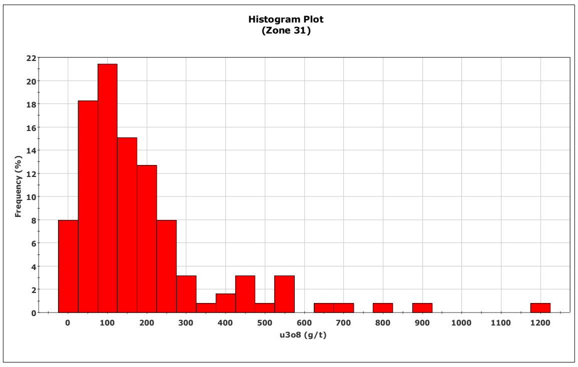


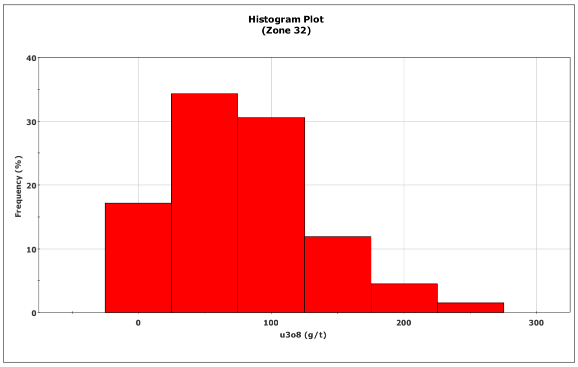




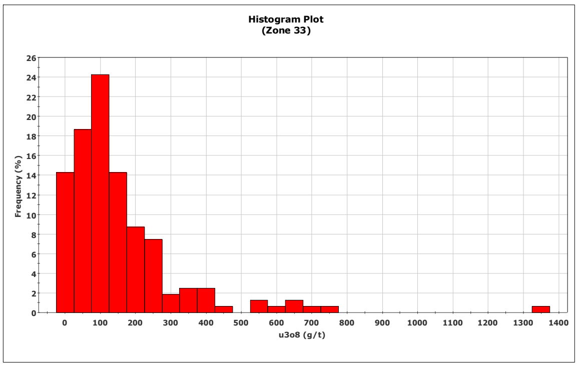


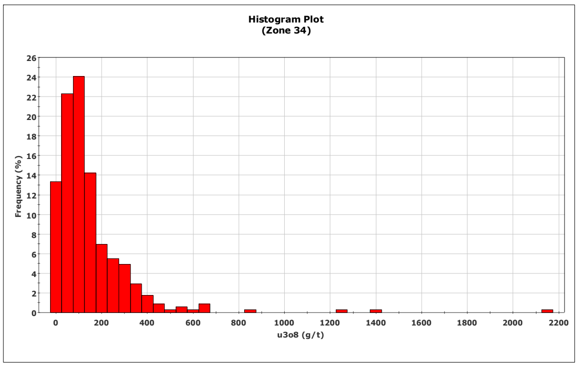


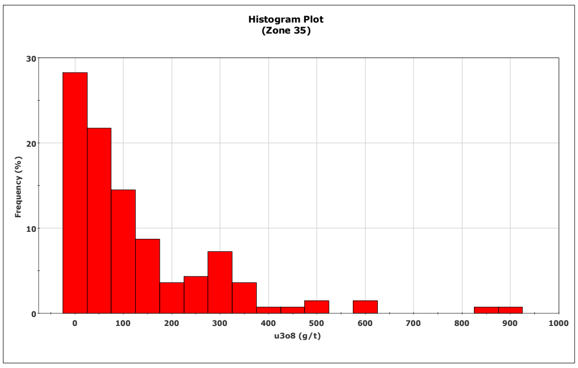


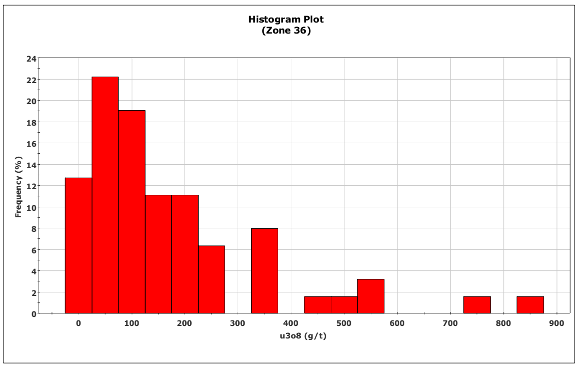


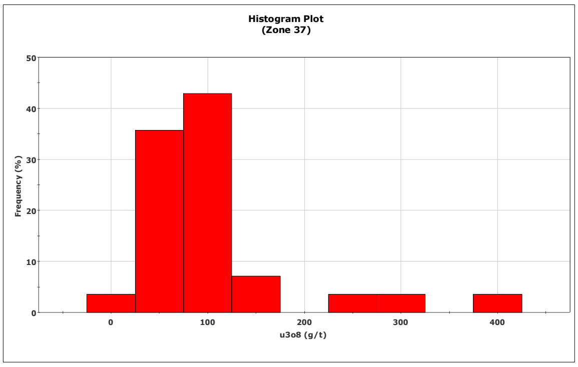
Appendix 2
Composite Statistics

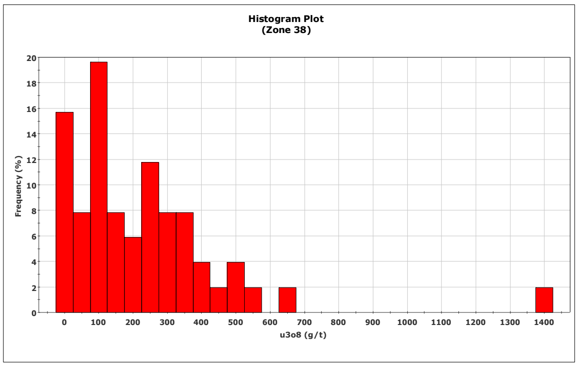


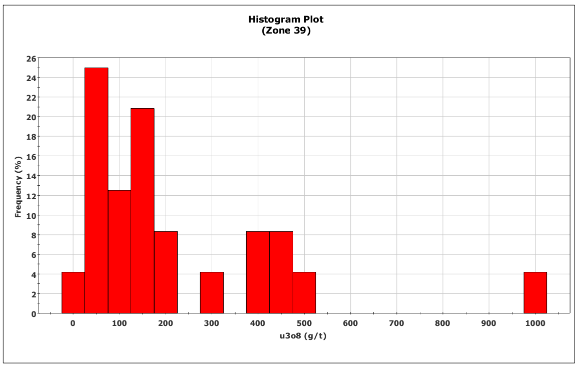


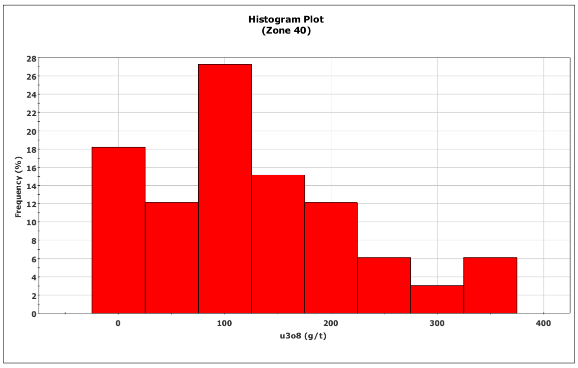




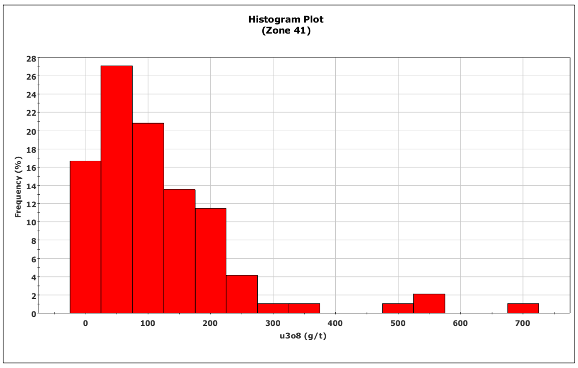


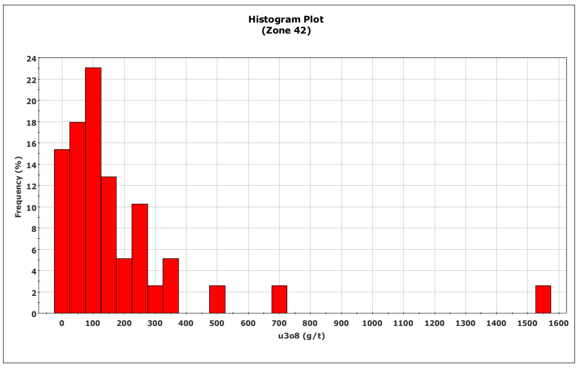


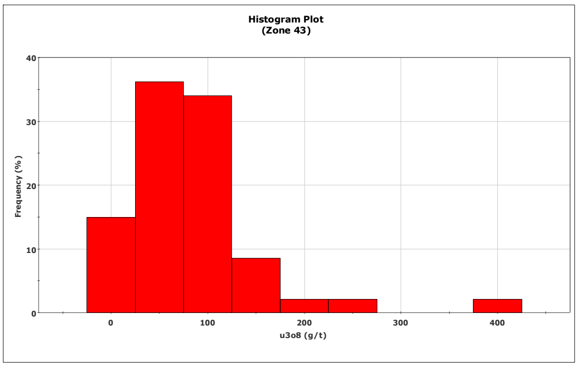


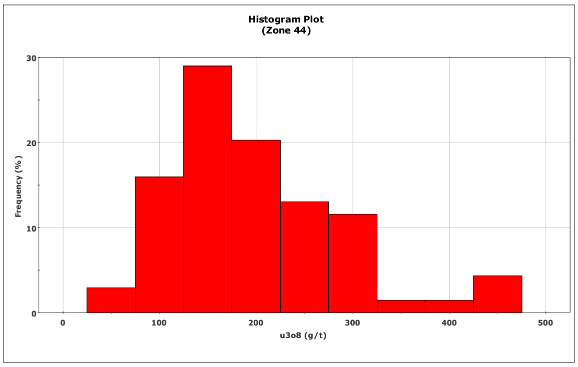


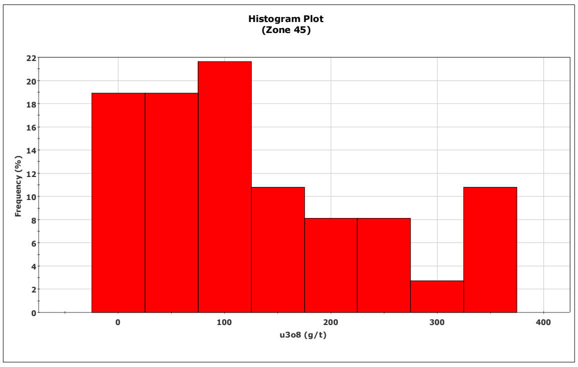
Appendix 2
Composite Statistics

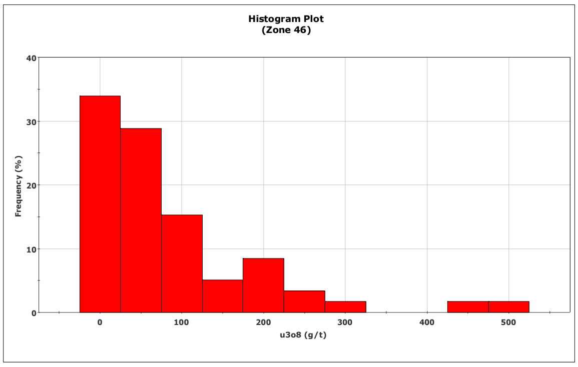


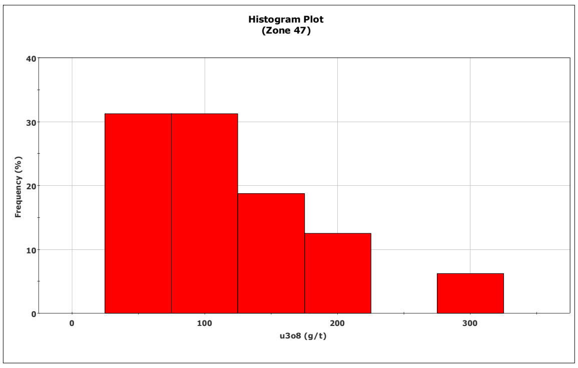


