BANNERMAN
RESOURCES

2013 ANNUAL REPORT

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ABOUT BANNERMAN RESOURCES LIMITED

About Bannerman - Bannerman Resources Limited is an exploration and development company with uranium interests in Namibia, a southern African country which is a premier uranium mining jurisdiction. Bannerman's principal asset is its 80%-owned Etango Project situated southwest of Rio Tinto's Rössing uranium mine and China General National Power Company's Husab Project 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 development of a large open pit uranium operation at Etango. More information is available on Bannerman's website at www.bannermanresources.com.

It is now over 30 months since the tragic natural disasters in Japan in March 2011 and the resultant operating issues with the Fukushima Daiichi nuclear power facility. Uranium spot and long term contract prices have traded slowly downwards during the ensuing period, initially reflecting the comments and actions of certain governments regarding the suspension or slow-down of their nuclear power build programs, and more recently the resultant short term over supply stemming largely from the non-operating reactors in Japan.

However, there are a number of significant reasons why the Board and many market participants believe that uranium prices will strengthen significantly in the medium term, namely:

- **Japan** – In December 2012, the pro-nuclear Liberal Democratic Party was voted in on a landslide victory and has subsequently stated that not only do they plan to restart their dormant reactors but also that they are considering building new reactors incorporating latest technologies.

  In June 2013 the Nuclear Regulation Authority of Japan promulgated new safety assessment standards which were to be satisfied prior to further approvals being granted. Shortly thereafter four utilities applied for approval to restart a further 10 reactors. It is anticipated that the requisite inspections and approvals could be obtained in the first half of 2014. The re-starting of Japan's reactors represents a key near term catalyst for the uranium market.

- **China's commitment to nuclear power** – In late 2012, the Chinese government outlined plans to commit to a number of nuclear projects in each of the following 5 years, in line with their objective of increasing nuclear power generation from 12.5Gw to 40Gw by 2020.

  In the March quarter 2013, China Guangdong Nuclear Power Company (CGNPC) changed its name to China General Nuclear Power Company and also announced plans to list some of its assets on the Shanghai and Hong Kong stock exchanges in late 2014.

  In addition, the development of the Husab project by CGNPC at a time when most if not all other uranium companies have delayed or deferred their projects, highlights the commitment that China has to the expansion of their nuclear energy program.

- **Secondary uranium supplies** - The world's current annual uranium production is significantly less than annual demand from nuclear power utilities, with the shortfall presently satisfied through the sale of uranium from inventories and secondary sources. A key secondary source has been the 1993 "Megatons to Megawatts" program between Russia and the USA for the down-blending of highly enriched uranium from dismantled Russian nuclear warheads. This program is due to end in 2013.

- **Incentive prices for new mine development** – In addition to the impact of reducing secondary supplies, we believe that as a result of the complexity and long lead time of expanding existing operating mines and bringing new uranium mines into production, new production sources are unlikely to come on stream at the costs and to the extent currently anticipated by market participants. Existing uranium producers are also experiencing production and economic challenges. Mining of uranium is subject to many of the same cost pressures as other mining operations but, unlike other commodities, uranium mining carries significantly increased environmental and safety management obligations and associated development timeframes.

  We have researched the escalation of cost estimates in various uranium mining projects, and the clear trend is for significant operating and capital cost increases as projects are progressed through their feasibility assessment phases.

- **New or expanding nuclear programs** – While the suspension of existing nuclear programs in Germany and Switzerland has been well publicised, it is not commonly understood that other nations are looking either to expand their programs, for example China and India, or to establish new nuclear programs in an effort to diversify their energy mix and mitigate CO_2 emissions.

  In June 2012, the Turkish Minister of Energy and Natural Resources stated at the World Economic Forum in Istanbul that his country plans to build 23 nuclear power units by 2023. Turkey currently does not have domestic nuclear electricity production.

  In the March 2013 quarter, construction of two new nuclear reactors commenced in the USA, and the UK committed to the construction of a further two reactors. The latter are expected to be the first in a series of new reactors the UK government has proposed as part of its plans to replace ageing coal and nuclear facilities.

> In May 2013, the United Arab Emirates announced construction commencing at the Barakah-2 reactor, close on the heels of the Barakah-1 reactor which commenced construction in July 2012.

As foreshadowed in our 2012 Annual Report, the key focus over the past year has been on cash preservation and positioning Bannerman for the inevitable improvement in the uranium price.

To that end we have significantly downsized our board, corporate and technical teams in Australia and Namibia. We were careful however to maintain our ability to fast track project development in a rising uranium price environment.

Whilst our primary focus has been on cash preservation to sustain the company at a time when equities markets are neither valuing small companies nor being a reliable source of funds, we have also, subject to gaining shareholder approval, extended the term of the existing convertible note held by our supportive major shareholder, Resource Capital Funds (RCF), from 30 March 2014 to 30 September 2016.

In addition, we have taken the opportunity to use our internal capability to review the Definitive Feasibility Study completed in April 2012 in order to identify areas where, subject to further evaluation, the project could be advanced.

One such example is the completion of the detailed design and environmental impact assessment of the pilot plant program. The program, which will not be initiated until such time as a turn in the uranium market is evident, will provide data to progress the detailed design of the processing plant, demonstrate the process flow sheet and present the opportunity to pursue process improvements.

I am very pleased to confirm that all of the areas disturbed through our exploration activities to date at the Etango project area, with the exception of key access roads, have been rehabilitated. These activities have continued to be conducted in an accident free manner and as a result the company has now operated without a lost time injury since October 2009 - a remarkable achievement by our team in Namibia.

We have continued to grow our relationship with our key stakeholders including the local community, the tourism industry and the government of Namibia. It is pleasing that our collaboration with the local tourism industry has expanded into the support of the Adventure Travel World Summit to be held in Namibia in October 2013.

My sincere thanks to all the employees and contractors, including those no longer with Bannerman due to the downsizing, who have worked tirelessly to ensure that Bannerman has a solid foundation not only to weather the current adverse uranium and equity markets, but also to respond very quickly to a turn in these markets.

The Board has over the past year reduced in size in line with our commitment to conserving cash. Dr David Smith and Mr Geoff Stanley respectively retired from the Board in November 2012 and June 2013. They collectively served as Chairman of the Board from May 2008 until my being elected as Chairman at the 2012 AGM. I would like to express my sincere gratitude to each of them for their significant leadership contributions during an extraordinarily volatile period in uranium and equity markets.

The forecast 50Mlb or 25% increase in demand for uranium by 2020 occurs at a time when the vast majority of uranium projects are at a relative early stage of feasibility study and therefore require significant further activities and associated expenditure to complete and confirm their feasibility. By contrast the technical and environmental feasibility plus the development pathway and timetable for Bannerman's Etango Project has been confirmed by way of the DFS completed in 2012.

As a consequence, Bannerman's advanced Etango Project is one of the very few globally significant uranium projects that can realistically be brought into production in the medium term, to meet that increase in demand.

Bannerman shareholders are well placed to capitalise on the widely anticipated recovery in the uranium market.

Ronnie Beevor
Chairman

BOARD OF DIRECTORS

Ronald (Ronnie) Beevor

B.A. (Hons)
Non-Executive Chairman

Term of Office
Director since 27 July 2009, Chairman since 21 November 2012

Independent: Yes

Skills, experience and expertise
Ronnie has more than 30 years of experience in investment banking, including being the Head of Investment Banking at NM Rothschild & Sons (Australia) Limited between 1997 and 2002. During his career, Ronnie has had an extensive involvement in the natural resources industry, both in Australia and internationally. He is a former director of Oxiana Limited which successfully developed the Sepon gold-copper project in Laos as well as the Prominent Hill copper-gold project in South Australia, and is currently Senior Advisor to Standard Chartered Gryphon Partners.

Ronnie has an Honours Degree in Philosophy, Politics and Economics from Oxford University in the UK and qualified as a chartered accountant in London in 1972.

Special Responsibilities
Member of the Audit Committee
Member of the Remuneration, Nomination and Corporate Governance Committee

ASX listed current directorships
Ampella Mining Limited (appointed 5 July 2011)
Bullabulling Gold Limited (appointed 2 July 2012)
Unity Mining Limited (appointed 1 November 2002)

Other current listed directorships
EMED Mining Public Limited (Chairman) (appointed 6 December 2004)

Former ASX listed directorships over the past three years
Rey Resources Limited (2 August 2010 to 28 November 2012)

Leonard (Len) Jubber

BCivil Eng, MBA
Chief Executive Officer (CEO) and Managing Director

Term of Office:
CEO and Managing Director since 17 November 2008

Independent: No

Skills, experience and expertise
Len has over 25 years of experience in the minerals industry both in Australia and overseas. Prior to joining Bannerman, Len was the Managing Director and Chief Executive Officer of Perilya Limited from May 2005 to March 2008. Len also worked for seven years with OceanaGold Limited, ultimately becoming Chief Operating Officer and an Executive Director of the company. Len started his mining career in Namibia with Rössing Uranium Limited, a subsidiary of Rio Tinto.

Special Responsibilities
Managing Director

ASX listed current directorships
Nil

Former ASX listed directorships over the past three years
Nil

Ian Burvill

BE (Mech), MBA, MIEAust, CPEng, M.AusIMM, GAICD
Non-Executive Director

Term of Office
Director since 14 June 2012

Independent Yes

Skills, experience and expertise
Ian is a Senior Vice President of private equity fund manager Resource Capital Funds ("**RCF**") and has over 27 years of mining industry experience, starting as a mechanical engineer in the design and construction of mineral process plants. In representing RCF, Ian has acted as a non-executive director of a number of mining companies including ASX listed companies Pan Australian Resources NL (now PanAust Limited), Highlands Pacific Limited and Murchison Metals Ltd. Ian has also worked as an Associate Director of Rothschild Australia Limited, providing project finance for mining projects.

Special Responsibilities
Member of the Audit Committee
Member of the Remuneration, Nomination and Corporate Governance Committee

ASX listed current directorships
Nil

Other current listed directorships
Nil

Former ASX listed directorships over the past three years
Murchison Metals Ltd (1 March 2012 to 17 April 2012)

Clive Jones

B.App.Sc(Geol), M.AusIMM
Non-Executive Director

Term of Office
Director since 12 January 2007

Independent No

Skills, experience and expertise
Clive has more than 25 years of experience in mineral exploration, across a diverse range of commodities including gold, base metals, mineral sands, uranium and iron ore. Clive is one of the original vendors of the Company's Etango Project in Namibia, in which he retains an interest in the 20% shareholding in Bannerman Mining Resources (Namibia) (Pty) Ltd, the sole owner of the Etango Project.

Special Responsibilities
Chairman of the Remuneration, Nomination and Corporate Governance Committee
Member of the Health, Safety, Environment and Community Committee

ASX listed current directorships
Cazaly Resources Limited (appointed 15 September 2003)
Corazon Mining Limited (appointed 10 February 2005)
Unity Mining Limited (Chairman) (appointed 10 January 2013)

Former ASX listed directorships over the past three years
Cortona Resources Limited (12 January 2006 to 10 January 2013)

David Tucker

BSc.Geol (Hons), MSc(Mining and Exploration Geology), M.AusIMM, FAICD
Non-Executive Director

Term of Office
Director since 18 March 2008

Independent Yes

Skills, experience and expertise
David has more than 40 years of experience in mining and exploration, including 20 years working as an exploration geologist, the first 10 years of which were in the uranium sector with United Uranium NL, Noranda Australia, the Australian Atomic Energy Commission and Esso Australia Limited. David was formerly responsible for business development, public affairs and investor relations for Homestake Gold of Australia, Director of Corporate Affairs for Barrick Australia Pacific, and director of Homestake's Australian subsidiaries, Barrick Mining Company (Australia) and Barrick Gold of Australia.

Special Responsibilities
Chairman of the Health, Safety, Environment and Community Committee
Chairman of the Audit Committee

ASX listed current directorships
Nil

Former ASX listed directorships over the past three years
Nil

COMPANY SECRETARY AND GROUP FINANCIAL CONTROLLER

Leigh-Ayn Absolom

BCom, BAcc, ACIS, CA(SA)

Term of Office
Since 28 March 2013

Skills, experience and expertise
Leigh-Ayn is a qualified Chartered Accountant with public practice and mining industry experience. She has a Commerce degree from the University of Witwatersrand (Johannesburg, South Africa) and qualified as a Chartered Accountant (South Africa) with Deloitte in 2003. From 2006 to 2010, Leigh-Ayn worked as the Group Financial Accountant with ASX-listed iron ore development company, Murchison Metals Ltd. Prior to this, she was an Audit Manager with Deloitte Perth and Johannesburg.

EXECUTIVE

Werner Ewald

B.Sc (Elect), MBA
General Manager, Bannerman Mining Resources (Namibia) (Pty) Ltd

Term of Office
Since 24 June 2010

Skills, experience and expertise
Werner joined Bannerman in June 2010 as the Etango Project Co-ordinator following 22 years with Rio Tinto which included 20 years at the Rössing Uranium Mine in Namibia and 2 years at the Tarong Coal Mine in Queensland, Australia. He has occupied numerous operational roles at Rössing including Engineering Manager, Mine Operations Manager and Business Improvement Manager. Prior to Rio Tinto he worked with the De Beers Group at their underground operations at Kimberly, South Africa and the Namdeb alluvial operations in Namibia. He is an Electrical Engineer and has completed an MBA at the University of Stellenbosch.

STATEMENT ON CORPORATE GOVERNANCE AT BANNERMAN

This statement reports on Bannerman's key governance framework, principles and practices as at 30 June 2013. These principles and practices are reviewed regularly and revised as appropriate to reflect changes in law and good practice in corporate governance.

ASX PRINCIPLES OF CORPORATE GOVERNANCE

Bannerman, as a listed entity, must comply with the Corporations Act 2001 (Cth) ("**Corporations Act**"), the Australian Securities Exchange ("**ASX**") Listing Rules ("**ASX Listing Rules**"), other Australian securities laws, the Toronto Stock Exchange ("**TSX**") Listing Rules, other Canadian securities laws and the Namibian Stock Exchange ("**NSX**") Listing Rules.

ASX Listing Rule 4.10.3 requires ASX listed companies to report on the extent to which they have followed the Corporate Governance Principles and Recommendations ("**ASX Principles**") released by the ASX Corporate Governance Council. The ASX Principles require the Board to consider carefully the development and adoption of appropriate corporate governance policies and practices founded on the ASX Principles.

COMPLIANCE WITH ASX PRINCIPLES OF GOOD CORPORATE GOVERNANCE

Details of the Company's compliance with the ASX Principles are set out below. A checklist, cross referencing the ASX Principles to the relevant section of this Statement and the Remuneration Report, is provided on pages 17 to 18 of this Report and published on the Company's website at www.bannermanresources.com.

1. THE BOARD OF DIRECTORS

a) Board Composition and Expertise

The Board has a range of relevant industry experience, operational, financial and other skills and expertise to meet its objectives.

The current Board composition includes three independent directors, one non-independent director and one executive director. Details on each director's background including experience, skills and expertise and their status as an independent or non-independent director are set out on pages 3 to 5 of this Report.

The Board considers that the executive and non-executive directors collectively bring the range of experience, skills and expertise necessary to direct the Company.

In assessing the composition of the Board, the directors have regard to the following policies:

- the Chairman should be non-executive and independent;
- the role of the Chairman and Chief Executive Officer ("**CEO**") should not be filled by the same person;
- the CEO should be a full-time employee of the Company;
- the Board should include a majority of independent non-executive directors; and
- the Board should represent a broad range of experience, skills and expertise considered of benefit to the Company.

b) Board Role and Responsibilities

The roles and responsibilities of the Board are formalised in the Board Charter. The Board Charter defines in detail the matters that are reserved for the Board and its committees, and those that the Board has delegated to management. The central role of the Board is to oversee and approve the Company's strategic direction, to select and appoint a CEO, to oversee the Company's management and business activities and to report to shareholders.

In addition to matters required by law to be approved by the Board, the following powers are reserved to the Board for decision:

- Strategy - providing strategic oversight and approving strategic plans and initiatives;
- Board performance and composition – evaluating the performance of non-executive directors, and determining the size and composition of the Board as well as recommending to shareholders the appointment and removal of directors;
- Leadership selection – determining the selection and evaluating the performance of the CEO and those executives reporting directly to the CEO;
- Corporate responsibility – considering the social, safety, ethical and environmental impacts of Bannerman's activities, and setting policy and monitoring compliance with safety, corporate, environmental and social policies and practices;
- Financial performance – approving Bannerman's annual operating plans and budgets, and monitoring management, financial and operational performance;
- Financial reports to shareholders – approving annual and half-year reports and disclosures to the market that contain, or relate to, financial projections, statements as to future financial performance or changes to the policy or strategy of the Company;
- Risk management – providing oversight of risk management and setting risk management policy; and
- Establishing procedures – ensuring that the Board is in a position to exercise its power and to discharge its responsibilities as set out in the Board Charter.

The Board also recognises its responsibilities to Bannerman's employees, the communities and environments within which Bannerman operates and, where relevant, other stakeholders.

Responsibility for management of Bannerman's business activities is delegated to the CEO who is accountable to the Board.

The Board Charter is available in the corporate governance section of Bannerman's website.

c) Chairman

The Board elects one of the independent, non-executive directors to be Chairman. The Chairman is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function and for the promotion of relations between Board members and between Board and management that are open, cordial and conducive to productive co-operation.

Mr Ronnie Beevor was appointed as non-executive Chairman in November 2012, following the retirement of Dr David Smith. Mr Beevor is also a director of ASX listed companies Ampella Mining Limited, Bullabulling Gold Limited and Unity Mining Limited. The Board considers that none of these roles interfere with the discharge of his duties to the Company.

d) Director Independence

The Board has approved a policy on independence of directors, a copy of which is available in the corporate governance section of Bannerman's website.

The policy provides that the independence of a director will be assessed by determining whether the director is independent of management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

The test of whether a relationship or business is material is based on the nature of the relationship or business and on the circumstances and activities of the director. Materiality is considered from the perspective of Bannerman, the persons or organisations with which the director has an affiliation and from the perspective of the director. Materiality thresholds are considered by the Board from time to time.

The Board considers that:

- a material customer is a customer of Bannerman which accounts for more than 5% of Bannerman's consolidated gross revenue;
- a supplier is material if Bannerman accounts for more than 5% of the supplier's consolidated gross revenue;
- a substantial shareholder of Bannerman or of any Bannerman subsidiary is someone who holds 5% or more of the voting capital of the relevant entity; and
- service on the Board for a period exceeding ten years is a period which could, or could reasonably be perceived to, materially interfere with a director's ability to act in the best interests of the Company.

Non-executive director Clive Jones is not regarded as being independent, as he is one of the vendors of the Etango Project in which Bannerman acquired an 80% interest. Bannerman's interest in the Etango Project is held through its 80% subsidiary Bannerman Mining Resources (Namibia) (Pty) Ltd ("**BMRN**"), the holder of the Etango Project exclusive prospecting licences. Mr Jones has a 20% shareholding in BMRN, which he holds for himself and an associate. Mr Jones also holds a relevant interest in 15,206,940 shares in Bannerman, representing 4.87% of Bannerman's issued capital.

CEO Len Jubber is not regarded as independent due to his executive responsibilities.

Non-executive director Ian Burvill is regarded as independent. Mr Burvill is a Senior Vice President of the RCF Group of companies, one of the managed funds of which has provided a convertible note with a face value of A$8 million. RCF also holds 34,978,799 Bannerman shares representing 11.19% of the voting capital in Bannerman. Mr Burvill is considered to be independent given that he brings independent judgement to all Board deliberations and that RCF's investments in Bannerman are not controlled by Mr Burvill.

e) Directors' Retirement and Re-election

Bannerman's Constitution states that at each annual general meeting one third, or nearest to one third (excluding the Managing Director and any director appointed to fill a casual vacancy or as an additional director), and any other director who has held office for three or more years (excluding the Managing Director) since their last election must retire.

Any director appointed to fill a casual vacancy or as an additional director since the date of the previous annual general meeting must submit themselves to shareholders for election at the next annual general meeting. Directors who retire as required may offer themselves for re-election by shareholders. Re-appointment of retiring directors is not automatic.

In accordance with the Company's Constitution, Mr Beevor and Mr Jones will seek re-election as non-executive directors at the Annual General Meeting to be held in November 2013.

f) Board Succession Planning

The Board, in conjunction with its Remuneration, Nomination and Corporate Governance Committee, reviews the size and composition of the Board and the mix of existing and desired competencies across members from time to time.

g) Board Performance Evaluation

The Board undertakes ongoing self-assessment and review of the performance of the Board, committees and individual directors at least annually. The Chairman of the Board is responsible for determining the process for evaluating Board performance. Historical performance evaluations have consisted of various questionnaires which are completed by each director and then reviewed, tabulated and analysed by the Chairman of the Remuneration, Nomination and Corporate Governance Committee. The analysis is then summarised at the next Board meeting by the Chairman of the Board.

The performance of the Board was last reviewed in November 2012.

h) Nominations and Appointment of New Directors

Recommendations for nomination of new directors are considered by the Remuneration, Nomination and Corporate Governance Committee and approved by the Board as a whole.

i) Professional Advice

Directors may, in carrying out their Company-related duties, seek external professional advice. If external professional advice is sought, a director is entitled to reimbursement of all reasonable costs where such a request for advice is approved by the Chairman. In the case of a request made by the Chairman, approval is required by at least two Board members.

j) Conflicts of Interest

Directors are required to disclose any actual or potential conflict or material personal interests on appointment as a director and are required to keep these disclosures up to date.

In the event that there is, or may be, a conflict between the personal or other interests of a director, then the director with an actual or potential conflict of interest in relation to a matter before the Board does not receive the Board papers relating to that matter. When the matter comes before the Board for discussion, the director withdraws from the meeting for the period the matter is considered and takes no part in the discussion or decision making process.

