

BANNERMAN RECEIVES ACQUISITION PROPOSAL

Perth, Australia – Bannerman Resources Limited (ASX: BMN, TSX: BAN, NSX: BMN) ("**Bannerman**") announces that it has received a highly conditional proposal from Hanlong Mining Investment Pty Ltd, a subsidiary of Chinese conglomerate Sichuan Hanlong Group ("**Hanlong**"), for the acquisition of 100% of Bannerman for A\$0.612 cash per Bannerman share by way of a scheme of arrangement.

The Board of Bannerman believes that Hanlong recognises the strategic significance of controlling Bannerman's large-scale and low technical risk Etango Uranium Project in Namibia. The Board also believes that Hanlong's approach has been timed to take advantage of Bannerman's low share price which has been adversely affected by macro issues such as the events at Fukushima and weak global equity markets.

Dr David Smith, the Chairman of Bannerman, said today: *"It is understandable that Bannerman is now attracting corporate interest. Bannerman controls one of the largest undeveloped uranium resources in the world and, despite recent events, there is no doubt that nuclear power will continue to play a key role in meeting the world's growing energy needs as well as alleviating greenhouse gas emissions."*

Etango is a strategic asset which is highly leveraged to a stronger uranium price in a world where security of supply is one of the most important issues for nuclear power generators and utilities."

As previously announced, Bannerman has been undertaking a process to identify a suitable joint venture partner to facilitate the financing, development and operation of the Etango Uranium Project. As part of this process, Bannerman has been in discussions with a number of large and well-funded parties.

As part of its proposal, Hanlong is seeking a three month period of exclusivity. Bannerman has resolved that it is not appropriate to grant Hanlong exclusivity given the absence of agreement on price and the conditionality of the proposal.

Accordingly, in addition to holding discussions with Hanlong in relation to its proposal, Bannerman intends to continue to advance its joint venture discussions with third parties in order to explore all options for delivering the best possible outcome for Bannerman shareholders.

The Hanlong proposal is subject to a range of conditions including:

- completion of due diligence by Hanlong to its satisfaction on or before 30 September 2011;
- receipt of Chinese approvals (including from the State Administration of Foreign Exchange, the National Development Reform Commission and the Ministry of Commerce);
- a Bannerman Board recommendation (a necessary pre-requisite given Hanlong's proposal assumes a Bannerman scheme of arrangement under Australian law);
- obtaining support from major shareholders;
- continuity of Bannerman senior management;
- approvals by related stock exchanges (if required);
- Foreign Investment Review Board approval in Australia and approvals by any other governments/jurisdictions (if required);
- no material adverse change or other prescribed occurrences;
- no material transactions, claims, new commitments or changes;
- absence of regulatory intervention;
- no third party consents required; and
- negotiation of transaction documentation.

There can be no certainty that the Hanlong proposal will proceed and it is possible that a final position will not be known for some months. Bannerman will provide further updates to the market at the appropriate time.

Bannerman is being advised by Macquarie Capital and Cutfield Freeman & Co. Bannerman's legal advisers are Corrs Chambers Westgarth in Australia and Blake, Cassels & Graydon LLP in Canada.

About Bannerman - Bannerman Resources Limited is an emerging uranium development company with interests in two properties in Namibia, a southern African country considered to be a premier uranium mining jurisdiction. Bannerman's principal asset is its 80%-owned Etango Uranium Project situated southwest of Rio Tinto's Rössing uranium mine and to the west of Paladin Energy's Langer-Heinrich mine. Etango is one of the world's largest undeveloped uranium deposits. Bannerman is focused on the feasibility assessment and development of a large open pit uranium operation at Etango. More information is available on Bannerman's website at www.bannermanresources.com.

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Technical Disclosures

Certain disclosures in this release, including management's assessment of Bannerman Resources Limited's plans and projects, constitute forward-looking statements that are subject to numerous risks, uncertainties and other factors relating to Bannerman's operation as a mineral development company that may cause future results to differ materially from those expressed or implied in such forward-looking statements. The following are important factors that could cause Bannerman's actual results to differ materially from those expressed or implied by such forward looking statements: fluctuations in uranium prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; general market conditions; the uncertainty of future profitability; and the uncertainty of access to additional capital. Full descriptions of these risks can be found in Bannerman's various statutory reports, including its Annual Information Form available on the SEDAR website, sedar.com. Readers are cautioned not to place undue reliance on forward-looking statements. Bannerman expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Bannerman has not completed feasibility studies on its projects. Accordingly, there is no certainty that such projects will be economically successful. Mineral resources that are not ore reserves do not have demonstrated economic viability.