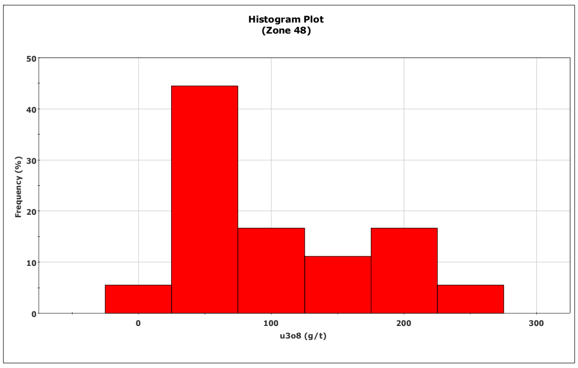




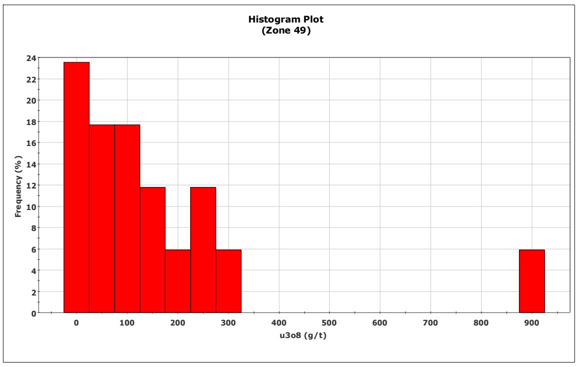


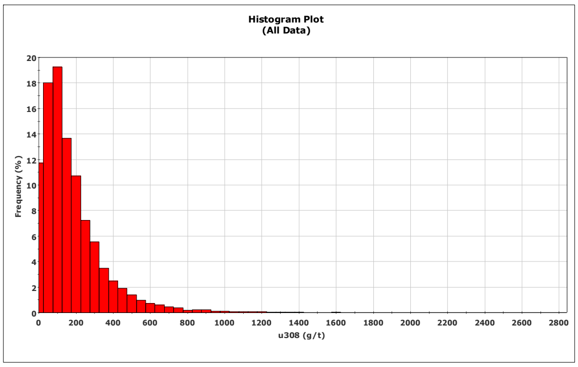






Appendix 2
Composite Statistics





Appendix 3

Certificates

Coffey Mining Pty. Ltd.

Certificate of Qualified Person

As an author of the report entitled "National Instrument 43-101 Technical Document - Etango Project, Namibia - February 2009 Resource Update" dated 26 March 2009, on the Etango Project property of Bannerman Resources Limited (the "Study"), I hereby state:-

1. My name is Neil Andrew Inwood and I am a Specialist Resource Geologist with the firm of Coffey Mining Pty. Ltd. of 1162 Hay Street, West Perth, WA, 6005, Australia.
2. I am a practising geologist and a member of the AusIMM (210871).
