Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Bannerman Resources Limited

ABN

34 113 017 128

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (3 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(738)	(738)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(696)	(696)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	11	11
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – R&D Refund	145	145
	Net Operating Cash Flows	(1,278)	(1,278)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(2)	(2)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(2)	(2)
1.13	Total operating and investing cash flows (carried forward)	(1,280)	(1,280)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(1,280)	(1,280)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – cost of equity issues	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(1,280)	(1,280)
1.20	Cash at beginning of quarter/year to date	2,291	2,291
1.21	Exchange rate adjustments to item 1.20	3	3
1.22	**Cash at end of quarter**	1,014	1,014

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	153
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes salaries and fees for executive and non-executive directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Interest on the RCF IV Convertible Note for the March Quarter of $157,808.22 was satisfied through the issue of 3,156,164 fully paid ordinary shares.

Interest on the RCF VI Convertible Note for the March Quarter of $78,904,11 was satisfied through the issue of 1,578,082 fully paid ordinary shares.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	12,000	12,000
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	300
4.2	Development	-
4.3	Production	-
4.4	Administration	550
	Total	**850**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	167	1,444
5.2	Deposits at call	847	847
5.3	Bank overdraft		
5.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	**1,014**	**2,291**

Changes in interests in mining tenements and petroleum tenements

		Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Nil			
6.2	Interests in mining tenements and petroleum tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	387,700,833	387,700,833		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	4,786,849	4,786,849		
7.5	**+Convertible debt securities** (*description)*	1 Convertible Note with RCF Fund IV L.P. 1 Convertible Note with RCF Fund VI L.P.	Nil Nil	A$8,000,000 A$4,000,000	

Convertible Note with RCF Fund IV L.P.
Amount - A$8,000,000.
Conversion price - A$0.095 per Share
Date for Conversion:
- If conversion option is exercised by holder (Resource Capital Fund IV L.P.), then at any time prior to 30 September 2016.
- If conversion option is exercised by issuer (Bannerman Resources Limited), then within 90 days from the date the rolling 20 day volume weighted average price of shares in the issuer is equal to or more than 3 times the conversion price.

Coupon – 8% per annum payable quarterly in arrears on 31 March, 30 June, 30 September and 31 December of each year. Interest is to be satisfied by the issue of new Bannerman shares at the 5 day VWAP prior to the date of issue, or by cash in certain circumstances.

Repayment – If not converted, repayment of the note will be required by a single bullet repayment on 30 September 2016.

Security – Fixed and floating charge over the assets of Bannerman including a share mortgage over Bannerman's 80% shareholding in Bannerman Mining Resources (Namibia) (Pty) Ltd.

+ See chapter 19 for defined terms.

		Convertible Note with RCF Fund VI L.P. Amount - A$4,000,000. Conversion price - A$0.095 per Share Date for Conversion: - If conversion option is exercised by holder (Resource Capital Fund VI L.P.), then at any time prior to 30 September 2016. - If conversion option is exercised by issuer (Bannerman Resources Limited), then within 90 days from the date the rolling 20 day volume weighted average price of shares in the issuer is equal to or more than 3 times the conversion price. Coupon – 8% per annum payable quarterly in arrears on 31 March, 30 June, 30 September and 31 December of each year. Interest is to be satisfied by the issue of new Bannerman shares at the 5 day VWAP prior to the date of issue, or by cash in certain circumstances. Repayment – If not converted, repayment of the note will be required by a single bullet repayment on 30 September 2016. Security – Fixed and floating charge over the assets of Bannerman including a share mortgage over Bannerman's 80% shareholding in Bannerman Mining Resources (Namibia) (Pty) Ltd.			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	*Number* 427,600 1,367,600 4,504,000 3,664,400 9,963,600	Weighted Average Option Exercise Price	*Exercise price* A$0.12 A$0.12 A$0.072 A$0.089 A$0.09	*Expiry date* 21 November 2015 21 November 2015 22 November 2016 15 November 2017
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.12	**Performance Rights**	*Number* 170,000 262,644 423,700 3,502,674 759,519 2,132,015 5,095,630 7,729,029 423,700 20,075,211			*Vesting date* 11 November 2015 15 November 2015 21 November 2015 22 November 2015 15 November 2016 22 November 2016 15 November 2017 15 November 2015
7.13	Issued during quarter				
7.14	Vested during quarter				
7.15	Cancelled during quarter				

+ See chapter 19 for defined terms.

7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 30 October 2015
(Company secretary)

Print name: Robert Dalton

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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