The Board has developed a formal protocol for dealing with the provision of confidential information to Mr Jones regarding potential development partner transactions, and to third parties interested in acquiring Mr Jones' 20% shareholding in BMRN. The protocol assists the Board and management in dealing with conflicts of interest that may arise between Bannerman, BMRN and Mr Jones. In accordance with this protocol, the Board has the discretion to permit Mr Jones to participate in discussions, but not vote, in relation to potential development financing transactions which may affect his 20% shareholding in BMRN, on the basis that Mr Jones fully informs the Board regarding all material matters related to his 20% shareholding in BMRN. Mr Jones does not participate in discussions or vote in respect to any matters relating to potential transactions involving Bannerman and Mr Jones' 20% shareholding in BMRN or matters pertaining to the operation of the May 2005 Share Sale Agreement.

The Board has also developed a formal protocol for dealing with the provision of confidential information to Mr Burvill regarding the refinancing of the convertible note with RCF. The protocol assists the Board and management in dealing with conflicts of interest that may arise between Bannerman and Mr Burvill. In accordance with this protocol, Mr Burvill does not participate in discussions or vote in respect to any matters relating to potential transactions involving Bannerman and RCF.

k) Terms of Appointment, Induction Training and Continuing Education

All new directors are provided with a formal letter of appointment setting out the key terms and conditions of the appointment, including duties, rights and responsibilities, the time commitment envisaged and the Board's expectations regarding their involvement with committee work.

A formal induction is provided to all new directors. It includes comprehensive meetings with the CEO, key executives and management, information on key corporate and Board policies and visits to the Company's Etango Project in Namibia.

All directors are expected to maintain the skills required to discharge their obligations to the Company. Directors are encouraged to undertake continuing professional education and where this involves industry seminars and approved education courses, this is paid for by the Company where appropriate.

l) Directors' Remuneration

Details of the remuneration paid to directors is set out in the Remuneration Report.

m) Board Meetings

The CEO sets the agenda for each meeting in conjunction with the Chairman and the Company Secretary. Any director may request additional matters be added to the agenda. Members of senior management attend meetings of the Board by invitation and sessions are also held for non-executive directors to meet without management present.

Directors are entitled to request additional information where they consider the information is necessary to support informed decision making.

n) Company Secretary

The Company Secretary is Ms Leigh-Ayn Absolom, who is a qualified company secretary and member of Chartered Secretaries Australia. Ms Absolom was appointed in March 2013, following the resignation of Mr Glen Smith, and is responsible for the secretarial function including providing advice to directors and executives on corporate governance and regulatory matters, recording minutes of directors' and committee meetings, administering Bannerman's corporate governance framework and giving effect to the Board's decisions. All directors have access to advice from the Company Secretary.

2. BOARD COMMITTEES

a) Board Committees and Membership

The Board currently has three standing committees to assist in the discharge of its responsibilities. These are the:

- Audit Committee;
- Remuneration, Nomination and Corporate Governance Committee; and
- Health, Safety, Environment and Community ("**HSEC**") Committee.

The charters of all Board committees, detailing the roles and duties of each, are available in the corporate governance section of Bannerman's website. All Board committee charters are reviewed regularly.

At the date of this report, the membership of each Board committee is as follows:

Audit Committee	Remuneration, Nomination and Corporate Governance Committee	HSEC Committee
David Tucker (Chair)	Clive Jones (Chair)	David Tucker (Chair)
Ronnie Beevor	Ronnie Beevor	Clive Jones
Ian Burvill	Ian Burvill	

Committee members are chosen for the skills, experience and other qualities they bring to the committees. The executive management attends, by invitation, Board committee meetings.

All papers considered by the standing committees are available on request to directors who are not on that committee.

Following each committee meeting, generally at the next Board meeting, the Board is provided with a verbal update by the Chairman of each committee and a copy of minutes of all committee meetings.

The Company Secretary provides secretariat services for each committee.

Other committees may be convened to address major transactions or other matters calling for special attention, as required.

b) Audit Committee

The role of the Audit Committee is to assist the Board to meet its oversight responsibilities in relation to the Company's financial reporting, internal control structure, financial risk management procedures and external audit function. In doing so, it is the Audit Committee's responsibility to maintain free and open communication with the external auditors and the management of Bannerman.

The Audit Committee is required to have a minimum of three non-executive directors, the majority of whom are to be independent.

The external auditors, CEO, Chief Financial Officer ("**CFO**") and Group Financial Controller attend Audit Committee meetings by invitation. The Committee meets at least four times per year.

c) Remuneration, Nomination and Corporate Governance Committee

The role of the Remuneration, Nomination and Corporate Governance Committee ("**Remuneration Committee**") is to assist the Board by reviewing and approving Bannerman's remuneration policies and practices, the appointment of non-executive directors to the Board and oversight of the Company's Corporate Governance system. The Remuneration Committee's responsibilities include:

- assessment of the necessary and desirable competencies of Board members;
- review of Board succession plans;
- review of the Company's remuneration framework, which is used to attract, retain and motivate employees to operate effectively in accordance with Company practices and create value for shareholders;
- review of the remuneration packages and incentive schemes for the CEO and senior executives to establish rewards, which are fair and responsible, having regard to the Company's strategic goals, individual performance and general remuneration conditions;
- review of the performance and succession planning for the CEO and senior executives; and
- review of Bannerman's corporate governance policies and practices.

The Remuneration Committee has three members, a majority of whom are independent. Whilst the Remuneration Committee is chaired by Mr Jones, a non-independent director, the Board has formed the view that this is appropriate given the number of Board committees and the spread of workload amongst the Board members.

The CEO and CFO attend Remuneration Committee meetings by invitation. The Remuneration Committee meets at least two times per year.

d) HSEC Committee

The role of the HSEC Committee is to assist the Board to meet its responsibilities in relation to the Company's health, safety, environmental practices and community development. Bannerman's HSEC strategy focuses on providing visible leadership, encouraging responsible behaviours and empowering individuals with responsibility for health, safety and the environment.

The CEO and the General Manager Namibia attend the HSEC Committee meetings by invitation. The HSEC Committee met once during the year reflecting the reduced level of on-ground activity and continued safety and environmental performance improvements. The HSEC Committee normally meets at least two times per year.

e) Board and Committee Meetings during the year ended 30 June 2013

Table 1. Directors in Office and attendance at Board and Board Committee Meetings during 2012/2013

	Board meetings		Board committee meetings					
			Audit Committee		Remuneration, Nomination & Corp. Governance Committee		HSEC Committee	
	A	B	A	B	A	B	A	B
Ronnie Beevor	9	9	4	4	5	5	-	-
David Smith	4	4	-	-	-	-	-	-
Len Jubber	9	9	3*	4	5*	5	1*	1
Ian Burvill	9	9	-	-	5	5	-	-
Clive Jones	9	9	-	-	5	5	1	1
Geoff Stanley	8	9	4	4	-	-	-	-
David Tucker	9	9	4	4	-	-	1	1

A = Number of meetings attended
B = Number of meetings held during the time the director held office or was a member of the relevant committee during the year.
***** Indicates that a Director attended some or all meetings by invitation whilst not being a member of a specific committee.

3. EXTERNAL AUDITOR RELATIONSHIP AND INDEPENDENCE

a) Approach to Audit and Governance

The Board is committed to the basic requirements that:

- Bannerman's financial reports represent a true and fair view of its financial position;
- Bannerman's accounting practices are comprehensive, relevant and comply with applicable accounting standards and policies; and
- the external auditor is independent and serves shareholders' interests.

b) External Auditor Relationship

Bannerman's independent external auditor is Ernst & Young. Ernst & Young was appointed by shareholders at the 2007 Annual General Meeting in accordance with the Corporations Act.

The Board has adopted an External Auditor Policy which requires rotation of the audit partner at least every five years, prohibits the reinvolvement of a previous audit partner in the audit service for two years following their rotation, and provides that a former partner of the audit firm, or member of the audit team, may only be recruited into a position as a director or senior employee of Bannerman after the expiry of at least two years.

A copy of the External Auditor Policy is available in the corporate governance section of Bannerman's website.

c) Attendance of Auditor at the Annual General Meeting

Bannerman's external auditor attends the annual general meeting and is available to answer questions from shareholders regarding:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by Bannerman in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

4. RISK MANAGEMENT AND INTERNAL CONTROL

a) Approach to Risk Management

The Board and senior executives are responsible for overseeing the implementation of the Company's Risk Management Policy.

The Company's approach to risk management is based on the identification, assessment, monitoring and management of material risks embedded in its business and management systems.

b) Risk Management Roles and Responsibilities

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Company's objectives and activities are aligned with those risks and opportunities.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include:

- the Board receives regular updates on key risks associated with the development of the Company's Etango Project;
- the implementation of Board-approved annual operating budgets and plans which are monitored against actual costs and progress;
- the Audit Committee reporting on specific finance risks; and
- ensuring the executive management team is responsible for developing policies, processes and procedures to identify risks and mitigation strategies in Bannerman's activities.

The Company's Risk Management Policy is available in the corporate governance section of Bannerman's website.

c) CEO and CFO Assurance on Corporate Reporting

The Board receives monthly management reports on the financial condition and operational results of Bannerman and its controlled entities.

The CEO and Group Financial Controller (in the capacity of the CFO) provide, at the end of each quarterly period, a formal statement confirming that the Company's financial reports present a true and fair view, in all material respects, and the group's financial condition and operational results have been prepared in accordance with the relevant accounting standards.

The Board has received assurance from the CEO and the Group Financial Controller (in the capacity of the CFO) that the declaration provided in accordance with s295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

5. PROMOTING ETHICAL AND RESPONSIBLE BEHAVIOUR

a) Health, Safety, Environment and Community

The Board has developed a Health and Safety Policy consistent with Bannerman's commitment to standards of occupational health and safety management at its Etango Project in Namibia. The health, safety and wellbeing of Bannerman's people, contractors, suppliers, visitors and host communities are a key value for the Company.

Bannerman's safety management system includes standards to guide all aspects of safety management at Bannerman's project sites in Namibia. Bannerman's philosophy is that all personnel share the responsibility for a safe workplace. Bannerman's safety performance is closely and carefully monitored by the Board.

Bannerman has developed an Environmental Policy that aims to facilitate an appropriate standard of environmental care and to ensure that the Company is in compliance with all environmental legislation.

Bannerman actively engages in a range of community and small and medium enterprise initiatives in consultation with local communities in Namibia and in this respect has developed a Social Policy. Bannerman has invested in Namibia since 2005 and in this time has contributed substantially to the communities in which it operates.

Each of the Company's Health and Safety, Environmental, and Social policies are available in the environment and community section of Bannerman's website.

b) Code of Conduct

Bannerman has developed a Board Code of Conduct which describes the standards of ethical behaviour that directors are required to maintain.

Compliance with the Board Code of Conduct will also assist Bannerman in effectively managing its operating risks and meeting its legal and compliance obligations, as well as enhancing Bannerman's corporate reputation.

The Board Code of Conduct describes Bannerman's requirements on matters such as confidentiality, conflicts of interest, compliance with laws and regulations, and the protection and proper use of Bannerman's information and assets.

A copy of the Board Code of Conduct is available in the corporate governance section of Bannerman's website.

Conflicts of interest that may arise from potential transactions between the minority interest holders in BMRN and Bannerman are dealt with by the Board in accordance with the established protocol as described earlier.

c) Ethical Behaviour

With the relatively small employee base at this stage of the Company's development, management is charged with the responsibility of ensuring all employees are committed to maintaining an open working environment in which employees are able to report instances of unsafe work practices and unethical, unlawful or undesirable conduct without fear of intimidation or reprisal. Given the nature and size of the Company, employees have regular opportunity for direct interaction with the Board.

d) Bribery and Corruption Policy

Bannerman's Bribery and Corruption Policy is binding on all directors and employees. This policy sets out the responsibilities of Bannerman personnel in observing and upholding the Company' position on bribery and corruption, promotes the use of legitimate business practices and provides information and guidance on how to recognise and deal with instances of bribery and corruption.

A copy of the Company's Bribery and Corruption Policy is available in the Corporate Governance section of Bannerman's website.

e) Securities Trading Policy

Bannerman's Securities Trading Policy is binding on all directors and employees. This policy provides a brief summary of the law on insider trading and other relevant laws, sets out the restrictions on dealing in securities by people who work for or who are associated with Bannerman, and is intended to assist in maintaining market confidence in the integrity of dealings in the Company's securities.

The policy stipulates that the only appropriate time for a director or employee to deal in the Company's securities is when he or she is not in possession of 'price sensitive information' that is not generally available to the share market. A director wishing to deal in the Company's securities may only do so after first having received approval from the Chairman. In the case of the Chairman, he/she must receive approval from the Chairman of the Audit Committee prior to dealing. All staff wishing to deal must obtain approval from the CEO. Confirmation of any dealing must also be given by the director or employee to the Company Secretary within two business days after the dealing.

Directors and senior executives' dealings in the Company's securities are also subject to specified blackout periods, which are set out in the Company's Securities Trading Policy or as otherwise determined by the Board from time to time.

A copy of the Company's Securities Trading Policy is available in the Corporate Governance section of Bannerman's website.

6. SHAREHOLDERS AND CORPORATE RESPONSIBILITY

Bannerman aims to produce positive outcomes for all stakeholders in managing its business and to maximise financial, social and environmental value from its activities. In practice, this means having a commitment to transparency, fair dealing, responsible treatment of employees and customers and positive links into the community.

Sustainable and responsible business practices within Bannerman are viewed as an important long term driver of performance and shareholder value. Through such practices, Bannerman seeks to reduce operational and reputation risk and enhance operational efficiency while contributing to a more sustainable society.

Bannerman accepts that the responsibilities on the Board and management, which flow from this approach, go beyond strict legal and financial obligations. In particular, the Bannerman Board seeks to take a practical and broad view of directors' fiduciary duties, in line with stakeholders' expectations.

a) Continuous Disclosure

Bannerman is committed to maintaining a level of disclosure that meets relevant standards and provides all investors with timely and equal access to information.

Bannerman's Continuous Disclosure Policy reinforces Bannerman's commitment to ASX, TSX and NSX continuous disclosure requirements and outlines management's accountabilities and the processes to be followed for ensuring compliance. The policy also describes Bannerman's guiding principles for market communications.

A copy of the Continuous Disclosure Policy is available in the corporate governance section of Bannerman's website.

b) Investor Communications and Participation

Bannerman is committed to providing all shareholders and prospective investors comprehensive, timely and equal access to information about its activities so that they can make informed decisions.

A range of communication approaches are employed including direct communications with investors and presentations to shareholders at the Company's AGM. Publication of all relevant Company information, including the Company's annual report, can be found in the investors section of Bannerman's website at www.bannermanresources.com. Shareholders are also given the opportunity to receive information in print or electronic format.

Bannerman's Shareholder Communication Policy provides that the Company will communicate effectively with its shareholders, give shareholders ready access to balanced and understandable information about Bannerman and encourage shareholder participation at shareholder meetings. The way it does this includes:

- ensuring that financial reports are prepared in accordance with applicable laws;
- ensuring the disclosure of full and timely information about Bannerman's activities in accordance with the continuous disclosure principles of the ASX Listing Rules and the Corporations Act 2001. This includes reporting on a quarterly basis the activities and prospects of the Company;
- the Chairman and CEO reporting to shareholders at the Company's AGM;
- placing all market announcements (including quarterly reports, financial reports and investor presentations) on Bannerman's website immediately following release;
- offering an E-news subscription service; and
- ensuring that reports, notices of meetings and other shareholder communications are prepared in a clear and concise manner.

A copy of the Shareholder Communications Policy is available in the corporate governance section of Bannerman's website.

7. REMUNERATION FRAMEWORK

Details of Bannerman's remuneration framework are included in the Remuneration Report.

8. DIVERSITY

Bannerman recognises and values the contribution of people with differences in background, experience and perspectives. The Company is committed to promoting an organisational culture which embraces diversity when determining the composition of employees, senior management and the Board. Bannerman's Diversity Policy takes into account the size, industry and operations of the Company.

The objectives of Bannerman's diversity practices include:

- Establishment of equitable frameworks and policies, processes and practices which limit potential unconscious bias;
- Creation of a workplace characterised by inclusive practices and behaviours for the benefit of all staff and stakeholders, and which is free from discriminatory behaviours and business practices;
- Employment and career development opportunities based on capability and performance;
- Provision of appropriate flexible work practices and policies to support employees; and
- Attraction and retention of a diverse range of talented people to further Bannerman's corporate goals.

As at the date of this report, the proportion of males and females across the organisation is as follows:

Roles	Female		Male	
	Number	%	Number	%
Non-Executive Directors	0	0%	4	100%
Management	1	33%	2	67%
Other (i)	4	57%	3	43%
TOTAL	**5**	**36%**	**9**	**64%**

(i) Included in 'Other' is Ms Monica Kalondo, who is a non-executive director of Bannerman Mining Resources (Namibia) (Proprietary) Ltd, a subsidiary of the Group.

A copy of the Diversity Policy is available in the corporate governance section of Bannerman's website.

ASX PRINCIPLES COMPLIANCE STATEMENT

	ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Reference	Compliance
Principle 1	**Lay solid foundations for management and oversight**		
1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	1b	✓
1.2	Companies should disclose the process for evaluating the performance of senior executives.	Remuneration report	✓
1.3	Companies should provide the information indicated in the Guide to reporting on Principle 1.	1b Remuneration report	✓
Principle 2	**Structure the Board to add value**		
2.1	A majority of the Board should be independent directors.	1a, 1d	✓
2.2	The chair should be an independent director.	1c	✓
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	1a, 1c	✓
2.4	The Board should establish a nomination committee.	1h, 2a, 2c	✓
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	1g	✓
2.6	Companies should provide the information indicated in the Guide to reporting on Principle 2.	1a, 1d, 1e, 1f 1g 1h, 1i, 2a, 2e Directors' Report	✓
Principle 3	**Promote ethical and responsible decision-making**		
3.1	Companies should establish a code of conduct and disclose the code or a summary of the code as to: • the practices necessary to maintain confidence in the company's integrity; and • the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and • the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	5b, 5c	✓
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measureable objectives for achieving gender diversity and for the Board to assess annually both the objectives and the progress in achieving them.	8	✓
3.3	Disclose in each annual report the measureable objectives for achieving gender diversity set by the Board in accordance with the Diversity policy and progress towards achieving them.	8	✓
3.4	Disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board.	8	✓
3.5	Companies should provide the information indicated in the Guide to reporting on Principle 3.	5b, 8	✓
Principle 4	**Safeguard integrity in financial reporting**		
4.1	The Board should establish an audit committee.	2a, 2b	✓
4.2	The audit committee should be structured so that it: • consists of only non-executive directors; • consists of a majority of independent directors; • is chaired by an independent chair, who is not chair of the	 2a, 2b 2a, 2b	✓

	Board; and • has at least three members.	2a 2a, 2b	
4.3	The audit committee should have a formal charter.	2a	✓
4.4	Companies should provide the information indicated in the Guide to reporting on Principle 4.	2a, 2e, 3b Directors' Report	✓
Principle 5	**Make timely and balanced disclosure**		
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies.	6, 6a	✓
5.2	Companies should provide the information indicated in the Guide to reporting on Principle 5.	6a	✓
Principle 6	**Respect the rights of shareholders**		
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose that policy or a summary of that policy.	6b	✓
6.2	Companies should provide the information indicated in the Guide to reporting on Principle 6.	6b	✓
Principle 7	**Recognise and manage risk**		
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	4a, 4b	✓
7.2	The board should require management to design and implement the risk management and internal control systems to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	4b	✓
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	4c	✓
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7.	4b, 4c	✓
Principle 8	**Remunerate fairly and responsibly**		
8.1	The board should establish a remuneration committee.	2a, 2c Remuneration Report	✓
8.2	The remuneration committee should be structured so that it: • consists of a majority of independent directors; • is chaired by an independent director; and • has at least three members.	2a, 2c	Partial compliance ✓ ✗ ✓
8.3	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	Remuneration Report	✓
8.4	Companies should provide the information indicated in the Guide to reporting on Principle 8.	2a, 2e, 5d Remuneration Report	✓

The directors present their report on the consolidated entity comprising Bannerman Resources Limited ("**Bannerman**" or the "**Company**") and its controlled entities (the "**Group**") for the year ended 30 June 2013 ("**the financial year**"). Bannerman is a company limited by shares that is incorporated and domiciled in Australia.

BOARD OF DIRECTORS

The directors of Bannerman in office during the financial year and up to the date of this report were:

Name	Position	Independent	Appointed / resigned
Ronnie Beevor	Non-Executive Chairman	Yes	27July 2009
Len Jubber	Chief Executive Officer	No	17 November 2008
Ian Burvill	Non-Executive Director	Yes	14 June 2012
Clive Jones	Non-Executive Director	No	12 January 2007
David Smith	Non-Executive Chairman	Yes	Resigned 21 November 2012
Geoff Stanley	Non-Executive Director	Yes	Resigned 28 June 2013
David Tucker	Non-Executive Director	Yes	18 March 2008

Details of the directors' independence are set out in the Corporate Governance Statement on page 7 of this report.

COMPANY SECRETARY

The company secretary of Bannerman in office during the financial year and up to the date of this report was:

Name	Appointed / resigned
Leigh-Ayn Absolom	Appointed 28 March 2013
Glen Smith	Resigned 28 March 2013

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Particulars on the skills, experience, expertise and responsibilities of each director and the company secretary at the date of this report, including all directorships of other companies listed on the Australian Securities Exchange, held or previously held by a director at any time in the past three years, are set out on pages 3 to 5 of this report.

BOARD MEETING ATTENDANCE

Particulars of the number of meetings of the Board of directors of Bannerman and each Board committee of directors held and attended by each director during the 12 months ended 30 June 2013 are set out in Table 1 below.

Table 1. Directors in Office and attendance at Board and Board Committee Meetings during 2012/2013

	Board meetings		Board committee meetings					
			Audit Committee		Remuneration, Nomination & Corp. Governance Committee		HSEC Committee	
	A	B	A	B	A	B	A	B
Ronnie Beevor	9	9	4	4	5	5	-	-
David Smith	4	4	-	-	-	-	-	-
Len Jubber	9	9	3*	4	5*	5	1*	1
Ian Burvill	9	9	-	-	5	5	-	-
Clive Jones	9	9	-	-	5	5	1	1
Geoff Stanley	8	9	4	4	-	-	-	-
David Tucker	9	9	4	4	-	-	1	1

A = Number of meetings attended
B = Number of meetings held during the time the director held office or was a member of the relevant committee during the year.
* Indicates that a Director attended some or all meetings by invitation whilst not being a member of a specific committee.