3. I am a graduate of Curtin University of Technology in Western Australia with a BSc in Geology in 1993 and a PGradDip in Hydro-Geology in 1994. In 2007 I graduated from the University of Western Australia with an MSc in Geology and from Edith Cowan University with a Post Graduate Certificate in Geostatistics.
4. I have practiced my profession continuously since 1994.
5. I am a "qualified person" as that term is defined in National Instrument 43-101 (Standards of Disclosure for Mineral Projects) (the "Instrument").
6. I visited the Etango Project property and surrounding areas for 4 days in August 2007, and August 2008. I have performed consulting services during and reviewed files and data supplied by Bannerman Resources between July 2007 and February 2009.
7. I contributed to and am responsible for Sections 14.3, 17, 20.1 and the associated text in the summary, conclusions and recommendations.
8. As of the date of this certificate, to the best of my knowledge, information and belief, the Study contains all scientific and technical information that is required to be disclosed to make the Study not misleading.
9. I am independent of Bannerman Resources pursuant to section 1.4 of the Instrument.
10. I have read the National Instrument and Form 43-101F1 (the "Form") and the Study has been prepared in compliance with the Instrument and the Form.
11. I do not have nor do I expect to receive a direct or indirect interest in the Etango Project property of Bannerman Resources, and I do not beneficially own, directly or indirectly, any securities of Bannerman Resources or any associate or affiliate of such Company.

