UraniumSA Limited

ABN 48 119 978 013

SHORT FORM PROSPECTUS

For a non-renounceable issue at no cost to Shareholders of 1 Bonus Option for every 2 Shares held as at a Record Date of 5.00pm AEST on 18 January 2007.

Each Bonus Option gives the holder the right to subscribe for one Share at an exercise price of 25c each on or before 18 January 2010.

The Company will apply to ASX for Official Quotation of the Bonus Options.

SHAREHOLDERS ARE NOT REQUIRED TO TAKE ANY ACTION IN RELATION TO THE ISSUE OF BONUS OPTIONS PURSUANT TO THIS PROSPECTUS

IMPORTANT NOTICE

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type but refers to another document, the information of which is deemed to be incorporated in this Prospectus.

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INDICATIVE TIMETABLE

Prospectus lodged with ASIC and ASX and Appendix 3B lodged with ASX	5 January
Shares quoted ex-bonus entitlement	12 January
Bonus Options quoted on ASX on a deferred settlement basis	12 January
Record Date for determining entitlements to Bonus Options	18 January
Despatch date of holding statements and Prospectus	1 February
Trading in Bonus Options commences on a normal settlement basis	2 February

These dates are indicative only and subject to the Listing Rules may be varied by the Directors without prior notice.

CORPORATE DIRECTORY

Directors

Tom Phillips. Chairman (non-executive)

Russel Bluck. Managing Director

XU Gang. Director (non-executive)

Alice McCleary. Director (non-executive)

Secretary

Craig Gooden

Registered Office

Level 1, 67 Greenhill Road, Wayville
ADELAIDE, South Australia 5034

Premises

32 Beulah Road, Norwood
ADELAIDE, South Australia 5067

Phone +61 8 8132 0577
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e-mail info@uraniumsa.com.au

Solicitor

Watsons Lawyers, Adelaide.

Independent Accountant and Auditor

Grant Thornton South Australian Partnership

Level 1, 67 Greenhill Road, Wayville

ADELAIDE, South Australia 5034

Share Registrar

Computershare Investor Services Pty Ltd

Level 5, 115 Grenfell Street Adelaide SA 5000

GPO Box 1903, Adelaide SA 5001

Enquiries (within Australia) 1300 556 161
Enquiries (outside Australia) +61 8 8236 2300

Computershare Investor Services Pty Ltd has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.

IMPORTANT NOTICE

This Prospectus is dated 5 January 2007.

A copy of this Prospectus was lodged with ASIC on 5 January 2007. ASIC takes no responsibility for the contents of this Prospectus.

No Bonus Options will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Bonus Options will comprise a new class of securities of the Company and application will be made by the Company to ASX within 7 days after the date of this Prospectus for admission of the Bonus Options to Official Quotation.

Pursuant to ASIC Class Order 00/1092 this Prospectus is not required to contain or be accompanied by an application form. Accordingly, there is no application form attached to or forming part of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. In making representations in this Prospectus, regard has been given to the fact that ASX maintains a file containing publicly disclosed information about the Company and that the Company is a disclosing entity for the purpose of the Corporations Act, and certain matters may reasonably be expected to be known to professional advisers whom potential investors may consult.

Certain abbreviations and other defined terms used throughout this Prospectus have defined meanings which are set out at the end of this Prospectus.

SHORT FORM PROSPECTUS

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. Rather, the Prospectus incorporates, by reference, information contained in the replacement disclosure document lodged by the Company with ASIC on 31 August 2006 for the offer of 30 million Shares at an issue price of 20 cents per Share (**August 2006 Prospectus**) and pursuant to which 30 million Shares were issued.

In referring to the August 2006 Prospectus, the Company:

(a) identifies the August 2006 Prospectus as being relevant to the issue of Bonus Options under this Prospectus and containing information that will assist investors and their professional advisers in making an informed assessment of:

 (i) the rights and liabilities attaching to:

  (A) the Bonus Options; and

  (B) the underlying Shares;

 (ii) the capacity of the Company to issue the underlying Shares; and

 (iii) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company;

(b) refers Shareholders and their professional advisers or analysts to the section of this Prospectus which summarises the information in the August 2006 Prospectus deemed to be incorporated in this Prospectus;

(c) informs Shareholders and their professional advisers or analysts that they are able to obtain, free of charge, a copy of the August 2006 Prospectus by contacting the Company during normal business hours during the Issue Period or by downloading a copy of the August 2006 Prospectus from the Company web site at www.uraniumsa.com.au during the Issue Period; and

(d) advises that the information in the August 2006 Prospectus will be primarily of interest to Shareholders and their professional advisers or analysts.

ELECTRONIC PROSPECTUS

A copy of this Prospectus can be downloaded from the Company's website at www.uraniumsa.com.au.

DETAILS OF THE ISSUE

The Issue

The Company is making a non-renounceable free bonus issue of Bonus Options to Shareholders who are registered as holders of Shares on the Record Date.