DIRECTORS' INTERESTS IN SECURITIES IN BANNERMAN

As at the date of this report, the relevant interests of each director in the ordinary shares and options in Bannerman, as notified to the Australian Securities Exchange in accordance with s205G(1) of the Corporations Act 2001, are as follows:

	Fully paid ordinary shares		Options		Performance Rights	
	Beneficial, private company or trust	Own name	Beneficial, private company or trust	Own name	Beneficial, private company or trust	Own name
Ronnie Beevor	111,159	211,300	128,250	-	-	507,800
Len Jubber	1,144,599	-	-	3,000,000	-	4,580,010
Ian Burvill (1)	-	-	1,206,050	-	-	-
Clive Jones	15,206,940	-	1,206,050	-	-	-
David Tucker	379,399	-	128,250	-	316,300	-

(1) These options are held by Resource Capital Funds Management Pty Ltd, and are noted against the relevant RCF representative director.

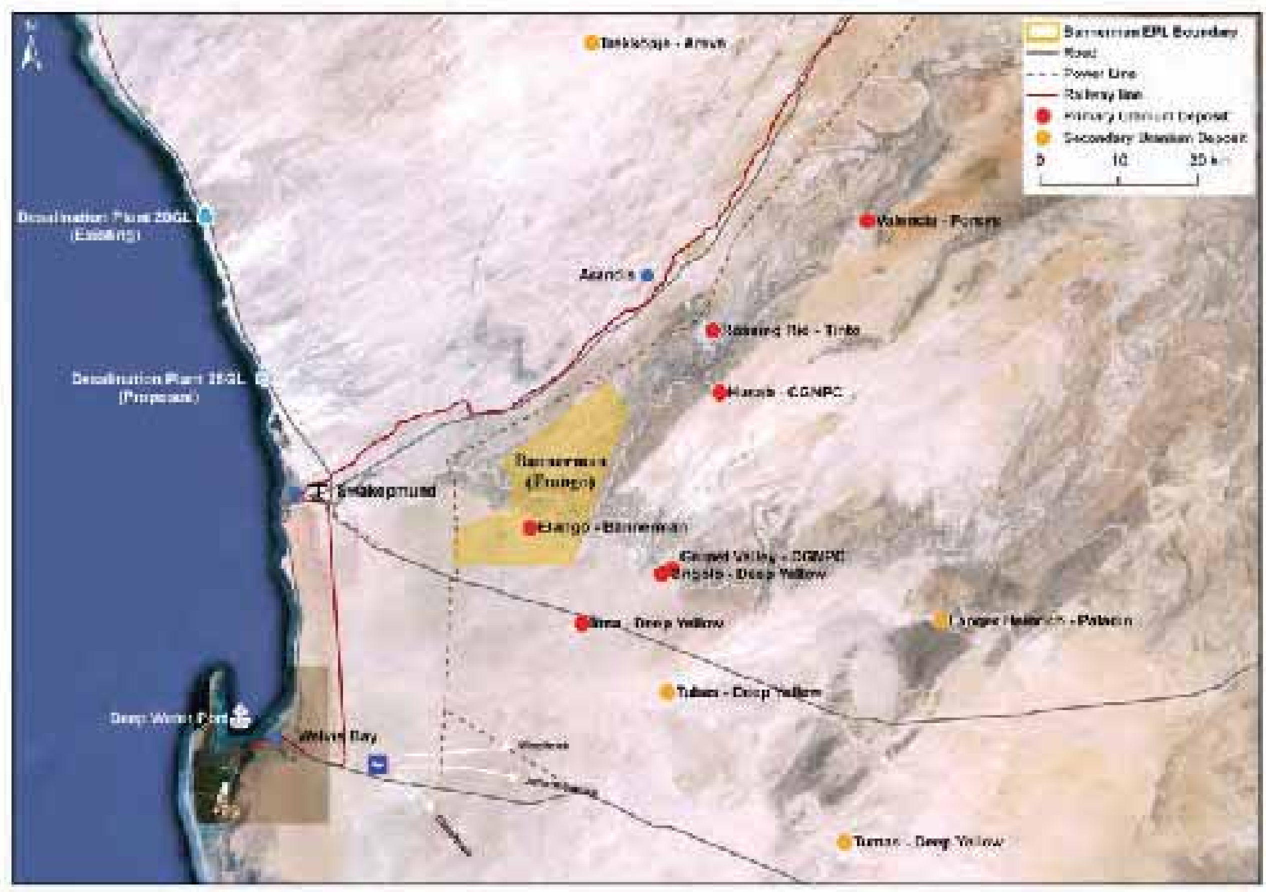
PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year comprised the exploration for and feasibility assessment of uranium projects, primarily the Group's 80%-owned Etango Uranium Project in Namibia.

OPERATING AND FINANCIAL REVIEW

ETANGO URANIUM PROJECT (BANNERMAN 80%)

The Etango Project is one of the world's largest undeveloped uranium deposits, located in the Erongo uranium mining region of Namibia which hosts the Rössing and Langer-Heinrich mines and the Husab Project which is currently being developed by Chinese state owned enterprise, China General Nuclear Power Company (CGNPC). Etango is 73km by road from Walvis Bay, one of southern Africa's busiest deep-water ports through which uranium has been exported for over 35 years. Road, rail, electricity and water networks are all located nearby.



Definitive Feasibility Study

Key outcomes from the Definitive Feasibility Study ("**DFS**"), as announced to the market in 2012, are as follows:

- JORC and NI 43-101 compliant Ore Reserves totalling 279.6 million tonnes at an average grade of 194ppm U_3O_8 for 119.3 Mlbs of contained U_3O_8;

Etango Ore reserves Estimate (100ppm cutoff)	**Tonnes (Mt)**	**Grade (ppm)**	**Cont. U_3O_8 (Mlb)**
Proved	64.2	194	**27.5**
Probable	215.3	193	**91.8**
Total	**279.6**	**194**	**119.3**

- Production of 7-9 Mlbs U_3O_8 per year for the first five years and 6-8 Mlbs U_3O_8 per year thereafter, which would rank Etango as a global top 10 uranium only mine;
- Cash operating costs of US$41/lb U_3O_8 in the first 5 years and US$46/lb U_3O_8 over the life of mine;
- At a uranium price of US$75/lb U_3O_8, the Etango Project generates operating cashflow of US$2.7 billion before capital and tax, and free cashflow of US$923 million after capital and tax;
- Pre-production capital cost of US$870 million; and
- Minimum mine life of 16 years, with further extensions possible through the inclusion of measured and indicated resources below the designed pit, and the conversion of existing inferred resources.

Project Licencing

During the June 2013 quarter the Company received a two year renewal of Exclusive Prospecting License ("**EPL**") 3345, which hosts the Etango Project. In accordance with the Minerals Act, the renewal reflects a 50% reduction in the previous license area to approximately 250km^2. The reduced license area covers the Etango Project and all targeted exploration prospects.

The Ministry of Environment and Tourism granted formal environmental approval for development of the Etango Project to Bannerman in the September 2012 quarter. Bannerman also lodged the DFS with the Ministry of Mines and Energy in the same quarter, in support of the existing Etango Mining Licence application.

DEVELOPMENT STRATEGY

Whilst Bannerman continues to reduce its corporate overheads and align its project activities with the objective of minimising its working capital requirements in the current adverse uranium and equities markets, it is focussing on two key areas of opportunity arising from having completed the DFS.

Project Optimisation

The internal review of the project development model (as depicted in the DFS) focussed primarily on the geological and resource models. The approach to the resource model which was completed in October 2010 was based on the 12 metre bench mining configuration adopted in the PFS. However in the DFS the bench mining configuration was changed to 4 metres to improve the ore mining selectivity.

Hence the internal review is reinterpreting the ore and waste boundaries with the view of deciding whether more selective ore modelling will better represent the mining configuration adopted in the DFS. A potential outcome of the greater selectivity may be a higher ore feed grade to the processing plant. This work is on-going.

In addition, a work plan is being compiled to target reductions in the mining equipment fleet and mining operating cost by way of further evaluating the mining schedule. The mining related components collectively constitute approximately 40% of the estimated total capital cost whilst the mining activities account for approximately 50% of the estimated operating cost.

Project Financing

Bannerman continues to engage with interested parties to investigate a financing model that will enable fast tracking a commitment to the project development in a rising uranium price environment.

The Company has completed the detailed technical design of a pilot plant facility which will serve to both demonstrate the process flow sheet to potential financiers as well as generate the data to enable the detailed design phase of the future development, which will follow a Board commitment to develop the project. The Environmental and Social Impact Study on the pilot plant has commenced.

A decision to proceed with the program remains subject to receipt of the requisite environmental clearance from the Ministry of Environment and Tourism, and an improvement in the uranium price outlook.

EXPLORATION

Swakop River Project (Bannerman 80%)

The Company did not apply for renewal of EPL 3346 (Swakop River Project) as exploration over the past 7 years had not identified significant mineralisation. As a result EPL 3346 expired on 26 April 2013.

CORPORATE

Board Changes

On 21 November 2012, Mr Ronnie Beevor assumed the role of Chairman following the retirement of Non-Executive Chairman, Dr David Smith at the conclusion of the Annual General Meeting.

On 28 June 2013, Mr Geoff Stanley resigned from the Board following 5 years of service as a non-executive director, including 2 years as Chairman.

The reduction in the number of non-executive directors on the Board from 6 to 4 since November 2012 highlights the Company's commitment to conserving cash in the current environment.

On 8 October 2012, Namibian in-country General Manager Mr Werner Ewald was appointed to the board of the Company's operating subsidiary, Bannerman Mining Resources (Namibia) (Pty) Ltd ("**BMRN**"). Mr Ewald joins fellow Namibian director Ms Monica Kalondo, and Australian based directors Mr Clive Jones and Mr Len Jubber on the board of BMRN.

Company Secretary

On 28 March 2013, Group Financial Controller Ms Leigh-Ayn Absolom was appointed Company Secretary following the resignation of Mr Glen Smith.

Organisational Changes

Following the completion of the DFS in March 2012 and environmental rehabilitation of all disturbed areas during the past quarter, the geology team was downsized in June 2013. The residual in-house geological capability coupled with Coffey International Ltd who have completed the JORC and 43-101 compliant resource models, provides the requisite capability and continuity of knowledge to ensure progressing the project development in due course.

Administrative services are being rationalised and as a result the Windhoek office is being closed. The Company will continue to operate from its downsized office in Swakopmund.

CONSOLIDATED RESULTS

The consolidated net loss after tax for the 12 months ending 30 June 2013 was A$5,688,000 (2012: A$9,600,000).

Corporate, administration, personnel and other expenses for the reporting period were A$6,163,000 (2012: A$11,028,000), including employee and director share-based payment expenses of A$358,000 (2012: A$861,000). Refer to the Remuneration Report and Note 16 of the financial report for further details on share-based payments.

Income for the reporting period included interest income of A$190,000 (2012: A$532,000). During the year, the Company received research and development incentive funds of A$360,000 (2012: A$403,000).

Capitalised exploration and evaluation expenditure was A$59,713,000 as at 30 June 2013 (2012: A$61,181,000 million) reflecting the capitalisation of costs relating to the Etango Project feasibility study, resource definition drilling and assaying, and other exploration costs, net of foreign currency translation movements. Total additions for the year amounted to A$1,624,000 (2012: A$8,887,000). A foreign exchange translation adjustment of A$3,015,000 (2012: A$11,337,000), resulting in a reduction in carrying value, was also recorded for the year. This adjustment reflects the strengthening of the A$ against the Namibian $ over the year.

Cash Position

Cash and cash equivalents were A$3,816,000 as at 30 June 2013 (2012: A$9,613,000).

Cash outflow from operating activities during the year amounted to A$4,166,000 (2012: A$7,378,000).

Cash outflow from investing activities during the year amounting to A$1,616,000 (2012: A$9,044,000), related primarily to the exploration and feasibility activities.

There was no cash movement from financing activities during the year (cash inflow 2012: A$10,779,000).

Issued Capital

Issued capital at the end of the financial year amounted to A$115,810,000 (2012: A$115,170,000). The increase of A$640,000 (2012 increase: A$14,161,000) related to the issue of 6,685,906 shares in satisfaction of interest relating to the Company's convertible note.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than items already noted elsewhere in this report, there were no additional significant changes in the state of affairs of the Group during the financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Group are set out in the "Development Strategy" on page 22 of this report.

Disclosure of any further information has not been included in this report, because, in the reasonable opinion of the Directors, to do so would be likely to prejudice the business activities of the Group.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Convertible Note Refinancing

Subsequent to year end, on 6 September 2013, Bannerman announced that it had reached agreement with RCF for the extension of the convertible note from its maturity date of 31 March 2014 to 30 September 2016. The key terms of the new note are a conversion price of A$0.095 per share (subject to adjustment for certain transactions that have a dilution impact on the conversion price), an unchanged coupon interest rate of 8% per annum with interest payable quarterly through the issue of new Bannerman shares at a price equal to the 5-day VWAP of Bannerman's shares prior to the date of issue or cash in certain circumstances, and an extension fee of A$160,000 payable through the issue of 2,539,683 new Bannerman shares upon the receipt of all required approvals.

Other than the matters discussed above and elsewhere in this report, there has not arisen, in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material or unusual nature which, in the opinion of the directors has, or may, significantly affect the operations or financial position of the Group, the results of those operations, or the state of affairs of the Group, in future periods.

OPTIONS / PERFORMANCE RIGHTS

Options / Performance Rights on Issue

Details of options and performance rights in Bannerman as at the date of this report are set out below:

Security Type	Number	Exercise price	Expiry date
Options	1,500,000	A$0.543	17 November 2013
Options	641,250	A$0.77	22 November 2013
Options	43,000	A$0.77	22 November 2013
Options	1,500,000	A$0.678	17 November 2014
Options	902,500	A$0.36	17 November 2014
Options	1,795,200	A$0.12	21 November 2015
Performance Rights	504,702	n/a	17 November 2013
Performance Rights	824,100	n/a	21 November 2013
Performance Rights	850,242	n/a	23 November 2013
Performance Rights	500,000	n/a	31 January 2014
Performance Rights	750,000	n/a	31 July 2014
Performance Rights	1,631,722	n/a	17 November 2014
Performance Rights	1,178,250	n/a	21 November 2014
Performance Rights	1,000,000	n/a	31 January 2015
Performance Rights	3,860,700	n/a	21 November 2015

Options and Performance Rights issued

During the financial year 1,795,200 options and 6,621,950 performance rights were issued.

Subsequent to the end of the financial year, 2,250,000 performance share rights with varying performance criteria were issued as a retention plan for key management personnel.

No option or performance rights holder has any right under the options or rights to participate in any other share issue of the Company or any other entity.

Options exercised

During or since the end of the financial year, no options (2012: nil) were exercised.

Performance Rights vested

During or since the end of the financial year 3,610,427 performance rights (2012: 1,201,117) vested.

Options and Performance Rights forfeited or cancelled

During or since the end of the financial year, 4,606,500 (2012: 2,700,000) options and 2,467,839 (2012: 2,068,901) performance rights were forfeited or cancelled.

Options expired or lapsed

During or since the end of the financial year, 4,936,700 options (2012: 5,150,000) have expired or lapsed.

ENVIRONMENTAL DISCLOSURE

The Group is subject to various laws governing the protection of the environment in matters such as air and water quality, waste emission and disposal, environmental impact assessments, mine rehabilitation and access to, and the use of, ground water. In particular, some activities are required to be licensed under environmental protection legislation of the jurisdiction in which they are located and such licenses include requirements specific to the subject site.

So far as the directors are aware, there have been no material breaches of the Company's licence conditions, and all exploration activities have been undertaken in compliance with the relevant environmental regulations.

INDEMNITIES AND INSURANCE

During the financial year, the Company paid a premium to insure the directors and officers of the Group against liabilities incurred in the performance of their duties. Under the terms and conditions of the insurance contract, the nature of liabilities insured against and the premium paid cannot be disclosed.

The officers of the Group covered by the insurance policy include any person acting in the course of duties for the Group who is, or was, a director, executive officer, company secretary or a senior manager within the Group.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers, in their capacity as officers, of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

PROCEEDINGS ON BEHALF OF THE GROUP

At the date of this report, there are no leave applications or proceedings brought on behalf of the Group under s237 of the *Corporations Act 2001*.

DIVIDENDS

No dividend has been declared or paid during the year (2012: nil).

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest A$1,000 (where rounding is applicable and where noted ($'000)) under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

NON-AUDIT SERVICES

In accordance with the Company's External Auditor Policy, the Company may decide to engage the external audit firm on assignments additional to its statutory audit duties where the auditor's expertise and experience with the Group are important.

Details of the amounts paid or payable to the auditor, Ernst & Young, for audit and non-audit services provided during the financial year are set out in Note 6 of the financial report.

The Board of directors, in accordance with advice received from the Audit Committee, is satisfied that the provision of the non-audit services detailed in Note 6 of the financial report is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are also satisfied that the provision of these non-audit services did not compromise the auditor independence requirements of the *Corporations Act 2001* because:

- they have no reason to question the veracity of the auditor's independence declaration referred to in the section immediately following this section of the report; and
- the nature of the non-audit services provided is consistent with those requirements.

AUDITOR'S INDEPENDENCE DECLARATION

Ernst & Young continues as external auditor in accordance with s327 of the *Corporations Act 2001*. The auditor's independence declaration as required under s307C of the *Corporations Act 2001* is set out below and forms part of this report.

Ernst & Young
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Perth WA 6000 Australia
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Auditor's Independence Declaration to the Directors of Bannerman Resources Limited

In relation to our audit of the financial report of Bannerman Resources Limited for the financial year ended 30 June 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
Perth
11 September 2013

GB:PS:BANNERMAN:078

REMUNERATION REPORT (AUDITED)

INTRODUCTION AND REMUNERATION STRATEGY

The Board of Bannerman is committed to providing a remuneration framework that is designed to attract, motivate and maintain appropriately qualified and experienced individuals whilst balancing the expectations of shareholders. The Company's remuneration policies are structured to ensure a link between Company performance and appropriate rewards, and remuneration for executives involves a combination of both fixed and variable ("at risk") remuneration, including long term incentives to drive the Company's desired results.

In developing the Company's remuneration policy, the Board remains focussed on competitive remuneration packages and long term equity plans, which reward executives for delivering satisfactory performance to shareholders. In this regard, Bannerman has developed equity rewards based on performance hurdles that deliver returns for shareholders.

SUMMARY

The remuneration report summarises the remuneration arrangements for the reporting period 1 July 2012 to 30 June 2013 for the directors and executives of Bannerman and the Group in office during the financial year.

The information provided in this remuneration report has been audited as required by s308(3C) of the *Corporations Act 2001*.

KEY MANAGEMENT PERSONNEL

For the purpose of this report, key management personnel of the Group (as defined in AASB 124 *Related Party Disclosures*) are those persons identified in this section who have authority and responsibility for planning, directing and controlling the activities of the Group, whether directly or indirectly, including any director (whether executive or otherwise) of the parent entity.

The directors and executives considered to be key management personnel of the Group up to the date of this report are the directors and executives set out in Table 1 below.

Table 1 - Key management personnel

Current key management personnel - as at the date of this report

Name	Position	Period (if less than the entire period)
Non-Executive Directors		
Ronnie Beevor	Non-Executive Chairman	Full financial period
Ian Burvill	Non-Executive Director	Full financial period
Clive Jones	Non-Executive Director	Full financial period
David Tucker	Non-Executive Director	Full financial period
Executives		
Len Jubber	Chief Executive Officer and Managing Director	Full financial period
Werner Ewald	General Manager - Namibia	Full financial period

Key management personnel – who either during or since the end of the year have left the employment of the Group or are no longer defined as key management personnel

Name	Position	Period (if less than the entire period)
David Smith	Non-Executive Chairman	Resigned 21 Nov 2012
Peter Kerr	Chief Financial Officer	Resigned 10 Sept 2012
John Turney	Project Director	Resigned 31 Dec 2012
Matthew Shackleton	Chief Financial Officer	Appointed 10 Sept 2012 / Resigned 30 Apr 2013
Geoff Stanley	Non-Executive Director	Resigned 28 Jun 2013

1. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

Board Remuneration, Nomination and Corporate Governance Committee

The Board Remuneration, Nomination and Corporate Governance Committee ("**the Remuneration Committee**") assists the Board to fulfil its responsibilities to shareholders by ensuring the Group has remuneration policies that fairly and competitively reward executives and the broader Bannerman workforce. The Remuneration Committee's decisions on reward structures are based on the current competitive environment, remuneration packages for executives and employees in the resources industry and the size and complexity of the Group.

The Remuneration Committee's responsibilities include reviewing the Company's remuneration framework and evaluating the performance of the Chief Executive Officer ("**CEO**") and monitoring the performance of the executive team.

Independent remuneration consultants are engaged by the Remuneration Committee from time to time to ensure the Company's remuneration system and reward practices are consistent with market practices.

During the year, the Company sought advice from PJ Kinder Consulting regarding market data in relation to Board remuneration. The recommendations were provided to the Remuneration Committee as an input in the decision-making process. These recommendations, along with other factors, were considered by the Remuneration Committee in making its remuneration decisions and recommendations to the Board. The fees paid to PJ Kinder Consulting during the year totalled A$5,000 and no other services were provided by PJ Kinder Consulting. The Remuneration Committee is satisfied the advice was free from undue influence from the Board and/or management to whom the remuneration recommendations applied.

Directors' remuneration policy and structure

Bannerman's non-executive director remuneration policy aims to reward non-executive directors fairly and responsibly having regard to the:

- level of fees paid to directors relative to other comparatively sized exploration and mining companies;
- size and complexity of Bannerman's operations; and
- responsibilities and work requirements of individual Board members.

