

8<sup>th</sup> November, 2005

ASX Release

## **GRANT OF URANIUM EXPLORATION LICENCES IN SOUTHERN AFRICA**

Bannerman Resources Limited (ASX: BMN) is pleased to announce that it has received notice of grant of four licence applications for uranium exploration in Namibia and Botswana.

### **Namibia**

The Ministry of Mines and Energy in Namibia has notified Turgi Investments Pty. Ltd. ("Turgi"), Bannerman's partner in Namibia, that its application for a nuclear fuels licence at *Onaries* (Exclusive Prospecting Licence 3347) has been awarded. Onaries, which covers an area of 823 sq km and hosts three known uranium occurrences, is situated 10 to 30 kms east – southeast of the Langer Heinrich uranium deposit. To date Turgi's other applications for licences have been unsuccessful.

Within the Onaries licence area the *Namib Park 3* prospect is a north–south valley filled with calcrete cemented sediments over an area 5km x 10km. This possible palaeochannel has associated airborne radiometric anomalies. A second prospect, *Ruimte 125*, occurs as an airborne radiometric anomaly supported by surface sampling covering an areal extent of 3.3 million m<sup>2</sup>. Here a palaeobasin is filled with calcrete cemented sediments which are around 30 to 40 metres thick. Only limited drilling has occurred here to date.

Mineralisation observed on the ground is similar to that occurring at Langer Heinrich with calcrete cemented sediments hosting carnotite, a secondary uranium-vanadium mineral.

### **Botswana**

The Ministry of Minerals, Energy and Water Resources in Botswana has notified Bannerman that applications for three Prospecting Licences (131/2005 to 133/2005) for uranium, base metals, gold, precious metals and PGM have been granted for a period of three years.

PL No	Area (km <sup>2</sup> )	Project Name
131/2005	633.2	Serule North
132/2005	801.5	Dukwe
133/2005	873.9	Serule South

### Uranium Mineralisation in Botswana

Known uranium mineralisation in Botswana is a result of exploration work completed in the 1970s. The work was not comprehensive and did not cover all of Botswana. Numerous anomalies were identified, including the discovery of the Mokobaesi deposit. The No.1 Deposit is quoted by Falconbridge as 75 million tonnes @ 0.25 kg/t U<sub>3</sub>O<sub>8</sub> which comprises secondary mineralisation similar to that occurring at Langer Heinrich in Namibia. The majority of anomalies were discovered from airborne radiometric surveys which will not detect low grade buried deposits.

No known primary mineralisation has been discovered in Botswana, leaving the source of the mineralisation unresolved. The known mineralisation is in secondary and pedogenic deposits that have a resemblance to deposits in neighbouring Namibia in size and tenor. The host geology for the Namibian uranium deposits passes into Botswana in the northwest (Damara Orogen) and southwest (Namaqua mobile belt) of the country trending to the northeast.

### Serule Project

The **Serule South Prospecting Licence (133/2005)** is located immediately north of the Mokobaesi uranium deposit. Mineralisation is expected to mirror that of the Mokobaesi deposit which consists of encrustations of secondary yellow uranium ochre in calcrete and in the underlying Eccu siltstones.

Within the boundaries of the licence is the *Basement North Cluster*, identified from airborne radiometric surveys by Falconbridge Explorations Botswana (Pty) Ltd ("Falconbridge") in 1977. The anomaly comprises four zones with strike lengths from 2 to 4 kilometres and widths up to 1 kilometre. Bannerman's licence area covers an additional 10 kilometres from the edge of the known anomaly.

The peak uranium channel count from the survey for the *Basement Cluster* exceeds 200 cps over a background of 100 cps. This is similar to the anomalies that occur on the periphery of the Mokobaesi Deposit 21 km to the south.

The **Serule North Prospecting Licence (131/2005)** covers the area to the north west of the Mokobaesi Uranium Deposit. The licence area includes the *Poleiti Cluster* identified from

airborne radiometric survey by Falconbridge in 1977 and the potential strike extensions of this trend of mineralisation.

