

BANNERMAN

RESOURCES LIMITED



5 May 2005

ASX Announcement

Dear Sirs,


NON-RENOUNCEABLE PRO RATA OFFER OF OPTIONS

The Directors of Bannerman Resources Limited have resolved that the Company will make a pro rata non-renounceable offer of up to 15,800,003 options at an issue price of one cent per option **(Options)** to acquire fully paid ordinary shares **(Shares)** in the Company.

The Offer will be made (subject to ASX approval of the Offer Timetable) to Bannerman shareholders on a basis of one (1) Option for every one Share held at 5.00pm WST on 19 May 2005 **(Record Date)**. The Company intends to lodge a Prospectus for the Offer at the Australian Securities & Investment Commission on or before 10 May 2005. The Prospectus will be mailed to each shareholder registered in the share register on the Record Date. Each shareholder's entitlement under the Offer will be set out in the Entitlement and Acceptance Form that will accompany the Prospectus.

The Options will be exercisable at 20 cents each on or before 31 May 2007. The Company will apply for official quotation of the Options issued under the Prospectus.

Yours faithfully



Stephen Brockhurst
Director