Fees paid to the non-executive directors of Bannerman are usually reviewed annually by the Remuneration Committee, and based on periodic advice from external remuneration consultants. The Board decided that in light of the current operating environment it was appropriate to reduce annual non-executive director remuneration. Accordingly, the Board sought and received advice from an external remuneration consultant and non-executive director remuneration was reduced by 37.5%, effective 1 July 2012. Refer to Table 2 for further details.

Directors' remuneration limits

Non-executive directors' fees are determined within an aggregated directors' annual fee limit of A$750,000, which was last approved by shareholders on 17 September 2008.

Directors' remuneration framework

Non-executive directors' remuneration consists of base fees (inclusive of superannuation); annual grants of share rights or options; and audit committee chairman fees, details of which are set out in Table 2 below. Non-executive directors may also receive an initial grant of share rights or options at the time of joining the Board. Board fees are not paid to the executive director as the time spent on Board work and the responsibilities of Board membership are considered in determining the remuneration package provided as part of his normal employment conditions.

Table 2 – Annual Board and committee fees payable to non-executive directors

	Year ended 30 June 2012		Year ended 30 June 2013		Year ending 30 June 2014	
Position	**Cash A$**	**Options / Rights* A$**	**Cash A$**	**Options / Rights* A$**	**Cash(i) A$**	**Options / Rights(ii) A$**
Chairman of the Board	120,000	120,000	100,000	50,000	100,000	50,000
Non-Executive Director	60,000	60,000	50,000	25,000	50,000	25,000
Additional fees for:						
Chairman of the Audit Committee	10,000	-	10,000	-	10,000	-
Member of the Audit Committee	-	-	-	-	-	-
Chairman of any other committee	-	-	-	-	-	-
Member of any other committee	-	-	-	-	-	-

(i) Mr Ian Burvill elected not to receive the cash component of his fee effective 1 January 2013.
(ii) Options and rights issued to non-executive directors vest after a 12 month period.

No retirement benefits are paid other than the statutory superannuation contributions of 9% required under Australian superannuation guarantee legislation. Effective 1 July 2013, this statutory rate increased to 9.25%. Superannuation amounts are deducted from the directors' overall fee entitlements, where appropriate.

Non-executive directors are also entitled to an initial grant of options or share rights on commencement. Option and share right entitlements are subject to ASX Listing Rules, the Corporations Act and shareholder approvals.

The Non-Executive Director Share Incentive Plan ("**NEDSIP**"), as approved by shareholders on 17 November 2011, allows for the provision of either share rights or options to Directors. Under the NEDSIP, the Company's non-executive directors will receive one-third of their director's fees in the form of either share rights or options. The directors consider that the issue of share rights or options to non-executive directors as part of their remuneration package is reasonable and appropriate given:

(a) it is a cost effective and efficient reward for service. The issue of share rights or options in lieu of cash payments preserves the Company's cash resources and reduces on-going costs which is a significant aspect while the Company remains in a development phase; and
(b) in part, it aligns remuneration with the future growth and prospects of the Company and the interests of shareholders by encouraging non-executive director share ownership.

Refer to Table 7 for details of the number and value of options and share rights issued to non-executive directors during the year.

As part of the Company's Securities Trading Policy, the Company prohibits directors from entering into arrangements to protect the value of unvested incentive awards. This includes entering into contracts to hedge exposure to options, share rights or shares granted as part of their remuneration packages.

The Board assesses the appropriateness, nature and amount of remuneration paid to non-executive directors on a periodic basis, including the granting of equity based payments, and considers it appropriate to grant options or share rights to non-executive directors with the overall objective of retaining a high quality Board whilst preserving cash reserves.

Executive remuneration policy and structure

Bannerman's executive remuneration policy is designed to reward the CEO and other senior executives. The main principles underlying Bannerman's executive remuneration policy are to:

- provide competitive rewards to attract, retain and motivate executives;
- set levels of performance which are clearly linked to an executive's remuneration;
- structure remuneration at a level which reflects the executive's duties and accountabilities;
- set a competitive level of remuneration that is sufficient and reasonable;
- align executive incentive rewards with the creation of value for shareholders; and
- comply with applicable legal requirements and appropriate standards of governance.

Executive remuneration structure

Bannerman's remuneration structure for the CEO and senior executives for the year ended 30 June 2013 was divided into two principal components:

- base pay and benefits, including superannuation; and
- variable annual reward, or "at risk" component, by way of the issue of long term share-based incentives.

Performance reviews for all senior executives are conducted on an annual basis. The performance of each senior executive is measured against pre-determined key performance indicators. The most recent performance reviews were completed in August 2013.

Base pay

The base pay component of executive remuneration comprises base salary, statutory superannuation contributions and other allowances where applicable. It is determined by the scope of each executive's role, working location, level of knowledge, skill and experience along with the executive's individual performance. There is no guarantee of base pay increases included in any executive's contract.

Bannerman benchmarks this component of executive remuneration against appropriate market comparisons using information from similar companies and, where applicable, advice from external consultants.

Short-term incentive component (STI)

1,131,925 Performance Rights vested in July 2012 upon completion of the Board-approved DFS for the Etango Project, resulting in the issue of 1,131,925 ordinary shares to relevant executives, including the CEO. The issue of DFS Performance Rights to the CEO was approved by shareholders at the annual general meeting held in November 2011.

During the year there were no new STI awards granted.

Long-term incentive component (LTI)

The LTI awards are aimed specifically at creating long term shareholder value and the retention of employees. The Company has implemented an Employee Incentive Plan which enables the provision of options or performance rights to executives and employees.

During the 2013 financial year, performance rights which will vest subject to pre-defined performance hurdles were allocated to all executives. The grant of performance rights aims to reward executives in a manner that aligns remuneration with the creation of shareholder wealth. Refer to Table 7 for the number and value of performance rights issued to executives during the year.

Subsequent to the end of the financial year, 2,250,000 performance share rights with varying performance criteria were issued as a retention plan for key management personnel. These performance rights replaced 750,000 options that were cancelled simultaneously.

Performance measures to determine vesting

The vesting of half of the performance rights is subject to the Company's relative Total Shareholder Return ("**TSR**") as measured by share price performance (allowing for the reinvestment of dividends) over the life of the performance rights, versus a comparator group of uranium development companies. The vesting of the other half is subject to the attainment of defined individual and group performance criteria, chosen to align the interests of employees with shareholders, representing key drivers for delivering long term value. Group and individual performance measures are weighted and specify performance required to meet or exceed expectations. The performance measures for the 2013 performance rights related to:

- Safety - total recordable incidents and significant environmental incidents.
- Capital - maintaining adequate working capital and achieving operating budgets.
- Regulatory Approvals - obtaining timely renewal of licences.
- Corporate Development - execution of transactions mandated by the Board.

Relative TSR was selected as the LTI performance measure given it ensures an alignment between comparative shareholder return and reward for executives, and minimises the effects of market cycles and commodity price changes.

The comparator group includes the following uranium development companies:

A-Cap Resources Limited	Energy Fuels Inc.	Mega Uranium Limited
Alliance Resources Limited	Energy Ventures Limited	Peninsula Energy Limited
Berkeley Resources Limited	Forsys Metals Corp.	Powertech Uranium Corp.
Black Range Minerals Limited	Impact Minerals Limited	Strateco Resources Inc.
Conica Ltd	Laramide Resources Limited	Toro Energy Limited
Deep Yellow Limited	Marathon Resources Limited	Uranerz Energy Corporation
Energy & Minerals Australia Limited	Marenica Energy Limited	Ur-Energy Inc.

The Board may change the members of the peer group from time to time to ensure it is reflective of the Company's peers. The use of uranium-focused development companies seeks to ensure that the TSR calculation is not materially impacted by price movements of other commodities.

The comparator group is composed of Australian and foreign uranium development companies chosen to reflect the Group's competitors for capital and talent. The Group's performance against the measure is determined according to Bannerman's ranking against the companies in the TSR group over the performance period. The vesting schedule is as follows:

Relative TSR performance outcome	Percentage of award that will vest
Below or at the 25th percentile	0%
Between the 25th and 75th percentile	Scale applicable whereby every 1 percentile equates to 2% vesting
At or above the 75th percentile	100%

Options

In previous years, options were granted to executives for the purposes of incentivising and retaining them during the significant development phase of the Etango Project. Accordingly, performance hurdles included the finalisation of a Preliminary Feasibility Study and a DFS on the Etango Project, the grant of a mining licence, finalisation of project financing and commissioning of the Etango Project. As at the date of this report, only the performance hurdles relating to the Preliminary Feasibility Study and DFS have been satisfied.

Further details regarding the options issued to executives are outlined in section 4 below. No options were granted to executives during the financial reporting period or subsequent to the end of the year (2012: nil).

Termination and change of control provisions

Where an executive ceases employment prior to the vesting of an award, the incentives are forfeited unless the Board applies its discretion to allow vesting at or post cessation of employment in appropriate circumstances.

In the event of a change of control of the Group, the performance period end date will generally be brought forward to the date of the change of control and the options and rights will vest in full, subject to ultimate Board discretion.

No hedging of LTIs

As part of the Company's Securities Trading Policy, the Company prohibits executives from entering into arrangements to protect the value of unvested LTI awards. This includes entering into contracts to hedge exposure to options, performance rights or shares granted as part of their remuneration package.

2. DETAILS OF REMUNERATION

Non-Executive Directors' Remuneration

Details of the nature and amount of remuneration of Bannerman's non-executive directors for the year ended 30 June 2013 are as follows:

Table 3 – Non-executive director remuneration

	Year	Short-term		Post Employment	Sub-total	Share Based Payments	Total	Performance Related
		Base Fees $	Other $	Superannuation $	$	Options / Rights $	$	%
Non-Executive Directors								
David Smith	2013	36,946	-	3,440	40,386	50,164	90,550	-
	2012	96,000	-	24,000	120,000	69,836	189,836	-
Ronnie Beevor	2013	80,547	3,973	-	84,520	48,485	133,005	-
	2012	60,000	10,000	-	70,000	47,068	117,068	-
Ian Burvill (i)	2013	25,000	-	-	25,000	37,591	62,591	-
	2012	2,667	-	-	2,667	-	2,667	-
Mason Hills (ii)	2013	-	-	-	-	-	-	-
	2012	57,333	-	-	57,333	36,986	94,319	-
Clive Jones	2013	45,872	-	4,128	50,000	37,591	87,591	-
	2012	55,046	-	4,954	60,000	36,986	96,986	-
Geoff Stanley	2013	50,000	-	-	50,000	50,082	100,082	-
	2012	60,000	-	-	60,000	47,068	107,068	-
David Tucker (iii)	2013	25,571	6,027	24,983	56,581	39,659	96,240	-
	2012	25,029	59,700	34,971	119,700	34,918	154,618	-
Total	**2013**	**263,936**	**10,000**	**32,551**	**306,487**	**263,573**	**570,060**	-
	2012	356,075	69,700	63,925	489,700	248,562	738,262	-

(i) Mr Ian Burvill elected not to receive the cash component of his fee effective 1 January 2013.
(ii) Mr Mason Hills retired on 14 June 2012.
(iii) Mr David Tucker provided consulting services in relation to the Company's environmental licencing activities in Namibia during the 2012 financial year.

The category of "Other" includes payments for Chairman of the Audit Committee as well as extra services and consultancy fees for specific duties, as approved by the Board.

Executive Remuneration

Details on the nature and amount of remuneration of Bannerman's executives for the year ended 30 June 2013 are as follows.

Table 4 – Executive remuneration

	Year	Short–term		Post Employment	Sub-total $	Share Based Payments	Total $	Performance Related %
		Salary & Fees $	Other $	Superannuation $		Options / Performance Rights $		
Executive Director								
Len Jubber (i)	2013	437,181	-	39,346	476,527	209,974	686,501	30.6
	2012	379,841	-	33,027	412,868	665,162	1,078,030	61.7
Other Executive Personnel								
Peter Kerr (ii)	2013	79,206	-	7,128	86,334	-	86,334	-
	2012	322,752	-	29,047	351,799	(177,513)	174,286	-
Matthew Shackleton	2013	141,897	-	12,770	154,667	-	154,667	-
	2012	-	-	-	-	-	-	-
John Turney (iii)	2013	58,426	-	5,258	63,685	(375,411)	(311,726)	-
	2012	187,797	-	49,601	237,398	238,710	476,108	50.6
Brandon Munro (iv)	2013	-	-	-	-	-	-	-
	2012	42,181	6,284	3,303	51,768	(598,604)	(546,836)	-
Werner Ewald (v)	2013	169,838	49,205	32,614	251,657	49,677	301,334	16.5
	2012	161,371	49,781	31,149	242,301	104,243	346,544	30.1
Total	**2013**	**886,548**	**49,205**	**97,117**	**1,032,870**	**(115,760)**	**917,110**	
	2012	1,093,942	56,065	146,127	1,296,134	231,998	1,528,132	

(i) Mr Len Jubber's annual salary increased from A$400,000 per annum (inclusive of superannuation) to A$462,500 per annum (inclusive of superannuation) following the completion of the Board approved DFS on the Etango project. This increase was retrospectively applied from 1 April 2012 but paid in the current financial year.
(ii) Mr Peter Kerr gave notice of his resignation prior to 30 June 2012 and forfeited his share options and performance rights. Any share-based payment expense previously recognised under AASB 2 in respect of the options and rights has been reversed.
(iii) Mr John Turney resigned effective 31 December 2012 and forfeited his share options. Any share-based payment expense previously recognised under AASB 2 in respect of the options has been reversed.
(iv) Mr Brandon Munro resigned effective 30 September 2011 and forfeited his share options. Any share-based payment expense previously recognised under AASB 2 in respect of the options has been reversed.
(v) Mr Werner Ewald's contract is denominated in Namibian dollars.

3. SERVICE AGREEMENTS

On appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation.

Remuneration and other terms of employment for the CEO and the other executives are also formalised in service agreements. Major provisions of the agreements relating to remuneration are summarised below.

Remuneration of the Chief Executive Officer

Mr Jubber was appointed on 17 November 2008 as CEO and Managing Director. Under the employment contract with Mr Jubber, he is entitled to receive an annual salary, superannuation, and LTI awards (grant of options or performance rights, which are subject to performance hurdles). Details of Mr Jubber's contract and remuneration are described below and are set out in Table 4 above.

The remuneration provisions of Mr Jubber's employment contract as it applied for 2012/13 provided for the following:

Annual Salary

Following completion of the Board-approved DFS on the Etango Project, Mr Jubber's annual salary increased from A$400,000 per annum to A$462,500 per annum (rate set in 2008), inclusive of 9% superannuation, effective 10 April 2012. This amount will increase to A$525,000 upon attainment of development finance for the Etango Project. No short term incentive is payable.

Subsequent to year end, in recognition of the current adverse uranium and capital markets and the resultant low share price, Mr Jubber has voluntarily implemented a 13.5% reduction in his personal remuneration with effect from 1 July 2013.

Share-Based Payments

Mr Jubber's employment contract provided for the grant of 5,500,000 options, subject to shareholder approval, which was obtained in April 2009. The options, which are subject to performance hurdles, will lapse if Mr Jubber leaves the employment of the Group and immediately vest in the event of a change of control. During the year, 2,500,000 of these options expired.

During the year, Mr Jubber was granted 2,925,900 performance rights subject to shareholder approval, which was obtained in November 2012. The performance rights were offered and the terms and conditions were agreed to and accepted by Mr Jubber on 13 December 2012. The rights are subject to performance hurdles and lapse if Mr Jubber leaves the employment of the Group and immediately vest in the event of a change of control. Refer to Table 6 below.

On 3 July 2012, 312,500 performance rights vested upon completion of the Board-approved Definitive Feasibility Study for the Etango project.

Termination Benefits

Mr Jubber is entitled to 6 months' base pay if his employment is terminated other than for cause, plus statutory entitlements for annual leave and superannuation. The contract also provides that Mr Jubber's employment may be terminated with three months' notice by either party.

Contracts for executives – employed in the Group as at 30 June 2013

A summary of the key contractual provisions for each of the current key management personnel is set out in Table 5 below.

Table 5 - Contractual provisions for executives engaged as at 30 June 2013

Name and job title	Employing company	Contract duration	Notice period company	Notice period employee	Termination provision
Len Jubber – CEO & Managing Director	Bannerman Resources Limited	No fixed term	3 months	3 months	6 months base salary and accrued leave entitlements.
Werner Ewald – General Manager Namibia	Bannerman Resources Limited	No fixed term	3 months	3 months	6 months base salary and accrued leave entitlements.

4. SHARE-BASED COMPENSATION

Key management personnel are eligible to participate in the company's NESIP or Employee Incentive Plan ("**EIP**").

Long Term Incentives

The details of options and performance rights over Bannerman shares issued and/or vested pursuant to the NEDSIP and EIP during the year which affect the remuneration of the key management personnel in office at the end of the reporting period are set out in Table 6 below. The performance hurdles for the performance rights issued to executives relate to the Company's relative TSR and defined individual and group performance targets, including operational targets and safety performance.

Table 6 – Key terms over options and performance rights issued, vested, lapsed and/or forfeited to key management personnel during the year ended 30 June 2013

Name	Year	Grant date (i)	Type of Award	No. Granted	Exercise price	Accounting fair value per right / option at grant date	Performance Hurdles	Vesting date	Expiry date	No. vested during the year	No. lapsed during the year	No. forfeited during the year
Non-Executive Directors												
David Smith	2012	21-Dec-11	Rights	-	-	A$0.28	-	17-Nov-12	-	422,600	-	-
	2011	20-Dec-10	Options	-	A$077	A$0.38	-	20-Dec-10	-	-	256,500	-
		21-Dec-10	Options	-	A$1.45	A$0.19	-	21-Dec-10	-	-	184,600	-
	2010	23-Dec-09	Options	-	A$1.45	A$0.65	-	23-Dec-09	-	-	55,100	-
Ronnie Beevor	2013	13-Dec-12	Rights	507,800	N/A	A$0.08	-	21-Nov-13	21-Nov-13	-	-	-
	2012	21-Dec-11	Rights	-	-	A$0.28	-	17-Nov-12	-	211,300	-	-
	2010	23-Dec-09	Options	-	A$1.45	A$0.65	-	23-Dec-09	-	-	85,500	-
	2010	23-Dec-09	Options	-	A$1.40	A$0.65	-	23-Dec-09	-	-	200,000	-
Ian Burvill	2013	13-Dec-12	Options	683,800	A$0.12	A$0.04	-	21-Nov-13	21-Nov-15	-	-	-
	2012	21-Dec-11	Options	-	-	A$0.15	-	17-Nov-12	-	394,000	-	-
	2010	23-Dec-09	Options	-	A$1.45	A$0.65	-	23-Dec-09	-	-	92,300	-
Clive Jones	2013	13-Dec-12	Options	683,800	A$0.12	A$0.04	-	21-Nov-13	21-Nov-15	-	-	-
	2012	21-Dec-11	Options	-	-	A$0.15	-	17-Nov-12	-	394,000	-	-
	2010	23-Dec-09	Options	-	A$1.45	A$0.65	-	23-Dec-09	-	-	92,300	-
Geoff Stanley	2013	13-Dec-12	Rights	316,300	N/A	A$0.08	-	28-Jun-13	-	316,300	-	-
	2012	21-Dec-11	Rights	-	-	A$0.28	-	17-Nov-12	-	211,300	-	-
	2010	23-Dec-09	Options	-	A$1.45	A$0.65	-	23-Dec-09	-	-	184,600	-
	2009	26-Nov-08	Options	-	A$3.00	A$0.14	-	26-Sep-08	-	-	1,000,000	-
David Tucker	2013	13-Dec-12	Rights	316,300	N/A	A$0.08	-	21-Nov-13	21-Nov-13	-	-	-
	2012	21-Dec-11	Rights	-	-	A$0.28	-	17-Nov-12	-	211,300	-	-
	2010	23-Dec-09	Options	-	A$1.45	A$0.65	-	23-Dec-09	-	-	92,300	-
	2009	26-Nov-08	Options	-	A$4.00	A$0.11	-	26-Sep-08	-	-	250,000	-

Name	Year	Grant date (i)	Type of Award	No. Granted	Exercise price	Accounting fair value per right / option at grant date	Performance Hurdles	Vesting date	Expiry date	No. vested during the year	No. lapsed during the year	No. forfeited during the year
Executives												
Len Jubber	2013	21-Nov-12	Performance Rights	2,925,900	N/A	1,462,950 @ A$0.07	Relative TSR	21-Nov-15	21-Nov-15	-	-	-
					N/A	1,462,950 @ A$0.08	Operational targets (ii)	21-Nov-15	21-Nov-15	-	-	-
	2012	17-Nov-11	Performance Rights		N/A	A$0.27	Board approved DFS for the Etango Project	1-Jul-12		312,500	-	-
		17-Nov-11	Performance Rights		N/A	A$0.27	Operational targets (ii)	17-Nov-14			246,564	-
	2009	17-Apr-09	Options		A$0.434	A$0.89	Board approved PFS for the Etango Project	17-Nov-09		-	2,500,000	-
Peter Kerr	2012	21-Dec-11	Performance Rights		N/A	348,700 @ A$0.22	Relative TSR	17-Nov-14	17-Nov-14	-	-	348,700
					N/A	348,700 @ A$0.25	Operational targets (ii)	17-Nov-14	17-Nov-14		-	348,700
	2011	30-Jun-11	Performance Rights		N/A	A$0.27	Board approved DFS for the Etango Project	1-Jul-12	-	248,400	-	-
	2009	6-Feb-09	Options		A$0.91	A$0.37	Board approved DFS for the Etango Project	30-Sep-11	2-Feb-13	-	600,000	-
					A$1.14	A$0.44	Project finance finalised for the Etango Project	31-Mar-12	2-Feb-14	-		600,000
					A$1.43	A$0.48	Commissioning of the Entango Project	31-Dec-13	2-Feb-15	-		600,000
John Turney	2012	21-Dec-11	Performance Rights		N/A	A$0.25	Operational targets (ii)	17-Nov-14	17-Nov-14	-	62,132	-
		21-Dec-11	Performance Rights		N/A	A$0.25	Board approved DFS for the Etango Project	1-Jul-12	1-Jul-12	65,625	-	-
	2010	31-Aug-09	Options		A$1.46	A$0.53	Board approved DFS for the Etango Project	30-Sep-11	31-Aug-13	-	-	600,000
					A$1.82	A$0.58	Project finance finalised for the Etango Project	31-Mar-12	31-Aug-14	-		600,000
					A$2.28	A$0.61	Commissioning of the Entango Project	31-Dec-13	31-Aug-15	-		600,000
Werner Ewald	2013	13-Dec-12	Performance Rights	934,800	N/A	467,400 @ A$0.06	Relative TSR	21-Nov-15	21-Nov-15	-	-	-
					N/A	467,400 @ A$0.07	Operational targets (ii)	21-Nov-15	21-Nov-15	-	-	-
	2012	21-Dec-11	Performance Rights		N/A	A$0.25	Operational targets (ii)	17-Nov-14	-	-	41,522	-
	2011	30-Jun-11	Performance Rights		N/A	A$0.27	Board approved DFS for the Etango Project	1-Jul-12	-	174,200	-	-

(i) The grant date in the table above refers to the actual issue date of the options or rights, however for accounting purposes the grant date is recognised as the date that the Company's obligation for the options or rights arose.
(ii) Operational targets refers to the performance measures discussed on page 33 of this report.