The Bonus Options will be issued on the basis of one (1) Bonus Option for every two (2) Shares held at the Record Date. In the calculation of any Entitlement, fractions will be rounded up to the nearest whole number.

The Bonus Options will form a new class of securities of the Company and a summary of the terms and conditions of the Bonus Options is set out in the 'Terms and Conditions of Bonus Options' section of this Prospectus.

Existing Options

At the date of this Prospectus the Company had on issue 7,000,000 Existing Options. Under the Listing Rules 6,500,000 of these Existing Options are classified as restricted securities which cannot be exercised until after the Record Date and the holders of these Existing Options cannot participate in the Issue.

Holders of the remaining 500,000 Existing Options which are not restricted securities ("**Unrestricted Options**") and who exercise their Existing Options and are registered as Shareholders on the Record Date will be eligible to participate in the Issue.

If all of the 500,000 Unrestricted Options are exercised prior to the Record Date, then the number of Bonus Options to be issued under this Prospectus is approximately 30,875,001.

Purpose of the Issue

The Issue was foreshadowed in the August 2006 Prospectus and accordingly, the purpose of the Issue is to reward Shareholders for their support of the Company and to provide for future exploration funds for the Company's prospects.

Action Required by Shareholders

As the Bonus Options are issued for no cost, Shareholders are not required to take any action to accept and be issued with their Entitlement of Bonus Options.

The Offer is non-renounceable and accordingly, Shareholders may not dispose of or trade any part of their entitlement to receive Bonus Options.

Issue of Bonus Options

The Bonus Options will be issued and holding statements dispatched as soon as practicable after the Record Date and otherwise in accordance with the Indicative Timetable given in the front of this Prospectus.

It is the responsibility of each Shareholder to determine their Bonus Option holding before trading in the Bonus Options. Shareholders who sell Bonus Options before they receive their transaction confirmation statement do so at their own risk.

ASX Quotation

The Bonus Options will form a new class of securities of the Company and application to ASX for admission of the Options to Official Quotation will be made by the Company within seven (7) days of the date of this Prospectus.

If the Bonus Options are not admitted to Official Quotation within three (3) months after the date of this Prospectus, or such later date as is permitted by the Corporations Act, none of the Bonus Options offered by this Prospectus will be granted. If approval to list the Bonus Options is not granted by ASX and the Bonus Options are not issued, the Company will prepare a prospectus for the issue of Options on the same terms except that the Options will not be listed.

Overseas Shareholders

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. Shareholders outside of Australia and New Zealand will not be issued Bonus Options and should consult their professional advisors as to whether any government or other consents are required, or other formalities need to be observed to enable them to accept or deal with an Entitlement.

Taxation Implications

Shareholders should be aware that there may be taxation liabilities arising from the issue of Bonus Options pursuant to this Prospectus, the exercise and/or sale of the Bonus Options and/or the sale of Shares issued on exercise of the Bonus Options. For this reason, it is important that Shareholders obtain their own independent professional advice in connection with the taxation implications of acquiring Bonus Options.

The Company does not propose to give any taxation advice and neither the Company, nor its advisers and officers accept any responsibility or liability for any taxation consequences resulting from the issue of Bonus Options under the Issue.

Enquiries

If you have any questions concerning the Issue, please contact your professional advisor, or the Company on telephone +61 (0)8 8132 0577 or by email at info@uraniumsa.com.au.

INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type, however it incorporates, by reference, information contained in the August 2006 Prospectus which was lodged with ASIC on 31 August 2006.

The information to be incorporated by reference into this Prospectus is summarised below and will primarily be of interest to investors and their professional advisers or analysts.

The Company informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the August 2006 Prospectus by contacting the Company at its office during normal business hours during the Issue Period. The August 2006 Prospectus is also available from the Company's web site at www.uraniumsa.com.au.

Summary of Information Deemed to be Incorporated

Set out below is a summary of the information contained in the August 2006 Prospectus that is deemed to be incorporated in this Prospectus to assist investors and their professional advisers to determine whether, for the purposes of making an informed investment decision in relation to the Bonus Options, they need to obtain a copy of the August 2006 Prospectus.

The headings and page numbers referred to below are references to the August 2006 Prospectus.

Investment Opportunity (pp 1). An overview of the Company, its Directors, its property porfolio and prospects.

Chairman's' Message (pp 3). A summary of the corporate strategy and exploration business of the Company, noting the intention to issue the Bonus Options (referred to as Loyalty Options) which are the subject of this Prospectus.

Details of the Offer (pp 4-6). Information relating to the specific aspects of the offer under the August 2006 Prospectus. It details the management of the Priority Offer and Public Offer, CHESS participation and Issuer Sponsored holdings, a description of the purpose of the offer, an indicative budget for years 1 and 2 and a tabulation of the proposed capital structure of the Company. This section also provides a summary of the Company's corporate governance, ethics and privacy policies.