The *Poleiti Cluster* comprises extensive contours of weaker anomalous readings that may be the lower edge of a mineralised zone that lies to the north of the Falconbridge licence. The *Poleiti Cluster* trends parallel to the *Basement Cluster* and is consistent in shape, trend and tenor with the southern outlines of the *Basement* and *Mokobaesi Clusters*. The Serule North PL also extends to the northwest of the *Poleiti Cluster* to cover possible repeats of the *Basement-Poleiti* anomalies.

The peak uranium channel count from the survey for the *Poleiti Cluster* exceeds 190 cps over a background of 120 cps. This is similar to the outer contours of the other anomalies identified in the 1977 work including the Mokobaesi Deposit itself.

### **Dukwe Project**

The **Dukwe Prospecting Licence (132/2005)** is located to the east of the eastern edge of the Sua Pan (or lake) and west of the township of Dukwe. Mineralisation in the Dukwe area consists of calcrete uranium mineralisation in palaeochannels and carnotite in ferruginous mudstones of the Eccu Formation.

The *Area 7 anomaly*, which is completely covered by the Bannerman licence, displayed the largest area of high total count levels of the 11 anomalies identified by Falconbridge in the area. The maximum U channel ratio (uranium channel peak to background ratio) and the U resultant (number of U channel counts less the number of Th channel counts) were lower than other anomalies at Dukwe. These lower counts could be due to the 9 metre thickness of Mea Arkose on the surface at this point masking the mineralisation. Anomalies within Mea Arkose in general were not followed up by Falconbridge.

The most extensive near surface uranium concentration highlighted by the 1977 work was in the *Area 1 anomaly*, to the west of the southern tip of the Bannerman licence area. This mineralisation was initially associated with the underlying Tlapana Mudstone. The carnotite mineralisation noted at this location prior to 1977 is associated with gypsum within the mudstone. The trend of the radiometric anomaly is northeast passing into the Bannerman licence area. The high U resultant (>55) and the style (Y shaped) and depth of mineralisation observed at *Area 1 anomaly* are similar to the Simonware Uranium Occurrence (*Area 10*) to the northeast of the Bannerman licence area.

## **Bannerman's Uranium Exploration Strategy in Southern Africa**

The granting of the licences in Namibia and Botswana has given the Company a unique opportunity to explore for uranium in one of the world's premiere uranium provinces. The licenses all contain known uranium mineralisation and prospects at various stages of exploration and have the potential for the discovery of significant uranium mineralisation.

During the period leading up to the grant of the licences the Company has conducted research into the project areas and has employed the services of locally based technical staff. It is the Company's intention to rapidly advance exploration over the licence areas. Regional geophysical and other relevant data will be further reviewed and it is envisaged that specific targets will be generated prior to the commencement of field-based surveys.

## **Namibia and Botswana**

Namibia and Botswana are politically stable countries with no civil unrest, excellent infrastructure and with established and diverse mining industries. Active mining has been ongoing for several decades with major mines in Namibia including Tsumeb (base metals), Rossing (uranium) and Skorpion (zinc); there is also significant offshore diamond production. Both the Namibian and Botswanan governments actively encourage the growth of the mining industry which is one of the key contributors to their economies.

## **Uranium Market**

There continues to be a bullish outlook for uranium with pricing for U<sub>3</sub>O<sub>8</sub> moving significantly in recent times. Demand is being driven by end users in the power generation market which is urgently trying to secure supply into the future. Demand is forecast to outstrip supply for at least the next ten years.

Yours sincerely,

Ian Finch

## **Executive Chairman**

*The information in this report that relates to the Exploration Results, Mineral Resources or Ore Reserves of the projects owned by Bannerman Resources Ltd is based on information compiled by Mr Shane Sadleir, who is a Fellow of The Australasian Institute of Mining and Metallurgy and who 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 Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sadleir consents to the inclusion in the report of the matters based on his information in the form and context in which it appears*