Options and share rights granted to non-executive directors are not subject to performance hurdles but are subject to continuous service. They have been issued as cost effective and efficient reward for service and in part aligns remuneration with the future growth of the Company.

All unvested options and rights lapse on cessation of employment, unless otherwise approved by the Board or under special circumstances such as retirement or redundancy. All options and rights issued to key management personnel vest immediately in the event of a change of control in Bannerman.

Other remuneration information

Further details relating to options and rights and the proportion of key management personnel remuneration related to equity compensation in the 2012/13 year are tabulated below.

Table 7 – Value of options and performance rights issued during the year ended 30 June 2013

	Type	Proportion of remuneration consisting of options / rights for the year(1) %	Options / rights granted during the year #	Value of options / rights granted during the year(2) $	Value of options exercised / rights vested during the year $	Value of options / rights lapsed/ cancelled during the year $
Non-Executive						
David Smith		55%	-	-	29,582	39,864
Ronnie Beevor	Rights	36%	507,800	40,137	14,791	27,985
Ian Burvill	Options	60%	683,800	25,000	27,580	6,461
Clive Jones	Options	43%	683,800	25,000	27,580	6,461
Geoff Stanley	Rights	50%	316,300	25,000	33,769	112,922
David Tucker	Rights	41%	316,300	25,000	14,791	31,461
Executives						
Len Jubber	Performance Rights	31%	2,925,900	219,443	40,625	192,259
Peter Kerr	Performance Rights	-%	-	-	32,292	256,714
John Turney	Performance Rights	(120%) (3)	-	-	8,531	112,349
Werner Ewald	Performance Rights	30%	934,800	60,762	22,646	2,907

(1) Calculated based on Tables 3 and 4 as the option expense for the year as a percentage of total remuneration. The percentage of total remuneration varies among each director given the impact of consulting or other fees paid during the financial year.
(2) Based on fair value at time of grant
(3) Represents forfeiture on resignation.

There were no alterations to the terms and conditions of the options / rights awarded as remuneration since their award date.

The movements in holdings of options and rights for key management personnel during the financial year are tabulated below.

Table 8 – Movement of options and performance rights for key management personnel during 2012/13

Name	Type	Opening Balance	Granted as Remuneration	Exercised / converted	Forfeited	Expired	Other	Closing Balance	Vested during the year	Vested and exercisable at the end of the year
Non-Executive Directors										
David Smith	Options	496,200	-	-	(256,500)	(239,700)	-	-	-	-
	Rights	422,600	-	(422,600)	-	-	-	-	422,600	-
Ronnie Beevor	Options	413,750	-	-	-	(285,500)	-	128,250	-	-
	Rights	211,300	507,800	(211,300)	-	-	-	507,800	211,300	-
Ian Burvill (i)	Options	614,550	683,800	-	-	(92,300)	-	1,206,050	394,000	614,550
Clive Jones	Options	614,550	683,800	-	-	(92,300)		1,206,050	394,000	614,550
Geoff Stanley (ii)	Options	1,312,850				(1,184,600)	(128,250)	-	-	-
	Rights	211,300	316,300	(527,600)	-	-	-	-	527,600	-
David Tucker	Options	470,550				(342,300)		128,250	-	128,250
	Rights	211,300	316,300	(211,300)				316,300	211,300	-
		4,978,950	2,508,000	(1,372,800)	(256,500)	(2,236,700)	(128,250)	3,492,700	2,160,800	1,357,350
Executives										
Len Jubber	Options	5,500,000	-	-	-	(2,500,000)	-	3,000,000	-	1,500,000
	Rights	2,213,174	2,925,900	(312,500)	(246,564)	-	-	4,580,010	312,500	-
Peter Kerr	Options	1,800,000			(1,800,000)			-	-	-
	Rights	1,167,868	-	(248,400)	(919,468)			-	248,400	-
John Turney	Options	1,800,000	-	-	(1,800,000)			-	-	-
	Rights	554,449	-	(65,625)	(62,132)			426,692	65,625	-
Werner Ewald	Options	750,000	-	-	-	-	-	750,000	-	250,000
	Rights	616,884	934,800	(174,200)	(41,522)			1,335,962	174,200	-
		14,402,375	3,860,700	(800,725)	(4,869,686)	(2,500,000)	-	10,092,664	800,725	1,750,000

(i) These options are held by Resource Capital Funds Management Pty Ltd, and are noted above against the relevant RCF representative director.

(ii) Mr Geoff Stanley retired on 28 June 2013.

Table 9 – Shares issued on exercise of performance rights during the year ended 30 June 2013

	Shares issued	Paid per share	Unpaid per share
Non-Executive			
David Smith	422,600	-	-
Ronnie Beevor	211,300	-	-
Geoff Stanley	527,600	-	-
David Tucker	211,300	-	-
Executives			
Len Jubber	312,500	-	-
Peter Kerr	248,400	-	-
John Turney	65,625	-	-
Werner Ewald	174,200	-	-

5. ADDITIONAL INFORMATION

Performance over the Past 5 Years

The objective of the LTI program is to reward and incentivise non-executive directors and executives in a manner which aligns with the creation of shareholder wealth. Bannerman's performance during 2012/13 and the previous four financial years are tabulated in Table 10 below:

Table 10 – Bannerman's performance for the past five years

Year ended 30 June	2013	2012	2011	2010	2009
Net loss after tax (A$'000)	(5,688)	(9,600)	(13,075)	(9,840)	(9,881)
Net assets (A$'000)	56,685	64,453	69,463	74,414	81,752
Market capitalisation (A$ million) at 30 June	19	36	61	54	228
Closing share price (A$)	A$0.06	A$0.12	A$0.26	A$0.27	A$1.13

END OF REMUNERATION REPORT (AUDITED)

This report is made in accordance with a resolution of the directors.

Len Jubber
CEO and Managing Director
Perth, 11 September 2013

TECHNICAL DISCLOSURES

Certain disclosures in this report, including management's assessment of Bannerman's plans and projects, constitute forward looking statements that are subject to numerous risks, uncertainties and other factors relating to Bannerman's operation as a mineral development company that may cause future results to differ materially from those expressed or implied in such forward-looking statements. 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.

Mineral Resources that are not Ore Reserves do not have demonstrated economic viability.

Bannerman Resources Limited ("Bannerman") manages its drilling and assaying activities in accordance with industry standard quality assurance/quality control (QA/QC) procedures. Samples are collected by Bannerman personnel and prepared in accordance with specified procedures at the relevant assay laboratories. Drill samples were analysed for uranium by the Bureau Veritas Laboratory in Swakopmund, Namibia. Bureau Veritas is an International Laboratory Group with operations in 140 countries, including Ultratrace and Amdel in Australia. Assay QA/QC involves the use of assay standards (sourced from African Mineral Standards (AMIS) in Johannesburg, made from Bannerman pulp rejects and cross-checked through umpire laboratories for which the round robin reports are available), field duplicates, blanks and barren quartz flushes. A third party "umpire" laboratory (Genalysis in Perth) is used to cross-check and validate approximately 5% of the assay results in accordance with standard procedures. Sample coarse rejects are retained and approximately 5% of samples are re-submitted for further assay verification. All sample pulps, half-core and rock-chip samples are retained at Bannerman's Goanikontes Warehouse Facility (GWS) on site.

The information in this report relating to the Ore Reserves of the Etango Project is based on information compiled or reviewed by Mr Harry Warries, a full time employee of Coffey Mining Pty Ltd. Mr Warries is a Fellow of The Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and types of deposits under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", and is an independent consultant to Bannerman and a Qualified Person as defined by Canadian National Instrument 43-101. Mr Warries consents, and provides corporate consent for Coffey Mining Pty Ltd, to the inclusion in this report of the matters based on his information in the form and context in which it appears.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013
(EXPRESSED IN AUSTRALIAN DOLLARS)

	Note	Consolidated 2013 $'000	Consolidated 2012 $'000
Other revenue	2	190	532
Other income	3	2	3
Employee benefits	4(a)	(2,103)	(3,297)
Borrowing costs	4(b)	(1,371)	(2,206)
Compliance and regulatory expenses		(276)	(634)
Depreciation expense		(203)	(241)
Exploration expenditure written off	11	(77)	(12)
Other expenses	4(c)	(2,210)	(4,650)
Loss before income tax		**(6,048)**	**(10,505)**
Income tax benefit	7	360	905
Net loss for the year		**(5,688)**	**(9,600)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation	17(b)	(3,078)	(11,604)
Other comprehensive income for the year		**(3,078)**	**(11,604)**
Total comprehensive loss		**(8,766)**	**(21,204)**
Loss is attributable to:			
Equity holders of Bannerman Resources Limited		(5,543)	(9,409)
Non-controlling interest		(145)	(191)
		(5,688)	**(9,600)**
Total comprehensive loss is attributable to:			
Equity holders of Bannerman Resources Limited		(8,596)	(20,912)
Non-controlling interest		(170)	(292)
		(8,766)	**(21,204)**
Basic and diluted loss per share to the ordinary equity holders of the Company (cents per share):	19	**(1.8)**	**(3.6)**

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013
(EXPRESSED IN AUSTRALIAN DOLLARS)

	Note	Consolidated 2013 $'000	Consolidated 2012 $'000
CURRENT ASSETS			
Cash and cash equivalents	8	3,816	9,613
Other receivables	9	134	480
Other	10	47	122
TOTAL CURRENT ASSETS		3,997	10,215
NON CURRENT ASSETS			
Other receivables	9	27	26
Property, plant and equipment	12	950	1,208
Exploration and evaluation expenditure	11	59,713	61,181
TOTAL NON CURRENT ASSETS		60,690	62,415
TOTAL ASSETS		**64,687**	**72,630**
CURRENT LIABILITIES			
Trade and other payables	13	401	1,196
Interest bearing liabilities	15	7,415	3
Provisions	14	186	227
TOTAL CURRENT LIABILITIES		8,002	1,426
NON CURRENT LIABILITIES			
Interest bearing liabilities	15	-	6,751
TOTAL NON CURRENT LIABILITIES		-	6,751
TOTAL LIABILITIES		**8,002**	**8,177**
NET ASSETS		**56,685**	**64,453**
EQUITY			
Contributed equity	16	115,810	115,170
Reserves	17	36,156	38,851
Accumulated losses		(94,454)	(88,911)
TOTAL PARENT ENTITY INTEREST		**57,512**	**65,110**
Non-controlling interest		(827)	(657)
TOTAL EQUITY		**56,685**	**64,453**

The above statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013
(EXPRESSED IN AUSTRALIAN DOLLARS)

	Note	Consolidated 2013 $'000	Consolidated 2012 $'000
Cash Flows from Operating Activities			
Payments to suppliers and employees		(4,708)	(8,309)
Interest received		182	528
Other income received		360	403
Net cash flows used in operating activities	20	(4,166)	(7,378)
Cash Flows From Investing Activities			
Payments for exploration and evaluation		(1,625)	(8,887)
Purchase of property, plant & equipment		(17)	(157)
Proceeds from disposal of property, plant & equipment		26	-
Net cash flows used in investing activities		(1,616)	(9,044)
Cash Flows from Financing Activities			
Proceeds from issue of shares and options		-	11,992
Payments for other financing costs		-	(641)
Payments for cost of issue of shares and options		-	(572)
Net cash flows provided by financing activities		-	10,779
Net decrease in cash and cash equivalents		(5,782)	(5,643)
Cash and cash equivalents at beginning of year		9,613	15,291
Net foreign exchange differences		(15)	(35)
Cash and cash equivalents at end of year	8	**3,816**	**9,613**

The above cash flow statement should be read in conjunction with the accompanying notes.

CONSOLIDATED OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013
(EXPRESSED IN AUSTRALIAN DOLLARS)

	Issued Capital	Accumulated Losses	Foreign Currency Reserve	Share Based Payment Reserve	Convertible Note Reserve	Asset Revaluation Reserve	Non-controlling Interest	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2012	**115,170**	**(88,911)**	**(17,096)**	**53,757**	**2,112**	**78**	**(657)**	**64,453**
Loss for the year	-	(5,543)	-	-	-	-	(145)	(5,688)
Other comprehensive loss	-	-	(3,053)	-	-	-	(25)	(3,078)
Total comprehensive loss for the year	-	(5,543)	(3,053)	-	-	-	(170)	(8,766)
Shares issued during the period	640	-	-	-	-	-	-	640
Share-based payments	-	-	-	358	-	-	-	358
Total Equity at 30 June 2013	**115,810**	**(94,454)**	**(20,149)**	**54,115**	**2,112**	**78**	**(827)**	**56,685**

	Issued Capital	Accumulated Losses	Foreign Currency Reserve	Share Based Payment Reserve	Convertible Note Reserve	Asset Revaluation Reserve	Non-controlling Interest	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2011	**101,009**	**(79,502)**	**(5,593)**	**52,896**	**940**	**78**	**(365)**	**69,463**
Loss for the year	-	(9,409)	-	-		-	(191)	(9,600)
Other comprehensive loss	-	-	(11,503)	-		-	(101)	(11,604)
Total comprehensive loss for the year	-	(9,409)	(11,503)	-		-	(292)	(21,204)
Equity component of the convertible note	-	-	-	-	1,674	-	-	1,674
Deferred tax on the equity component of the convertible note	-	-	-	-	(502)	-	-	(502)
Shares issued during the period	14,733	-	-	-	-	-	-	14,733
Share issue costs	(572)	-	-	-	-	-	-	(572)
Share-based payments	-	-	-	861		-	-	861
Total Equity at 30 June 2012	**115,170**	**(88,911)**	**(17,096)**	**53,757**	**2,112**	**78**	**(657)**	**64,453**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Corporate Information

This financial report of Bannerman Resources Limited ("**Bannerman**" or the "**Company**") for the year ended 30 June 2013 was authorised for issue in accordance with a resolution of the directors on 12 September 2013.

Bannerman is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange with additional listings on the Toronto Stock Exchange and the Namibian Stock Exchange.

Basis of Preparation and Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report has also been prepared on an historical cost basis, except for land and buildings which has been measured at fair value.

The financial report covers the consolidated entity comprising Bannerman and its controlled entities (the "**Group**").

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated under the option available to the Company under Australian Securities and Investments Commission (ASIC) Class Order 98/100. The Company is an entity to which the Class Order applies.

For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

Statement of Compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board.

Going Concern

The Group's consolidated financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group had a working capital deficiency at 30 June 2013 of $4.0 million, due to the maturity of the Group's convertible note with Resource Capital Fund IV L.P. ("**RCF**") on 31 March 2014 with a face value of A$8 million and incurred an operating loss of A$5,688,000 during the year. In addition, the Group's cash flow forecast reflects that additional working capital will need to be raised within the coming financial year to enable the Group to continue its planned business activities and expenditure levels.

Subsequent to year end, on 6 September 2013, the Group announced that it had reached agreement (subject to the execution of formal documentation and the approval of Bannerman shareholders) with RCF for an extension of the maturity date of the note from 31 March 2014 to 30 September 2016.

At the date of this financial report, the directors are satisfied there are reasonable grounds to believe that, having regard to the Group's position and its available financing options, the Group will be able to raise additional capital to enable it to meet its obligations as and when they fall due.

(EXPRESSED IN AUSTRALIAN DOLLARS)

Should the Group not achieve the matters set out above, there would be uncertainty whether the Group would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in this financial report. This financial report does not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

New Accounting Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial year except as follows:

The Group has adopted the following new and amended Australian Accounting Standards and AASB Interpretations as of 1 July 2012:

- AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of other comprehensive Income
  Under this standard, the Group is required to group items presented in other comprehensive income on the basis of whether they might by reclassified subsequent to profit or loss and those that will not.

Australian Accounting Standards and interpretations which have recently been issued or amended but are not yet effective have not been early-adopted by the Group for the annual reporting period ending 30 June 2013. These standards and interpretations are tabulated below:

Reference	Title	Summary	Application date of standard	Application date for Group	Impact on Group Accounting Policies
AASB 10	*Consolidated Financial Statements*	AASB 10 establishes a new control model that applies to all entities. It replaces parts of AASB 127 *Consolidated and Separate Financial Statements* dealing with the accounting for consolidated financial statements and UIG-112 *Consolidation - Special Purpose Entities.* The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control. Consequential amendments were also made to this and other standards via AASB 2011-7 and AASB 2012-10.	1 Jan 2013	1 Jul 2013	Based on investments held by the Group at 30 June 2013, this standard is not expected to have a significant impact on the entities currently consolidated in the year of initial application.
AASB 12	*Disclosure of Interests in Other Entities*	AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. New disclosures have been introduced about the judgments made by management to determine whether control exists, and to require summarised information about joint arrangements, associates, structured entities and subsidiaries with non-controlling interests.	1 Jan 2013	1 Jul 2013	Based on investments held by the Group at 30 June 2013, this standard will have no impact on the Group's financial results and balance sheet in the initial year of application.

(EXPRESSED IN AUSTRALIAN DOLLARS)

Reference	Title	Summary	Application date of standard	Application date for Group	Impact on Group Accounting Policies
AASB 13	*Fair Value Measurement*	AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted. Application of this definition may result in different fair values being determined for the relevant assets. AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined. Consequential amendments were also made to other standards via AASB 2011-8.	1 Jan 2013	1 Jul 2013	This Standard establishes a single source of guidance for determining the fair value of assets and liabilities. Based on the fair value measurements of the Group's assets and liabilities at 30 June 2013, this Standard is not expected to have a significant impact on the Group's financial results in the initial year of application.
AASB 119	*Employee Benefits*	The revised standard changes the definition of short-term employee benefits. The distinction between short-term and other long-term employee benefits is now based on whether the benefits are expected to be settled wholly within 12 months after the reporting date. Consequential amendments were also made to other standards via AASB 2011-10.	1 Jan 2013	1 Jul 2013	This standard is not expected to have a significant impact on the Group's financial results or balance sheet in the initial year of application.
AASB 2012-2	*Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities*	AASB 2012-2 principally amends AASB 7 Financial Instruments: Disclosures to require disclosure of the effect or potential effect of netting arrangements. This includes rights of set-off associated with the entity's recognised financial assets and liabilities on the entity's financial position, when the offsetting criteria of AASB 132 are not all met.	1 Jan 2013	1 Jul 2013	The amendments to this standard are not expected to have a significant impact on the Group's financial results or balance sheet in the initial year of application.

(EXPRESSED IN AUSTRALIAN DOLLARS)

Reference	Title	Summary	Application date of standard	Application date for Group	Impact on Group Accounting Policies
AASB 2012-5	*Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*	AASB 2012-5 makes amendments resulting from the 2009-2011 Annual Improvements Cycle. The standard addresses a range of improvements, including the following: • Repeat application of AASB 1 is permitted (AASB 1) • Clarification of the comparative information requirements when an entity provides a third balance sheet (AASB 101 Presentation of Financial Statements).	1 Jan 2013	1 Jul 2013	The amendments to this standard are not expected to have a significant impact on the Group's financial results or balance sheet in the initial year of application.
AASB 2012-9	*Amendment to AASB 1048 arising from the withdrawal of Australian Interpretation 1039*	AASB 2012-9 amends AASB 1048 Interpretation of Standards to evidence the withdrawal of Australian Interpretation 1039 Substantive Enactment of Major Tax Bills in Australia.	1 Jan 2013	1 Jul 2013	The amendments do not have an impact on the Group's financial results or balance sheet in the initial year of application.
AASB 2011-4	*Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]*	This amendment deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies. It also removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions.	1 Jul 2013	1 Jul 2013	The amendments to this standard do not have an impact on amounts included in the Group's financial report. However, the amendments will result in changes to the disclosures required in the Group's financial report.
AASB 1053	*Application of Tiers of Australian Accounting Standards*	This standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements: (a) Tier 1: Australian Accounting Standards (b) Tier 2: Australian Accounting Standards - Reduced Disclosure Requirements Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements.	1 Jul 2013	1 Jul 2013	The amendments do not have an impact on the Group's financial results or balance sheet.

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Reference	Title	Summary	Application date of standard	Application date for Group	Impact on Group Accounting Policies
		The following entities apply Tier 1 requirements in preparing general purpose financial statements: (a) For-profit entities in the private sector that have public accountability (as defined in this standard). (b) The Australian Government and State, Territory and Local governments The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements: (a) For-profit private sector entities that do not have public accountability (b) All not-for-profit private sector entities (c) Public sector entities other than the Australian Government and State, Territory and Local governments. Consequential amendments to other standards to implement the regime were introduced by AASB 2010-2, 2011-2, 2011-6, 2011-11, 2012-1, 2012-7 and 2012-11.			
AASB 2012-3	Amendments to Australian Accounting Standards - *Offsetting Financial Assets and Financial Liabilities*	AASB 2012-3 adds application guidance to AASB 132 *Financial Instruments: Presentation* to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 Jan 2014	1 Jul 2014	The amendments to this standard are not expected to have a significant impact on the Group's financial results or balance sheet in the initial year of application.
AASB 9	*Financial Instruments*	AASB 9 includes requirements for the classification and measurement of financial assets. It was further amended by AASB 2010-7 to reflect amendments to the accounting for financial liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below. (a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. (b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other	1 Jan 2015	1 Jul 2015	The Group has yet to fully assess the impact of these amendments on the financial statements.