Dated at Perth, Western Australia, on 26th March 2009.

[signed]

Neil Inwood
Specialist Resource Consultant

BSc (Geology)
MSc (Geology)
Post Grad Cert Geostatistics

Bannerman Resources Ltd.

Certificate of Qualified Person

As an author of the report entitled "National Instrument 43-101 Technical Document - Etango Project, Namibia - February 2009 Resource Update" dated 26 March 2009, on the Etango Project property of Bannerman Resources Limited (the "Study"), I hereby state:-

1. My name is Louise Victoria Lindskog and I am a Senior Geologist with Bannerman Resources Ltd. of Level 2, 22 Oxford Close, West Leederville, WA, 6007, Australia.
2. I am a practising geologist and a member of the AusIMM (206241).
3. I am a graduate of James Cook University in Townsville (Australia) with a BSc Geology with Honours (Metalliferous Economic Geology) in 2001.
4. I have practiced my profession continuously since 2002.
5. I am a "qualified person" as that term is defined in National Instrument 43-101 (Standards of Disclosure for Mineral Projects) (the "Instrument").
6. I have visited the Etango Project property and surrounding areas on multiple instances, since March 2007, the last visit was 13 days in March/April 2008. During the visits I have preformed various geological duties as required by my position including a combined period of two months as project manager on site in Namibia.
7. I contributed to all sections of the Study apart from Sections 14.3, 17, 20.1 and the associated text in the summary, conclusions and recommendations.
8. As of the date of this certificate, to the best of my knowledge, information and belief, the Study contains all scientific and technical information that is required to be disclosed to make the Study not misleading.
9. I am an employee of Bannerman Resources and am therefore not independent as outlined under section 1.4 of the Instrument.
10. I have read the National Instrument and Form 43-101F1 (the "Form") and the Study has been prepared in compliance with the Instrument and the Form.
11. I could be considered to have an indirect interest in the Etango Project property of Bannerman Resources as I own securities (employee options) of Bannerman Resources.

Dated at Perth, Western Australia, on 26th March 2009.

[signed]

Louise Lindskog
Senior Geologist

BSc Hons (Metalliferous Economic Geology)
AAusIMM

VIA SEDAR

March 26, 2009

Ontario Securities Commission
British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
The Manitoba Securities Commission

Dear Sirs/Mesdames:

Bannerman Resources Limited – Technical Report
"Etango Project, Namibia. Anomaly A - February 2009 Resource Update"

Consent of Expert

The undersigned has been responsible for preparing or supervising the preparation of all or a portion of the technical report dated 26 March 2009 to be filed with the above listed securities commissions by Bannerman Resources Limited. Pursuant to Section 8.3 of National Policy 43-101 – *Standards of Disclosure for Mineral Projects*, this letter is being filed as the consent of the undersigned to the public filing of such technical report.

Sincerely,

Neil Inwood
MAusIMM, BSc(Geology), MSc(Geology)
Specialist Resource Geologist – Coffey Mining

VIA SEDAR

March 26, 2009

Ontario Securities Commission
British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
The Manitoba Securities Commission

Dear Sirs/Mesdames:

Bannerman Resources Limited – Technical Report
"Etango Project, Namibia. February 2009 Resource Update"

Consent of Expert

The undersigned has been responsible for preparing or supervising the preparation of all or a portion of the technical report dated 26 March 2009 to be filed with the above listed securities commissions by Bannerman Resources Limited. Pursuant to Section 8.3 of National Policy 43-101 – *Standards of Disclosure for Mineral Projects*, this letter is being filed as the consent of the undersigned to the public filing of such technical report.

Sincerely,

Louise Lindskog
AAusIMM, BSc Hons (Metalliferous Economic Geology)
Senior Geologist – Bannerman Resources Ltd