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Reference	Title	Summary	Application date of standard	Application date for Group	Impact on Group Accounting Policies
		comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. (c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. (d) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: • The change attributable to changes in credit risk are presented in other comprehensive income (OCI) • The remaining change is presented in profit or loss If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. Further amendments were made by AASB 2012-6 which amends the mandatory effective date to annual reporting periods beginning on or after 1 January 2015. AASB 2012-6 also modifies the relief from restating prior periods by amending AASB 7 to require additional disclosures on transition to AASB 9 in some circumstances. Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7 and 2010-10.			

Accounting Policies

a) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group as at 30 June 2013.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries held by Bannerman are accounted for at cost in the accounts of the parent entity (less any impairment charges).

Non-controlling interests are allocated their share of net profit after tax and other comprehensive profit in the statement of comprehensive income and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent. Losses are attributed to the non-controlling interest even if that results in a deficit balance.

b) Income and Other Taxes

Income taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available, against which the deductible temporary differences, the carry-forward of unused tax assets and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST/VAT except:

- when the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expenses item as applicable; and
- receivables and payables, which are stated with the amount of GST/VAT included.

The net amount of GST/VAT recoverable from, or payable to, the relevant taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST/VAT component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the relevant taxation authority is classified as part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST/VAT recoverable from, or payable to, the relevant taxation authority.

c) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure is accumulated in respect of each identifiable area of interest. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

(i) such costs are expected to be recouped through successful development, exploitation or sale of the area; or

(ii) exploration and evaluation activities in the area have not, at balance date, reached a stage which permit a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated costs in respect of areas of interest which are abandoned or assessed as not having economically recoverable reserves are written off in full against profit in the year in which the decision to abandon the area is made.

A periodic review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

d) Property, Plant and Equipment

Plant and equipment are measured at historical cost less accumulated depreciation and any accumulated impairment costs.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

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Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the income statement, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over the useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	**Depreciation Rate**	
	2013	**2012**
Buildings	2.0%	2.0%
Plant and equipment	33.3%	33.3%
Office Furniture & Equipment	33.3%	33.3%
Vehicles	33.3%	33.3%

An asset's residual value, useful life and amortisation method are reviewed, and adjusted if appropriate, at each financial year end.

Gains or losses on disposals are determined by comparing proceeds with the net carrying amount. These are included in the statement of comprehensive income.

e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership are transferred to the lessee, are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in the statement of comprehensive income.

Leased assets are depreciated on a diminishing value basis over their estimated useful lives where it is likely that the Group will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

f) Basic Earnings/Loss Per Share

Basic earnings/loss per share is calculated by dividing the net profit / loss attributable to members of the parent for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Group, adjusted for any bonus issue.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

g) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

h) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and on hand, cash on call and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as described, net of outstanding bank overdrafts.

i) Impairment of Assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indication of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value (less costs to sell) and value-in-use. It is determined for an individual asset, unless the asset's value-in-use cannot be estimated to be close to its fair value (less costs to sell) and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

j) Payables

Trade and other payables are carried at amortised cost. Due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in the respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

k) Interest Bearing Loans and Borrowings

The component of the convertible notes which exhibits characteristics of a borrowing is recognised as a liability in the statement of financial position, net of transaction costs. On the issue of convertible notes, the fair value of the liability component is determined using a market rate for an equivalent non-convertible note and this amount is carried as a long-term liability on an amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds of the convertible note is the equity component, which is allocated to a convertible note reserve that is recognised and included in shareholders' equity. The carrying amount of the reserve is not re-measured in subsequent years.

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred. The Group does not currently hold any qualifying assets but, if it did, the directly associated borrowing costs would be capitalised (including any other associated costs attributable to the borrowing and temporary investment income earned on the borrowing).

l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outlay of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when a reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date using a discounted cash flow methodology. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. Any increase in the provision due to the passage of time is recognised as a finance cost.

m) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date.

Contributions are made by the Group to employee superannuation and pension funds and are charged as expenses when incurred.

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

n) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

o) Share-based Payment Transactions

The Group provides benefits to employees and directors of the Group, acquires assets and settles expenses through consideration in the form of share-based payment transactions, whereby employees render services, assets are acquired and expenses are settled in exchange for shares or rights over shares ("**equity-settled transactions**").

There is currently a Non-Executive Director Share Option Plan and an Employee Incentive Plan ("**EIP**") which enables the provision of benefits to directors, executives and staff.

The cost of these equity-settled transactions with employees and directors is measured by reference to the fair value at the date at which they are granted. The fair value is determined using the Black Scholes option pricing model. A Monte Carlo simulation is applied to fair value the Total Shareholder Return element of the EIP incentives. Further details of which are given in Note 22.

In valuing equity-settled transactions, no account is taken of any vesting condition, other than (if applicable):

- Non-vesting conditions that do not determine whether the Group or Company receives the services that entitle the employees to receive payment in equity or cash; or
- Conditions that are linked to the price of the shares of Bannerman Resources Limited (market conditions).

The cost of equity settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent report date until vesting, the cumulative charge to the statement of comprehensive income is the product of:

(i) The grant date fair value of the award;
(ii) The current best estimate of the number of the awards that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and
(iii) The expired portion of the vesting period.

The charge to the statement of comprehensive income for the period is the cumulative amount as calculated above, less the amounts already charged in previous periods. There is a corresponding entry to equity.

Equity-settled awards granted by Bannerman to employees of subsidiaries are recognised in the parent's separate financial statements as an additional investment in the subsidiary with the corresponding credit to equity. As a result, the expense recognised by Bannerman in relation to equity-settled awards only represents the expenses associated with grants to employees of the parent. The expense recognised by the Group is the total expense associated with all such awards.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market conditions or non-vesting conditions is considered to vest irrespective of whether or not that market condition or non-vesting is fulfilled, provided that all other conditions are satisfied.

p) Foreign Currency Translation

(i) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("**functional currency**"). The consolidated financial statements are presented in Australian dollars, which is Bannerman's functional and presentation currency.

(ii) Transactions and balances
Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date and any gains or losses are recognised in the statement of comprehensive income.

(iii) Group companies
For all Group entities with a functional currency other than Australian dollars, the functional currency has been translated into Australian dollars for presentation purposes. Assets and liabilities are translated using exchange rates prevailing at the reporting date; revenues and expenses are translated using average exchange rates prevailing for the statement of comprehensive income year; and equity transactions are translated at exchange rates prevailing at the dates of transactions. The resulting difference from translation is recognised in a foreign currency translation reserve.

(iv) Subsidiary company loans
All subsidiary company loans from the parent company are translated into Australian dollars, on a monthly basis, using the exchange rates prevailing at the end of each month. The resulting difference from translation is recognised in the statement of comprehensive income of the parent company and on consolidation the foreign exchange differences are recognised in a foreign currency translation reserve as the loan represents a net investment in a foreign entity.

q) Receivables

Receivables, which generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. VAT receivables relating to Namibian expenditure generally have a 90+ day term.

Collectability of receivables is reviewed on an on-going basis. Individual debts that are known to be uncollectible are written off when identified. An impairment allowance is recognised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor, and default payments or debts more than 90 days overdue (apart from GST/VAT), are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

r) Segment Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operation results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers being the executive management team.

The operations of the Group represent one operating segment under AASB 8 Operating Segments. The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of the financial report.

s) Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash, receivables, payables, convertible instruments, finance leases, cash and short term deposits.

The Group manages its exposure to key financial risks, including interest rate and currency risk in accordance with the Group's financial risk management strategy. The objective of the strategy is to support the delivery of the Group's financial targets whilst protecting future financial security.

t) Significant Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenues and expenses. Management bases its judgements and estimates on historical experience and on other various factors believed to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the critical accounting policies detailed below for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements. The carrying amounts of certain assets and liabilities are often determined based on judgements, estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related mineral title itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of measured, indicated and inferred mineral resources, proven and probable ore reserves, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations), changes to commodity prices and the issue of a mining licence.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted and taking into consideration the likelihood of non-market based conditions occurring. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 22.

	Consolidated 2013 $'000	Consolidated 2012 $'000

2. OTHER REVENUE

	2013 $'000	2012 $'000
Interest revenue	190	532
	190	532

3. OTHER INCOME

	2013 $'000	2012 $'000
Sundry income	2	3
	2	3

4. EXPENSES

(a) Employee Benefits

	2013 $'000	2012 $'000
Salaries and wages	1,296	1,750
Superannuation	122	192
Employee share-based payment expense	85	589
Other	30	58
Directors' fees	306	430
Directors' consulting fees	-	29
Directors' share-based payment expense	264	249
	2,103	3,297

(b) Borrowing Costs

	2013 $'000	2012 $'000
Interest accreted or payable	1,371	1,378
Convertible note extension fee	-	550
Loss on extinguishment of convertible note	-	278
	1,371	2,206

(c) Other Expenses

	2013 $'000	2012 $'000
Corporate and overheads	388	947
Consulting – fees	798	1,810
Consulting – share-based payment expense	9	23
Legal	168	582
Travel	247	611
Employer related taxes	86	174
Recruitment	125	50
Occupancy	311	339
Insurance	78	101
Loss on sale of property, plant and equipment	-	13
	2,210	4,650

	2013 $'000	2012 $'000
Included in the above expenses are operating lease payments of the following amounts:		
Minimum lease payments	236	230

5. KEY MANAGEMENT PERSONNEL

a) Compensation of Key Management Personnel by Category:

	2013 $'000	2012 $'000
Directors (Executive and Non-Executive)		
Short-term employee benefits	711	806
Post-employment benefits	72	97
Share-based payments	473	913
	1,257	1,816
Officers		
Short-term employee benefits	499	770
Post-employment benefits	58	113
Share-based payments	(326)	(433)
	231	450
Total		
Short-term employee benefits	1,210	1,576
Post-employment benefits	130	210
Share-based payments	147	480
	1,487	2,266

b) Option/ Performance Right Holdings of Key Management Personnel

The numbers of options and performance rights over ordinary shares in the Company held during the period by each director of the Company and other key management personnel, including their personally related parties, are set out below:

30 June 2013	Opening Balance	Granted as Remuneration	Exercised / converted	Forfeited	Expired	Other	Closing Balance	Vested during the year	Vested and exercisable at the end of the year
Directors									
David Smith									
Options	496,200	-	-	(256,500)	(239,700)	-	-	-	-
Rights	422,600	-	(422,600)	-	-	-	-	422,600	-
Ronnie Beevor (i)									
Options	413,750	-	-	-	(285,500)	-	128,250	-	-
Rights	211,300	507,800	(211,300)	-	-	-	507,800	211,300	-
Len Jubber (ii)									
Options	5,500,000	-	-	-	(2,500,000)	-	3,000,000	-	-
Rights	2,213,174	2,925,900	(312,500)	(246,564)	-	-	4,580,010	312,500	-
Ian Burvill (iii)									
Options	614,550	683,800	-	-	(92,300)	-	1,206,050	394,000	614,550
Clive Jones (iii)									
Options	614,550	683,800	-	-	(92,300)	-	1,206,050	394,000	614,550
Geoff Stanley (iv)									
Options	1,312,850	-	-	-	(1,184,600)	(128,250)	-	-	-
Rights	211,300	316,300	(527,600)	-	-	-	-	527,600	-

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30 June 2013	Opening Balance	Granted as Remuneration	Exercised / converted	Forfeited	Expired	Other	Closing Balance	Vested during the year	Vested and exercisable at the end of the year
David Tucker (iv)									
Options	470,550	-	-	-	(342,300)	-	128,250	-	128,250
Rights	211,300	316,300	(211,300)	-	-	-	316,300	211,300	-
	12,692,124	**5,433,900**	**(1,685,300)**	**(503,064)**	**(4,736,700)**	**(128,250)**	**11,072,710**	**2,473,300**	**1,357,350**
Officers									
Peter Kerr									
Options	1,800,000	-	-	(1,800,000)	-	-	-	-	-
Rights	1,167,868	-	(248,400)	(919,468)	-	-	-	248,400	-
John Turney									
Options	1,800,000	-	-	(1,800,000)	-	-	-	-	-
Rights	554,449	-	(65,625)	(62,132)	-	-	426,692	65,625	-
Werner Ewald (v)									
Options	750,000	-	-	-	-	-	750,000	-	250,000
Rights	616,884	934,800	(174,200)	(41,522)	-	-	1,335,962	174,200	-
	6,689,201	**934,800**	**(488,225)**	**(4,623,122)**	**-**	**-**	**2,512,654**	**488,225**	**250,000**

(i) 507,800 share rights issued to Mr Ronnie Beevor as Chairman (vesting on 21 November 2013) in accordance with the Non-Executive Director Share Incentive Plan ("**NEDSIP**") approved by shareholders at the Annual General Meeting on 17 November 2011.

(ii) 2,925,900 performance rights issued to Mr Len Jubber (vesting on 21 November 2015) as approved by shareholders at the Annual General Meeting on 21 November 2012. These rights are subject to relative TSR and various performance hurdles, details of which are set out in the remuneration report.

(iii) 683,800 options issued to non-executive director (exercisable at A$0.12 on or before 21 November 2015) in accordance with the NEDSIP approved by shareholders at the Annual General Meeting on 17 November 2011.

(iv) 316,300 share rights issued to non-executive director (vesting on 21 November 2013) in accordance with the NEDSIP approved by shareholders at the Annual General Meeting on 17 November 2011.

(v) 934,800 performance rights issued to Mr Werner Ewald (vesting on 21 November 2015). These rights are subject to relative TSR and various performance hurdles, details of which are set out in the remuneration report.

(EXPRESSED IN AUSTRALIAN DOLLARS)

30 June 2012	Opening Balance	Granted as Remuneration	Exercised / converted	Forfeited	Expired	Other	Closing Balance	Vested during the year	Vested and exercisable at the end of the year
Directors									
David Smith (i)									
Options	496,200	-	-	-	-	-	496,200	-	496,200
Rights	-	422,600	-	-	-	-	422,600	-	-
Len Jubber (v)									
Options	5,500,000	-	-	-	-	-	5,500,000	1,500,000	4,000,000
Rights	680,600	1,721,440	-	(188,886)	-	-	2,213,154	-	-
Ronnie Beevor (ii)									
Options	413,750	-	-	-	-	-	413,750	-	413,750
Rights	-	211,300	-	-	-	-	211,300	-	-
Ian Burvill (iii)									
Options	-	-	-	-	-	614,550[iv]	614,550	-	220,550
Mason Hills (iii)									
Options	220,550	394,000	-	-	-	(614,550)[iv]	-	-	-
Clive Jones (iii)									
Options	720,550	394,000	-	-	(500,000)	-	614,550	-	220,550
Geoff Stanley (ii)									
Options	2,312,850	-	-	-	(1,000,000)	-	1,312,850	-	1,312,850
Rights	-	211,300	-	-	-	-	211,300	-	-
David Tucker (ii)									
Options	720,550	-	-	-	(250,000)	-	470,550	-	470,550
Rights	-	211,300	-	-	-	-	211,300	-	-
	11,065,050	**3,565,940**	**-**	**(188,866)**	**(1,750,000)**	**-**	**12,692,124**	**1,500,000**	**7,134,450**
Officers									
Peter Kerr (vi)									
Options	1,800,000	-	-	-	-	-	1,800,000	600,000	600,000
Rights	554,700	697,400	-	(84,232)	-	-	1,167,868	-	-
John Turney (vii)									
Options	1,800,000	-	-	-	-	-	1,800,000	600,000	600,000
Rights	326,700	319,225	-	(91,476)	-	-	554,449	-	-
Brandon Munro									
Options	1,500,000	-	-	(1,500,000)	-	-	-	-	-
Werner Ewald (viii)									
Options	750,000	-	-	-	-	-	750,000	250,000	250,000
Rights	322,200	319,400	-	(24,716)	-	-	616,884	-	-
	7,053,600	**1,336,025**	**-**	**(1,700,424)**	**-**	**-**	**6,689,201**	**1,450,000**	**1,450,000**

(i) 422,600 share rights issued to Dr David Smith as Chairman (vesting on 17 November 2012) in accordance with the Non-Executive Director Share Incentive Plan ("**NEDSIP**") approved by shareholders at the Annual General Meeting on 17 November 2011.

(ii) 211,300 share rights issued to non-executive director (vesting on 17 November 2012) in accordance with the NEDSIP approved by shareholders at the Annual General Meeting on 17 November 2011.

(EXPRESSED IN AUSTRALIAN DOLLARS)

(iii) 394,000 options issued to non-executive director (exercisable at A$0.36 on or before 17 November 2014) in accordance with the NEDSIP approved by shareholders at the Annual General Meeting on 17 November 2011.

(iv) Mr Mason Hills resigned as a non-executive director on 14 June 2012, and was replaced by Mr Ian Burvill as the representative of Resource Capital Funds. These options are held by Resource Capital Funds Management Pty Ltd and are noted against the relevant RCF representative director.

(v) 1,721,400 performance rights issued to Mr Len Jubber (1,408,940 vesting on 17 November 2014 and 312,500 vesting on 1 July 2012) as approved by shareholders at the Annual General Meeting on 17 November 2011. These rights are subject to relative TSR and various performance hurdles, details of which are set out in the remuneration report.

(vi) 697,400 performance rights issued to Mr Peter Kerr (vesting on 17 November 2014). These rights are subject to relative TSR and various performance hurdles, details of which are set out in the remuneration report.

(vii) 319,225 performance rights issued to Mr John Turney (253,600 vesting on 17 November 2014 and 65,625 vesting on 1 July 2012). These rights are subject to relative TSR and various performance hurdles, details of which are set out in the remuneration report.

(viii) 319,400 performance rights issued to Mr Werner Ewald (vesting on 17 November 2014). These rights are subject to relative TSR and various performance hurdles, details of which are set out in the remuneration report.

c) Shareholdings of Key Management Personnel

30 June 2013	Opening Balance	Granted as Remuneration	Received on Exercise of Options / conversion of rights	(Sales) Purchases	Other (i)	Closing Balance
Directors						
David Smith	-	-	-	-	-	
Len Jubber	557,099	-	312,500	275,000	-	1,144,599
Ronnie Beevor	111,159	-	211,300	-	-	322,459
Ian Burvill	-	-	-	-	-	-
Clive Jones	15,206,940	-	-	-	-	15,206,940
Geoff Stanley	-	-	527,600	-	(527,600)	-
David Tucker	168,099	-	211,300	-	-	379,399
Officers						
Peter Kerr	26,000	-	248,400	-	(274,400)	-
John Turney	81,159	-	65,625		(146,784)	-
Werner Ewald	-	-	174,200	-	-	174,200
	16,150,456	-	1,750,925	275,000	(948,784)	17,227,597

(i) Relates to key management personnel that have ceased being key management personnel during the year.

(EXPRESSED IN AUSTRALIAN DOLLARS)

30 June 2012	Opening Balance	Granted as Remuneration	Received on Exercise of Options / conversion of rights	(Sales) Purchases	Other	Closing Balance
Directors						
David Smith	-	-	-	-	-	-
Len Jubber	295,940	-	-	261,159	-	557,099
Ronnie Beevor	50,000	-	-	61,159	-	111,159
Ian Burvill	-	-	-	-	-	-
Mason Hills	-	-	-	-	-	-
Clive Jones	15,206,940	-	-	-	-	15,206,940
Geoff Stanley	-	-	-	-	-	-
David Tucker	106,940	-	-	61,159	-	168,099
Officers						
Peter Kerr	26,000	-	-	-	-	26,000
John Turney	20,000	-	-	61,159	-	81,159
	15,705,820	-	-	444,636	-	16,150,456

All equity transactions with key management personnel other than those arising from the exercise of remuneration options or asset acquisition options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

6. AUDITOR'S REMUNERATION

The auditor of the Group is Ernst & Young.

Amounts received or due and receivable by Ernst & Young (Australia) for:

	Consolidated 2013 $	2012 $
Auditing or reviewing the financial report	69,160	117,940
Audit related	8,240	12,383
Taxation services	22,380	25,753
	99,720	156,076

Amounts received or due and receivable by related practices of Ernst & Young (Australia) for:

	2013	2012
Auditing or reviewing the financial report	21,808	28,390
Taxation services	5,193	15,047
	27,001	43,437

7. INCOME TAX BENEFIT

	Consolidated 2013 $'000	2012 $'000
The components of income tax benefit comprise:		
Current income tax benefit	(360)	(403)
Deferred income tax benefit	-	(502)
Income tax benefit reported in the consolidated statement of comprehensive income	(360)	(905)
Income tax expense recognised in equity	-	-
Accounting loss before tax	(6,048)	(10,505)
At the statutory income tax rate of 30 %	(1,814)	(3,152)
Other non-deductible expenditure for income tax purposes	824	754
Effect of different tax rate for overseas subsidiary	(55)	(42)
Prior year adjustment – current tax on R&D tax offset	(360)	(403)
Unrecognised tax losses	1,045	1,938
Income tax benefit reported in the consolidated statement of comprehensive income	(360)	(905)
Deferred tax assets		
Carried forward revenue losses	12,303	11,268
Share issue costs	177	240
Provisions and accruals	46	75
Other	-	83
Gross deferred tax asset	12,526	11,666
Offset against deferred tax liability	(181)	(386)
Unrecognised tax losses	12,345	11,280
Deferred tax liabilities		
Exploration expenditure	-	-
Convertible Note	181	375
Other	6	11
Gross deferred tax liability	181	386
Offset against deferred tax asset	(181)	(386)
Net deferred tax liability	-	-

The carried forward tax losses for Bannerman Resources Limited at 30 June 2013 is $37,251,812. The carried forward tax losses for Bannerman Namibia Pty Ltd at 30 June 2013 is $3,005,435.

The Group has not elected to form a tax consolidated group.

	Consolidated 2013	Consolidated 2012
	$'000	$'000

8. CASH AND CASH EQUIVALENTS

	2013 $'000	2012 $'000
Cash on hand	2	1
Cash at bank and on call (interest bearing)	719	2,517
Short-term deposits (interest bearing)	3,095	7,095
	3,816	9,613

The effective interest rate on short-term bank deposits was 3.18% (2012: 4.24%). These deposits have an average maturity of 70 days (2012: 73 days).

9. OTHER RECEIVABLES

	2013 $'000	2012 $'000
Current		
GST/VAT	125	458
Other	9	22
	134	480
Non-Current		
Restricted cash	27	26
	27	26

Restricted cash reflects collateral for a third party bank guarantee for the occupancy of office premises.

Fair value and credit risk

Due to the short term nature of current receivables, their carrying value is assumed to approximate their fair value.

The maximum exposure to credit risk is the fair value of the receivables. Collateral is not held as security, nor is it the Group's policy to transfer (on-sell) receivables to special purpose entities.

As at 30 June 2013, the ageing analysis of trade receivables is as follows:

	Total	Neither past due nor impaired	Past due but not impaired		
			61-90 days	91-120 days	>120 days
	$'000	$'000	$'000	$'000	$'000
2013	134	105	19	-	10
2012	480	371	-	-	109

Foreign exchange and interest rate risk

Detail regarding foreign exchange and interest rate risk exposure is disclosed in Note 18.

	Consolidated 2013 $'000	2012 $'000

10. OTHER CURRENT ASSETS

Prepayments	47	122

11. EXPLORATION AND EVALUATION EXPENDITURE

Opening balance	61,181	63,643
Expenditure incurred during the year	1,624	8,887
Foreign currency translation movements	(3,015)	(11,337)
Write offs	(77)	(12)
Closing balance	59,713	61,181

Expenditure incurred during the period comprises expenditure on drilling, geological, feasibility and associated activities.

The value of the Company's interest in exploration and evaluation expenditure is dependent upon:

- the continuance of the Company's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

Canadian securities law requires the following description of the Group's interests in mineral property tenements:

Etango Uranium Project – Bannerman 80%

The Etango Uranium Project is located approximately 38km (by road) east of the town of Swakopmund, Namibia, and 73km by road to the northeast of the port town of Walvis Bay, and is situated southwest of Rio Tinto's Rössing uranium mine and to the west of Paladin Energy's Langer-Heinrich uranium mine. The Etango Project comprises one Exclusive Prospecting Licence (EPL3345) which has been renewed to 26 April 2015. Bannerman recently completed a DFS on a 7-9 million pounds U_3O_8 per annum open pit mining and processing operation at Etango.

Swakop River Uranium Project – Bannerman 80%

The Company has not applied for renewal of EPL 3346 (Swakop River Project). As a result the EPL expired on 26 April 2013.

The following tables detail the consolidated expenditures on interests in mineral properties by area of interest for the year ended 30 June 2013:

Areas of Interest	Etango $'000	Swakop River $'000	Total $'000
Balance 1 July 2012	**61,181**	**-**	**61,181**
Drilling and consumables	-	-	-
Assays and freight	17		17
Geophysics & downhole surveys	4	-	4
Salaries and wages	1,101	-	1,101
Consultants and contractors	307	-	307
Travel & accommodation	42	-	42
Other	153		153
Total expenditure for the year	**1,624**		**1,624**
FX adjustment	(3,015)	-	(3,015)
Exploration expenditure written off	(77)		(77)
Balance 30 June 2013	**59,713**	**-**	**59,713**

12. PROPERTY, PLANT AND EQUIPMENT

	Office Equipment	Lab & Field Equipment	Sundry	Vehicles	Land & Buildings (i)	Total
30 June 2013	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Opening net book value	161	62	239	103	643	1,208
Additions	15	-	2	-	-	17
Disposals	(17)	-	-	(7)	-	(24)
Exchange difference	(4)	(3)	(3)	(5)	(33)	(48)
Depreciation charge	(49)	(18)	(76)	(28)	(32)	(203)
Closing net book value	106	41	162	63	578	950
At 30 June 2013						
Cost or fair value	417	140	478	304	610	1,949
Accumulated depreciation and impairment	(311)	(99)	(316)	(241)	(32)	(999)
Net book value	106	41	162	63	578	950
30 June 2012						
Opening net book value	229	50	237	208	775	1,499
Additions	24	43	90	-	-	157
Disposals	-	-	-	(14)	-	(14)
Exchange difference	(19)	(6)	(5)	(31)	(132)	(193)
Depreciation charge	(73)	(25)	(83)	(60)	-	(241)
Closing net book value	161	62	239	103	643	1,208
At 30 June 2012						
Cost or fair value	511	145	481	343	643	2,123
Accumulated depreciation and impairment	(350)	(83)	(242)	(240)	-	(915)
Net book value	161	62	239	103	643	1,208

(i) *Revaluation of land and buildings*

An independent valuation was obtained during the year ended 30 June 2011 to determine the fair value of the land and buildings in Swakopmund, Namibia.

If land and buildings were measured using the cost model, the carrying amounts would be as follows:

	2013	2012
	$'000	$'000
Cost	610	643
Accumulated depreciation	61	52
Net book value	549	591

	Consolidated 2013 $'000	Consolidated 2012 $'000

13. TRADE AND OTHER PAYABLES

	2013 $'000	2012 $'000
Trade payables	162	833
Other payables and accruals	239	363
	401	1,196

Trade payables are non-interest bearing and are normally settled on 30 day terms (or less). Other payables are non-interest bearing and have an average term of 60 days.

Fair value

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

14. PROVISIONS

	2013 $'000	2012 $'000
Annual leave provision	186	227

15. INTEREST BEARING LIABILITIES

Current

	2013 $'000	2012 $'000
Secured convertible note	7,415	-
Finance lease	-	3
	7,415	3

Non Current

	2013 $'000	2012 $'000
Secured convertible note	-	6,751
	-	6,751

Secured convertible note

In November 2008, Bannerman entered into a financing agreement with RCF for $20 million through a convertible note facility comprising an initial tranche of A$10 million ("**First Tranche**") and a standby tranche of $10 million ("**Standby Tranche**") available within 6 months from drawdown of the First Tranche. The First Tranche had a three year term and was drawn down on 16 December 2008.

On 14 December 2011, the face value of the note was reduced to $8 million through the issue of $2 million in new Bannerman shares as part of an institutional share placement, and a longer term refinancing and extension of the note from its maturity date of 31 March 2012 to 31 March 2014. The issue of shares and the reduction in the face value of the note was a non-cash transaction.

The key terms of the note are a conversion price of $0.28125 per share (subject to adjustment for certain transactions that have a dilution impact on the conversion price), an unchanged coupon interest rate of 8% per annum with interest payable quarterly through the issue of new Bannerman shares at a price equal to the 5-day VWAP of Bannerman's shares prior to the date of issue or cash in certain circumstances

At the date of recognition, the debt and equity components of the new convertible note were separated according to their fair values. Total proceeds of the issue were allocated to the respective fair values of the equity and debt components with the effect that the discount on the debt component is being amortised into earnings as interest expense. Accordingly, over the term of the convertible note, the debt component will increase to the face value of $8 million at the maturity date of 31 March 2014.

The interest expense recorded on the convertible note reflects an effective interest rate of approximately 20% over the life of the note. Included in trade and other payables is an amount of $160,000 for accrued 8% coupon interest on the convertible note to 30 June 2013 (30 June 2012: $160,000).

The convertible note is secured by a fixed and floating charge over the Company's assets and a share mortgage over the Company's shares in its subsidiary entities holding indirect and direct interest in the Etango Project.

Under the terms of the convertible note, the Company must, unless otherwise approved maintain a minimum cash and cash equivalents balance of not less than $1,250,000.

In accordance with the terms of the convertible note, a review event arises upon a change in control of the Company, defined to be where a third party acquires a relevant interest in 50% or more of the securities in the Company. In this circumstance, RCF may decide in its absolute discretion to require the Company to repay the convertible note (including all accrued interest thereon) or to convert the convertible note (including all accrued interest thereon) to shares in Bannerman.

Subsequent to year end, on 6 September 2013, the Group announced that it had reached agreement with RCF for an extension of the note from its maturity date of 31 March 2014 to 30 September 2016. The key terms of the new note are a conversion price of $0.095 per share (subject to adjustment for certain transactions that have a dilution impact on the conversion price), an unchanged coupon interest rate of 8% per annum with interest payable quarterly through the issue of new Bannerman shares at a price equal to the 5-day VWAP of Bannerman's shares prior to the date of issue or cash in certain circumstances, and an extension fee of $160,000 payable through the issue of 2,539,683 new Bannerman shares upon the receipt of all required approvals.

16. CONTRIBUTED EQUITY

(a) Issued and outstanding:

	June 2013	June 2012	June 2013	June 2012
	Number of Shares		Amount	
	'000	'000	$'000	$'000
Ordinary shares				
Issued and fully paid	309,393	299,538	115,810	115,170

	Number of Shares '000	Amount $'000
Movements in ordinary shares on issue		
Balance 1 July 2011	234,436	101,009
- Issue of shares (i)	2,821	741
- Placement (ii)	44,504	10,014
- Share purchase plan (iii)	17,777	3,978
- Share issue costs	-	(572)
Balance 30 June 2012	**299,538**	**115,170**
Balance 1 July 2012	299,538	115,170
- Issue of shares (iii)	3,169	-
- Issue of shares (iv)	6,686	640
Balance 30 June 2013	**309,393**	**115,810**

(i) On 17 November 2011, 526,479 shares were issued in satisfaction of the $150,000 extension fee for the extension of the convertible note to 31 March 2012. On 16 April 2012, 1,426,025 shares were issued in satisfaction of the $400,000 extension fee for the extension of the convertible note to 31 March 2014. On the same date, 868,742 shares were issued in satisfaction of the $191,123 interest payable on the convertible note for the period 15 December 2011 to 31 March 2012 in accordance with the convertible note terms.

(i) On 23 December 2011, the Company completed an equity capital raising comprising the placement of 36,504,445 fully paid ordinary shares at an issue price of $0.225 per share. On 8 February 2012, the Company completed a follow-on placement of 8,000,000 fully paid ordinary shares at an issue price of $0.225 per share.

(ii) On 7 February 2012, the Company completed a Share Purchase Plan comprising the issue of 17,777,350 fully paid ordinary shares at an issue price of $0.225 per share.

(iii) The following shares were issued upon vesting of performance rights:
   a. On 5 July 2012, 1,131,925 ordinary shares were issued upon vesting of performance rights.
   b. On 1 August 2012, 69,192 ordinary shares were issued upon vesting of performance rights.
   c. On 1 November 2012, 255,262 ordinary shares were issued upon vesting of performance rights.
   d. On 19 November 2012, 1,056,500 ordinary shares were issued upon vesting of performance rights.
   e. On 28 November 2012, 339,700 ordinary shares were issued upon vesting of performance rights.
   f. On 28 June 2013, 316,300 ordinary shares were issued upon vesting of performance rights

(iv) The following shares were issued in satisfaction of the interest payable on the convertible note in accordance with the convertible note terms:
   a. On 9 July 2012, 1,329,680 shares were issued in satisfaction of the $159,562 interest payable on the convertible note for the period 1 April 2012 to 30 June 2012.
   b. On 16 October 2012, 1,613,151 shares were issued in satisfaction of the $161,315 interest payable on the convertible note for the period 1 July 2012 to 30 September 2012.
   c. On 10 January 2013, 1,792,390 shares were issued in satisfaction of the $161,315 interest payable on the convertible note for the period 1 October 2012 to 31 December 2012.
   d. On 12 April 2013, 1,950,685 shares were issued in satisfaction of the $157,808 interest payable on the convertible note for the period 1 January 2013 to 31 March 2013.

(EXPRESSED IN AUSTRALIAN DOLLARS)

(b) Options on issue:

The movements in share options during the period were as follows:

Expiry Dates	Exercise Price	Balance 1 Jul 12	Granted	Exercised	Expired / Cancelled	Balance 30 Jun 13	Vested 30 Jun 13
Jul 27, 2012	A$1.40	200,000	-	-	(200,000)	-	-
Sept 1, 2012	A$3.00	1,000,000	-	-	(1,000,000)	-	-
Sept 1, 2012	A$4.00	250,000	-	-	(250,000)	-	-
Nov 1, 2012 (i)	C$4.12	100,000	-	-	(100,000)	-	-
Nov 17, 2012	A$0.434	2,500,000	-	-	(2,500,000)	-	-
Nov 25, 2012	A$1.45	786,700	-	-	(786,700)	-	-
Jan 28, 2013	A$3.64	100,000	-	-	(100,000)	-	-
Feb 2, 2013	A$0.91	600,000	-	-	(600,000)	-	-
Aug 31, 2013	A$1.46	600,000	-	-	(600,000)	-	-
Nov 17, 2013	A$0.543	1,500,000	-	-	-	1,500,000	1,500,000
Nov 22, 2013	A$0.77	897,750	-	-	(256,500)	641,250	641,250
Nov 22, 2013	A$0.77	43,000	-	-	-	43,000	43,000
Feb 6, 2014	A$1.14	600,000	-	-	(600,000)	-	-
Jun 24, 2014	A$0.40	250,000	-	-	-	250,000	250,000
Aug 31, 2014	A$1.82	600,000	-	-	(600,000)	-	-
Nov 17, 2014	A$0.678	1,500,000	-	-	-	1,500,000	-
Nov 17, 2014	A$0.36	114,500	-	-	-	114,500	114,500
Nov 17, 2014	A$0.36	788,000	-	-	-	788,000	788,000
Feb 6, 2015	A$1.43	600,000	-	-	(600,000)	-	-
Jun 24, 2015	A$0.50	250,000	-	-	-	250,000	-
Aug 31, 2015	A$2.28	600,000	-	-	(600,000)	-	-
Nov 21, 2015	A$0.12	-	427,600	-	-	427,600	-
Nov 21. 2015	A$0.12	-	1,367,600	-	-	1,367,600	-
Jun 24, 2016	A$0.62	250,000	-	-	-	250,000	-
		14,129,950	1,795,200	-	(8,793,200)	7,131,950	3,336,750
Weighted average exercise price		1.13	0.12	-	1.47	0.46	0.54
Average life to expiry at date of		-	3.0	-	-	-	-
Average life to expiry (years)		1.3	-	-	-	1.2	0.9

(i) Exchange rate at 30 June 2013 A$1 = C$0.96

Certain of the stock options above have performance hurdles linked to business targets and minimum service periods.

Directors held 5,796,850 options as at 30 June 2013 with an average exercise price of A$0.48 per share and an average life to expiry of 1.0 years.

(EXPRESSED IN AUSTRALIAN DOLLARS)

(c) Performance Rights on issue

The performance rights on issue as at 30 June 2013 were as follows:

Vesting Dates	Balance 1 Jul 12	Granted	Vested	Cancelled	Balance 30 Jun 13
Jul 1, 2012	1,131,925	-	(1,131,925)	-	-
Nov 17, 2012	1,056,500	-	(1,056,500)	-	-
Nov 23, 2012	767,957	-	(348,338)	(419,619)	-
Nov 17, 2013	1,598,000	-	(315,816)	(613,084)	669,100
Nov 21, 2013	-	1,140,400	(316,300)	-	824,100
Nov 23, 2013	1,072,310	-	-	(222,068)	850,242
Nov 17, 2014	2,679,340	-	-	(1,047,618)	1,631,722
Nov 21, 2014	-	1,620,850	-	(165,450)	1,455,400
Nov 21, 2015	-	3,860,700	-	-	3,860,700
	8,306,032	6,621,950	(3,168,879)	(2,467,839)	9,291,264
Average life to vesting	1.2	-	-	-	1.1

Note: Performance rights have no exercise price.

The performance rights have been issued in accordance with the shareholder-approved EIP and NEDSIP, and vest into shares for no consideration on the completion of minimum service periods and, in certain cases, the achievement of specified vesting hurdles related to the Company's relative share price performance, internal business targets and/or personal performance.

Directors held 4,430,600 performance rights as at 30 June 2013 with an average life to vesting of 1.1 years.

Terms of Ordinary Shares

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held. At shareholders' meetings, each ordinary share is entitled to one vote in proportion to the paid up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital Management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to obtain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure which assists to ensure the lowest appropriate cost of capital available to the Company. Refer to Note 1 with regards to going concern considerations.

Under the terms of the convertible note (Note 15), the Company must, unless approved otherwise, at all times maintain a minimum working capital (net cash) balance of not less than $1,250,000, and is restricted from taking on new indebtedness (except in permitted circumstances).

17. RESERVES

		Consolidated 2013 $'000	2012 $'000
Share-based Payment Reserve	(a)	54,115	53,757
Foreign Currency Translation Reserve	(b)	(20,149)	(17,096)
Asset Revaluation Reserve	(c)	78	78
Convertible Note Reserve	(d)	2,112	2,112
TOTAL RESERVES		**36,156**	**38,851**

(a) Share-based Payment Reserve

	2013	2012
Balance at the beginning of the reporting period	**53,757**	**52,896**
Share-based payment vesting expense during the period	358	861
Balance at the end of the reporting period	**54,115**	**53,757**

The Share-based Payment Reserve is used to recognise the value of equity-settled share-based payment transactions for the acquisition of project interests and the provision of share-based incentives to directors, employees and consultants.

(b) Foreign Currency translation reserve

	2013	2012
Reserves at the beginning of the reporting period	**(17,096)**	**(5,593)**
Currency translation differences arising during the year	(3,053)	(11,503)
Balance at the end of the reporting period	**(20,149)**	**(17,096)**

The Foreign Currency Translation Reserve is used to record exchange differences arising on translation of the Group entities that do not have a functional currency of Australian dollars and have been translated into Australian dollars for presentation purposes.

As per the Statement of Comprehensive Income, the foreign currency translation difference arising for the year ended 30 June 2013 amounted to $3,078,000 (2012: $11,604,000), allocated between non-controlling interests of $25,000 (2012: $101,000) and the Group of $3,053,000 (2012: $11,503,000). Over the year, the Australian dollar strengthened against the Namibian dollar, with a movement of approximately 5% from the rate as at 30 June 2012 (A$1.00 : N$8.56) to the rate as at 30 June 2013 (A$1.00 : N$9.02).

(c) Asset Revaluation reserve

	2013	2012
Reserves at the beginning of the reporting period	**78**	**78**
Revaluation of land and buildings during the year	-	-
Balance at the end of the reporting period	**78**	**78**

The Asset Revaluation Reserve is used to record increases and decreases (to the extent that such decrease relates to an increase on the same asset previously recognised in equity) in the fair value of land and buildings.

	Consolidated 2013 $'000	Consolidated 2012 $'000
(d) Convertible Note reserve		
Reserves at the beginning of the reporting period	**2,112**	**940**
Equity component of the convertible note	-	1,674
Deferred tax on the equity component of the convertible note	-	(502)
Balance at the end of the reporting period	**2,112**	**2,112**

The Convertible Note Reserve records the equity portion of the convertible note issued on 16 December 2008 and refinanced on 31 March 2012, as described in Note 15. The movement in the reserve represents the equity component, net of tax, of the new convertible note.

18. FINANCIAL INSTRUMENTS

The Group's principal financial instruments comprise cash and short term deposits, receivables, payables, convertible notes and finance leases.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include the monitoring of levels of exposure to interest rates and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange prices. Liquidity risk is monitored through the development of future rolling cash flow forecasts and financing plans.

The Board reviews and agrees policies for managing each of the above risks and they are summarised below:

(a) Interest Rate Risk

Interest rate risk is managed by obtaining competitive commercial deposit interest rates available in the market from major Australian financial institutions.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for each class of financial assets and financial liabilities, comprises:

Consolidated 2013	Floating Interest Rate $'000	Fixed Interest maturing in 1 year or less $'000	Fixed Interest maturing over 1 to 5 years $'000	2013 Total $'000
Financial assets				
Cash	721	3,095	-	3,816
	721	3,095	-	3,816
Weighted average Interest rate				2.9%
Financial liabilities				
Interest bearing liabilities	-	7,415	-	7,415
	-	7,415	-	7,415
Weighted average Interest rate				8.0%

Consolidated 2012	Floating Interest Rate $'000	Fixed Interest maturing in 1 year or less $'000	Fixed Interest maturing over 1 to 5 years $'000	2012 Total $'000
Financial assets				
Cash	2,518	7,095	-	9,613
	2,518	7,095	-	9,613
Weighted average Interest rate				4.2%
Financial liabilities				
Interest bearing liabilities	-	3	6,751	6,754
	-	3	6,751	6,754
Weighted average Interest rate				8.0%

The following table summarises the impact of reasonably possible changes in interest rates for the Group at 30 June 2013. The sensitivity analysis is based on the assumption that interest rates change by 1% with all other variables remaining constant. The 1% sensitivity is based on reasonably possible changes over a financial year, using the observed range of actual historical rates for the preceding 5 year period and management's expectation of short term future interest rates.

Impact on post-tax gain/(loss):	Consolidated 2013 $'000	2012 $'000
1% increase	34	79
1% decrease	(34)	(79)

There is no impact on other reserves in equity for the Group.

(b) Net Fair Values

The carrying value and net fair values of financial assets and liabilities at balance date are:

	2013 Carrying Amount $'000	2013 Net fair Value $'000	2012 Carrying Amount $'000	2012 Net fair Value $'000
Financial assets				
Cash and deposits	3,816	3,816	9,613	9,613
Receivables	161	161	507	507
	3,977	3,977	10,120	10,120
Financial liabilities				
Payables	401	401	1,196	1,196
Interest bearing liabilities	7,415	7,415	6,754	6,754
	7,816	7,816	7,950	7,950

(c) Foreign Currency Risk

Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the relevant Group company.

The Group's deposits are largely denominated in Australian dollars. Currently there are no foreign exchange hedge programs in place. The Group manages the purchase of foreign currency to meet operational requirements.

The impact of reasonably possible changes in foreign exchange rates for the Group is not material.

(d) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of dealing only with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk. For the remaining financial assets, there are no significant concentrations of credit risk within the Group and financial instruments are being spread amongst highly rated financial institutions and related parties to minimise the risk of default of counterparties.

(e) Liquidity

Liquidity is monitored through the development of monthly expenditure and rolling cash flow forecasts. Short term liquidity is managed on a day to day basis by the finance management team including the use of weekly cash forecasts.

The risk implied from the values shown in the table below reflects a balanced view of cash outflows:

2013 **Financial Liabilities**	**<6 months** **$'000**	**6-12 months** **$'000**	**1– 5 years** **$'000**	**Total** **$'000**
Trade and other payables	401	-	-	401
Interest bearing liabilities	-	8,000	-	8,000
Total	401	8,000	-	8,000

2012 **Financial Liabilities**	**<6 months** **$'000**	**6-12 months** **$'000**	**1– 5 years** **$'000**	**Total** **$'000**
Trade and other payables	1,196	-	-	1,196
Interest bearing liabilities	-	3	8,000	8,003
Total	1,196	3	8,000	9,199

19. LOSS PER SHARE

	2013	**2012**
Basic and diluted loss per share to the ordinary equity holders of the Company (cents per share)	(1.8)	(3.6)
	$'000	**$'000**
Loss used in the calculation of weighted average basic and dilutive loss per share	(5,543)	(9,409)
	2013 *Number of Shares* **'000**	**2012** *Number of Shares* **'000**
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic loss per share	305,455	264,528
Weighted average number of options / performance rights issuable that could be potentially dilutive but are not included in diluted EPS as they are anti-dilutive for the periods presented.	17,169	21,859

Conversions or issues after 30 June 2013

Subsequent to the financial year, 441,548 ordinary shares were issued upon vesting of performance rights granted by the Company and 2,659,361 ordinary shares were issued in satisfaction of the A$159,562 interest payable on the convertible note for the period 1 April 2013 to 30 June 2013 in accordance with the convertible note terms. Furthermore, 2,250,000 performance rights were issued.
There have been no other conversions to or subscriptions for ordinary shares or issues of potential ordinary shares since the balance date and before the completion of this report.

20. CASH FLOW INFORMATION

	Consolidated	
	2013	2012
	$'000	$'000
(a) Reconciliation from the net loss after tax to the net cash flow from operating activities		
Loss after income tax	(5,688)	(9,600)
Non-cash flows in operating loss		
Depreciation	203	241
Share-based payments	358	861
Other	(2)	-
Loss on sale of property, plant and equipment	(2)	13
Interest payable	1,304	2,206
Exploration expenditure written off	77	12
Changes in assets and liabilities		
Decrease / (increase) in receivables and prepayments	420	(190)
Decrease in trade and other creditors and accruals	(795)	(462)
(Decrease) / increase in provisions	(41)	43
Movement in deferred tax	-	(502)
Net cash outflows from Operating Activities	(4,166)	(7,378)

21. COMMITMENTS

a) Exploration and evaluation expenditure

Statutory two-year renewal of the Etango (EPL 3345) Exclusive Prospecting Licence has been received to 26 April 2015. Further extensions may be applied for under applicable Namibian minerals legislation.

In order to maintain current rights of tenure to mineral licences, the Group has exploration and evaluation expenditure obligations up until the expiry of those licences. The following stated obligations, which are subject to renegotiation upon expiry of the current licences, are not provided for in the financial statements and represent a commitment of the Group:

	2013 $'000	2012 $'000
Not longer than one year	483	697
Longer than one year, but not longer than five years	386	-
Longer than five years	-	-
	869	697

If the Group decides to relinquish certain mineral licences and/or does not meet these minimum expenditure obligations or obtain appropriate waivers, assets recognised in the Statement of Financial Position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

b) Operating lease commitments

The Group has entered into leases for office premises. These leases have an initial lease term of 3 years.

	2013 $'000	2012 $'000
Not longer than one year	213	290
Longer than one year, but not longer than five years	43	196
Longer than five years	-	-
	256	486

22. SHARE-BASED PAYMENT PLANS

Recognised employee share-based payment expenses

The expense recognised for employee services received during the year are shown in the table below:

	Consolidated	
	2013 $'000	2012 $'000
Total expense arising from employee and director share-based payment transactions	358	861

Types of share-based payment plans

Employee Incentive Plan ("EIP")

Performance rights are granted to all employees. The EIP is designed to align participants' interest with those of shareholders by increasing the value of the Company's shares. For grants of performance rights under the EIP, the vesting of half of the performance rights is subject to the Company's relative Total Shareholder Return ("**TSR**") as measured by share price performance (allowing for the reinvestment of dividends), versus a comparator group of uranium development companies, and the vesting of the other half is subject to the attainment of defined individual and group performance criteria as assessed by the Board in line with the work schedules under the Company's operating plans. The performance measurement date is two years from date of grant for employees and three years from the date of grant for executives.

In assessing whether the relative TSR hurdle for each grant has been met, the Group's TSR growth from the commencement of each grant and that of the pre-selected peer group are ranked. The peer group chosen for comparison is a group of Australian and foreign uranium development companies at the date of grant. This peer group reflects the Group's competitors for capital and talent.

The Group's performance against the hurdle is determined according to Bannerman's ranking against the peer group TSR growth over the performance period:

- When Bannerman is ranked at the 75th percentile, 100% of the performance rights will vest.
- When Bannerman is ranked below the 25th percentile, the performance rights are forfeited.
- For rankings between the 25th and 75th percentile, a sliding scale applies whereby every 1 percentile equates to 2% vesting.

(EXPRESSED IN AUSTRALIAN DOLLARS)

When a participant ceases employment prior to the vesting of their rights, the rights are generally forfeited unless cessation of employment is due to termination initiated by the Group (except for termination with cause) or death. In the event of a change of control, the performance period end date will be bought forward to the date of change of control and rights will vest. The Company prohibits executives from entering into arrangements to protect the value of unvested EIP awards.

Non-Executive Director Share Incentive Plan ("NEDSIP")

Non-executive directors' remuneration includes initial and annual grants of options or share rights (under the NEDSIP). Options and share rights granted to non-executive directors are not subject to performance hurdles. They have been issued as an incentive to attract experienced and skilled personnel to the Board.

Employee Share Option Plan ("ESOP")

Options were historically granted to executives for the purposes of incentivising and retaining them during the significant development phase of the Etango Project in Namibia. Accordingly, remaining performance hurdles include, the grant of a mining licence, finalisation of project financing and commissioning of the Etango Project.

Summary of options granted under NEDSIP and ESOP arrangements

	2013 #	2013 WAEP[1]	2012 #	2012 WAEP[1]
Outstanding at beginning of the year	14,129,950	1.13	18,427,450	2.11
Granted during the year	1,795,200	0.12	902,500	0.36
Exercised during the year	-	-	-	-
Expired during the year	(4,936,700)	1.48	(3,700,000)	5.53
Forfeited during the year	(3,856,500)	1.46	(1,500,000)	1.84
Outstanding at end of the year	7,131,950	0.46	14,129,950	1.13

[1] Weighted Average Exercise Price ($/share)

Summary of performance rights granted under NEDSIP and EIP arrangements

	2013 #	2012 #
Outstanding at beginning of the year	8,306,032	3,248,500
Granted during the year	6,621,950	5,746,465
Vested during the year	(3,168,879)	-
Forfeited during the year	(2,467,839)	(688,933)
Outstanding at end of the year	9,291,264	8,306,032

Weighted average remaining contractual life

The weighted average remaining contractual life as at 30 June 2013 was:

- Share options 1.3 years (2012: 1.3 years).
- Performance rights 1.1 years (2012: 0.8 years).

Range of exercise price

The range of exercise prices for share options outstanding as at 30 June 2013 was $0.12 - $0.77 (2012: $0.36 - $4.00). The weighted average exercise price for options outstanding as at 30 June 2013 was $0.40 (2012: $1.13) per option.

(EXPRESSED IN AUSTRALIAN DOLLARS)

Weighted average fair value

The weighted average fair value for the share options granted during the year was $0.04 (2012: $0.15) per option. The weighted average fair value for the performance rights granted during the year was $0.07 (2012: $0.27) per performance right.

Options / performance rights pricing model: NEDSIP & EIP

Equity-settled transactions

The fair value of the equity-settled share options granted under the NEDSIP and EIP is estimated as at the date of grant using a Black-Scholes option price calculation method taking into account the terms and conditions upon which the options/rights were granted. A Monte Carlo simulation is applied to fair value the TSR element. In accordance with the rules of the EIP, the model simulates the Company's TSR and compares it against the peer group over the two year period of each grant made to employees and the three year period of each grant made to executives. The model takes into account the historic dividends, share price volatilities and co-variances of the Company and each comparator company to produce a theoretical predicted distribution of relative share performance. This is applied to the grant to give an expected value of the TSR element.

Model inputs used for the year ended 30 June 2013:

	NEDSIP	NEDSIP	OPTIONS (i)	EIP
	Annual Grant Options	Annual Grant Rights		Annual Grant
Dividend Yield (%)	0%	0%	0%	0%
Expected volatility (%)	85%	85%	85%	85%
Risk- Free interest rate (%)	2.75%	2.64%	2.75%	2.64% - 2.78%
Expected life of Options (years)	3 years	1 year	3 years	2 - 3 years
Share price at measurement date ($)	0.08	0.08	0.08	0.07 - 0.08

(i) Options issued under separate terms and conditions and not as part of any formal plan.

Model inputs used for the year ended 30 June 2012:

	NEDSIP	NEDSIP	OPTIONS (i)	EIP	EIP
	Annual Grant Options	Annual Grant Rights		Annual Grant	DFS Grant
Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Expected volatility (%)	92.0%	92.0%	92.0%	90.0%	90.0%
Risk- Free interest rate (%)	3.3%	3.3%	3.3%	3.1% - 3.3%	3.1%
Expected life of Options (years)	3 years	1 year	3 years	2 - 3 years	0.6 years
Share price at measurement date ($)	0.28	0.28	0.28	0.25 - 0.27	0.25

(i) Options issued under separate terms and conditions and not as part of any formal plan.

23. SEGMENT INFORMATION

The Group has identified its operating segments based on the internal reports that are reviewed and used by the CEO and his management team in assessing performance and in determining the allocation of resources.

The Group is undertaking a feasibility assessment of and exploring for uranium resources in southern Africa, the operations of the Group present one operating segment.

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of the financial statements.

The Group considers the segment assets and liabilities to be consistent with those disclosed in the financial statements.

The analysis of the location of non current assets other than financial instruments is as follows:

	Consolidated	
	2013 $'000	2012 $'000
Australia	159	245
Namibia	60,504	62,144
Total Non Current Assets	60,663	62,389

24. EVENTS SUBSEQUENT TO REPORTING DATE

Convertible Note Refinancing

Subsequent to year end, on 6 September 2013, Bannerman announced that it had reached agreement with RCF for the extension of the convertible note from its maturity date of 31 March 2014 to 30 September 2016. The key terms of the new note are a conversion price of A$0.095 per share (subject to adjustment for certain transactions that have a dilution impact on the conversion price), an unchanged coupon interest rate of 8% per annum with interest payable quarterly through the issue of new Bannerman shares at a price equal to the 5-day VWAP of Bannerman's shares prior to the date of issue or cash in certain circumstances, and an extension fee of A$160,000 payable through the issue of 2,539,683 new Bannerman shares upon the receipt of all required approvals.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

(EXPRESSED IN AUSTRALIAN DOLLARS)

25. RELATED PARTY INFORMATION

Subsidiaries

The consolidated financial statements include the financial statements of Bannerman Resources Limited and the subsidiaries listed in the following table:

Name	Country of incorporation	% Equity Interest	
		2013	2012
Elfort Nominees Pty Ltd	Australia	100	100
Bannerman Mining Resources (Namibia) (Pty) Ltd	Namibia	80	80
Bannerman Resources Nominees (UK) Limited	United Kingdom	100	100

Ultimate Parent

Bannerman Resources Limited is the ultimate Australian parent entity and the ultimate parent of the Group.

Transactions with related entities:

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

Under the terms of the Share Sale Agreement dated May 12, 2005, by which Bannerman acquired its 80% interest in Bannerman Mining Resources (Namibia) (Pty) Ltd ("**BMRN**"), the 20% non-controlling interest is sole funded by Bannerman to completion of a bankable feasibility study on one of BMRN's projects. After this time, should the 20% shareholder elect not to contribute the 20% share of post-bankable feasibility study expenditure but instead elect to dilute the interest in accordance with the Share Sale Agreement then, upon the interest being diluted to less than a 5% shareholding, it automatically converts into a 2% net revenue royalty on future production from the Etango Project. The registered holder of the 20% non-controlling interest in BMRN is Mr Jones, a director of Bannerman, who holds this interest for his associates and business partner.

Remuneration received or receivable by the directors of the Company and/or their associated entities, including the aggregate amounts paid to superannuation plans in connection with the retirement of directors, is disclosed in Note 5 to the accounts.

Non-Executive Director Ian Burvill is the senior vice president of Resource Capital Funds ("**RCF**"). Resource Capital Fund IV L.P., which has a management agreement with RCF's parent company, holds a convertible note with a face value of A$8 million together with 34,978,799 Bannerman shares representing 11.2% of the voting capital in Bannerman as at the date of this report.

These transactions were made on commercial terms and conditions and at market rates.

26. CONTINGENCIES

On 17 December 2008, the Company entered into a settlement agreement with Savanna Marble CC ("**Savanna**") relating to Savanna's legal challenge to the Company's rights to the Etango Project Exclusive Prospecting Licence. Under the terms of the Savanna settlement agreement, in consideration for the termination of proceedings, Savanna was entitled to receive A$3.5 million cash and 9.5 million fully paid ordinary shares in Bannerman. The first tranche payment of A$3.0 million and 5.5 million shares was made in early 2009. The second and final tranche payment of A$500,000 and 4.0 million ordinary shares is due to Savanna upon receipt of the Etango Project mining licence. The mining licence application was lodged in December 2009, and further supplementary information has since been lodged in support of the application. As at 30 June 2013, the probability and timing of the grant of the mining licence is uncertain. Due to this uncertainty, the second tranche payment has been disclosed as a contingent liability and not as a provision as at 30 June 2013.

27. PARENT ENTITY INFORMATION

	2013	2012
a. Information relating to Bannerman Resources Limited:	**$'000**	**$'000**
Current assets	3,716	9,658
Total assets	58,402	65,501
Current liabilities	8,046	1,252
Total liabilities	8,046	8,003
Issued capital	115,810	115,170
Accumulated loss	(121,681)	(113,541)
Option Reserve	54,115	53,757
Convertible Note Reserve	2,112	2,112
Total shareholders' equity	50,356	57,498
Loss of the parent entity	(8,140)	(32,499)
Total comprehensive income of the parent entity	(8,140)	(32,499)

b. Details of any guarantees entered into by the parent entity in relation to the debts of its subsidiaries

There are no guarantees entered into to provide for debts of the Company's subsidiaries. The parent entity has provided a letter to BMRN evidencing the parent's intent to meet the financial obligations of BMRN for the period 1 July 2012 to 30 June 2013.

c. Details of any contingent liabilities of the parent entity

Refer to Note 26 for details relating to contingent liabilities.

d. Details of any contractual commitments by the parent entity for the acquisition of property, plant or equipment

There are no contractual commitments by the parent entity for the acquisition of property, plant and equipment as at reporting date.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Bannerman Resources Limited, I state that:

1. In the opinion of the directors:

(a) The financial statements, notes and additional disclosures included in the directors' report designated as audited, of the Group are in accordance with the Corporations Act 2001, including:

i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and its performance for the year ended on that date.

ii) Complying with Accounting Standards and Corporations Regulations 2001.

(b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1; and

(c) Subject to the matters outlined in Note 1 "Going Concern", there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with s295A of the Corporations Act 2001 for the financial year ended 30 June 2013.

On behalf of the Board

Len Jubber
Managing Director & CEO
Perth, 11 September 2013

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Independent auditor's report to the members of Bannerman Resources Limited

Report on the financial report

We have audited the accompanying financial report of Bannerman Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2013 and 30 June 2012, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for each of the years then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial years.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian and International Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

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Opinion

In our opinion:

a. the financial report of Bannerman Resources Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and 30 June 2012 and of its performance for each of the years ended on those dates; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the remuneration report

We have audited the Remuneration Report included in pages 29 to 41 of the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Bannerman Resources Limited for the year ended 30 June 2013, complies with section 300A of the *Corporations Act 2001*.

Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying our opinion we draw attention to Note 1 in the financial report. As a result of the matters described in Note 1, there is material uncertainty whether the consolidated entity will continue as a going concern and therefore whether it will realize its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
Perth
11 September 2013

ADDITIONAL SHAREHOLDER INFORMATION

Additional information required by the Australian Securities Exchange Listing Rules and not disclosed elsewhere in this report is set out below. The information was applicable as at 27 August 2013.

Distribution of Equity Securities

There were 2,582 holders of less than a marketable parcel of ordinary shares. The number of shareholders by size of holding is set out below:

Fully Paid Ordinary Shares

Size of Holding	Number of holders	Number of shares
1 - 1,000	774	410,100
1,001 - 5,000	1,350	4,065,008
5,001 - 10,000	699	5,679,806
10,001 - 100,000	1,504	53,540,365
100,001 and over	318	248,886,830
TOTALS	**4,645**	**312,582,109**

Unlisted Options and Performance Rights

	Options		Performance Rights	
Size of Holding	Number of holders	Number of options	Number of holders	Number of performance rights
1 - 1,000	-	-	-	-
1,001 - 5,000	-	-	-	-
5,001 - 10,000	-	-	-	-
10,001 - 100,000	-	-	3	165,290
100,001 and over	7	6,381,950	11	10,934,426
TOTALS	**7**	**6,381,950**	**14**	**11,099,716**

Substantial Shareholders

An extract of the Company's register of substantial shareholders (who held 5% or more of the issued capital) is set out below:

Shareholder	Number of shares	Percentage Held	Date of last lodgement
Resource Capital Fund IV LP	34,978,799	11.19%	8 July 2013

Top 20 Shareholders

The top 20 largest shareholders are listed below:

Name	Number of Shares	Percentage Held %
Merrill Lynch (Australia) Nominees Pty Limited	35,773,391	11.44
HSBC Custody Nominees (Australia) Limited	30,163,627	9.65
Canadian Control A/C	28,937,652	9.26
Widerange Corporation Pty Ltd	15,206,940	4.86
Regent Pacific Group Ltd	10,854,568	3.47
HSBC Custody Nominees (Australia) Limited - A/C 3	9,000,002	2.88
Peter Batten	7,006,940	2.24
JP Morgan Nominees Australia Limited <Cash Income A/C>	6,860,423	2.19
Citicorp Nominees Pty Limited	6,405,857	2.05
Hotlake Pty Ltd <Halcyon S/F A/C>	3,000,000	0.96
Pershing Australia Nominees Pty Ltd <Argonaut Account>	2,461,159	0.79
IJG Nominees Pty Ltd	2,355,020	0.75
ABN Amro Clearing Sydney Nominees Pty Ltd <Custodian A/C>	2,082,036	0.67
Seven Four Seven Pty Ltd <Bluebird Super Fund A/C>	2,000,000	0.64
Fitel Nominees Limited	1,765,600	0.56
Tarmel Pty Limited <Superannuation Fund A/C>	1,715,000	0.55
JP Morgan Nominees Australia Limited	1,712,667	0.55
Mr Joseph James Caudo + Mrs Christine Mary Caudo <The Caudo Superfund A/C>	1,500,000	0.48
Mr Radek Lasota	1,500,000	0.48
Mr Kevin Billington	1,410,000	0.45
TOTAL TOP 20 HOLDERS	**171,710,882**	**54.93**
TOTAL NON-TOP 20 HOLDERS	**140,871,227**	**45.07**
TOTAL	**312,582,109**	**100.00**

Voting Rights

Ordinary Shares

For all ordinary shares, voting rights are on a show of hands whereby every member present in person or by proxy shall have one vote and upon a poll, each share shall have one vote.

Options and Performance Rights

There are no voting rights attached to options and performance rights.

Options (unlisted)

There are 6,381,950 unlisted options on issue which are held by Bannerman directors and a Bannerman Mining Resources (Namibia) (Pty) Ltd ("**BMRN**") non-executive director.

Unlisted Options

The Company has 585,100 options on issue with exercise prices between A$0.12 and A$0.77 per share, issued with Board approval or in accordance with, or on similar terms as the 2010 Employee Incentive Plan as approved by shareholders. The options are held by Ms Monica Kalondo, a non-executive director of BMRN. Options issued to the Chief Executive Officer are included within the unlisted director options total below. The number of option holders totals one.

Unlisted Director Options

The Company has 5,796,850 director options on issue with exercise prices between A$0.12 and A$0.77 per share, which were issued with shareholder approval. The director options are held by current directors of Bannerman. The Company's Chief Executive Officer, Mr Len Jubber, holds 3,000,000 options which are included within the above unlisted director options total. The number of option holders totals six.

Performance Rights (unlisted)

Unlisted Performance Rights

The Company has 5,724,947 employee and director performance rights on issue. Performance rights have been issued under the Employee Incentive Plan, as approved by shareholders on 23 November 2010, and the Non-Executive Director Share Incentive Plan, as approved by shareholders on 17 November 2011. The number of holders of performance rights totals 38.

Stock Exchanges

Bannerman has a primary listing of its ordinary shares on the Australian Securities Exchange (ASX code: BMN) and has additional listings of its ordinary shares on the Toronto Stock Exchange in Canada (TSX code: BAN) and on the Namibian Stock Exchange (NSX code: BAN).

Mineral Licence Schedule

The mineral licence schedule for the Group is tabulated below:

Licence Type	Licence No.	Grant Date	Expiry Date	Holder	Area (Ha)	Country in which the Licence is held
EPL	3345	27-Apr-2006	26-Apr-2013	Bannerman Mining Resources (Namibia) (Pty) Ltd	24,326	Namibia

Corporate Directory

NON-EXECUTIVE CHAIRMAN
Ronnie Beevor

CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR
Len Jubber

NON-EXECUTIVE DIRECTORS
Ian Burvill
Clive Jones
David Tucker

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	Outside North America:	+1 416 263 9394

STOCK EXCHANGE LISTINGS
Australian Securities Exchange (ASX Code: BMN)
Toronto Stock Exchange (TSX Code: BAN)
Namibian Stock Exchange (NSX Code: BMN)

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