Directors (pp 7). Background information on each of the Directors.

Directors Overview (pp 8-17). A description and discussion of the Company's property portfolio and proposed exploration, namely:

- Sediment hosted uranium mineralisation
  Kingoonya Palaeodrainage System in the Tarcoola and Kingoonya projects.
  Pirie Basin, the Mullaquana project.
- Unconformity uranium mineralisation
  Blue Range Beds, Cleve project.
  Pandurra, Kingoonya and Mullaquana projects.
- Iron-oxide-copper-gold-uranium mineralisation
  Muckanippie project.
  Mullaquana and Cleve projects.
- Shear hosted uranium mineralisation
  Roopena fault, Mullaquana project.
  Lake Labyrinth shear, Tarcoola project.

Budget (pp18). The proposed 2 year exploration expenditure and objectives.

Independent Geologist's report (pp 19-37). Written by David Tonkin & Associates the report provides detail of the geology, exploration history, exploration potential and the proposed exploration program and budget for the Company's tenements.

Independent Accountant's report (pp 38-49). Prepared by Grant Thornton South Australian Partnership the report dated 25 August 2006 contained an un-audited pro-forma balance sheet as at 18 August 2006 on the basis that various transactions, including the issue of Shares under the August 2006 Prospectus, had been completed. The report included pro-forma income statement and balance sheet as at 18 August 2006 showing an operating loss of $227,041 and net assets of $10,196,590 based on the assumptions set out in the notes.

Solicitor's report (pp 50-55). Prepared by Watsons Lawyers, the report details the Company's interests in the exploration tenements and assets described in the August 2006 Prospectus. Among other things, the report details the Company's interests in the tenements, the status of the tenements and all native title claims relevant to them.

Summary of Material Agreements (pp 56-60). The report summarises the material agreements relating to the tenements the Company holds an interest in and the management of those tenements.

Additional Information (pp 61-66). Provides a range of information for investors that was required to be disclosed in the August 2006 Prospectus and which are relevant to this present Prospectus, namely:

Risk factors. An investment in securities of the Company is speculative. This section lists a number of risks that may have a material effect on the financial position and performance of the Company and the value of its securities, as well as the Company's exploration and development activities and an ability to fund those activities. Risks include those relating to regulation and politics, tenement title, public perception, exploration risk, economic risk, market conditions, native title, operating risk, mineralisation estimates, commodity price volatility and exchange rate risks, environmental risks, requirement for capital, key management, valuations and the speculative nature of the investment.

Rights attaching to Shares. Gives information on a range of matters including voting rights, rights on winding up, transfer of shares, future increases in capital, variation of rights and dividend rights.

Interest of Directors of the Company . Discloses the relevant interests in securities of the Company held by Directors and the remuneration of the Directors.

Interests of persons named. Discloses the interests of persons named in the August 2006 Prospectus.

Expenses of the Offer. Gives an estimate of the cost of completing the offer.

Taxation. Advises potential investors to obtain their own individual taxation advice in relation to the issue of Shares under the August 2006 Prospectus.

Litigation. Declares that the Company was not involved in any threatened or actual litigation or arbitration proceedings.

Employee Share Option Plan. Describes the terms and conditions of "The UraniumSA Limited Employee Share Option Plan".

Consents. Describes the consents of persons named in, or providing reports for, the August 2006 Prospectus.

Directors' statement. A declaration by the Directors that, among other matters, they made all reasonable enquires to ensure the information, material and statements contained in the August 2006 Prospectus were neither misleading nor deceptive.

COMPANY OVERVIEW

Overview and Reference to August 2006 Prospectus

A comprehensive overview of the Company is set out in the August 2006 Prospectus that was lodged with ASIC on 31 August 2006 for the public offering of up to 30,000,000 Shares. Persons acquiring Bonus Options under this Prospectus should refer to previous sections of this Prospectus for a summary of the information contained in the August 2006 Prospectus deemed to be incorporated in this Prospectus.

In September 2006, 30,000,000 Shares were allotted and issued at an issue price of 20 cents each pursuant to applications received under the August 2006 Prospectus and the Company was subsequently admitted to the Official List on 16 October 2006 with Official Quotation of its Shares commencing on 18 October 2006.

The Company presently has a total of 61,250,002 Shares and 7,000,000 Existing Options on issue.

Under the Listing Rules a total of 28,218,470 Shares are classified as restricted securities and are subject to escrow as follows:

- 19,292,557 Shares subject to 24 months escrow commencing on 18 October 2006; and
- 8,925,913 Shares are subject to escrow for 12 months escrow commencing on the date of issue of the Shares.

The balance of the issued share capital of the Company, being 33,031,532 Shares, is quoted on ASX.

Matters Subsequent to August 2006 Prospectus

The Shares of the Company were initially quoted on the ASX on 18 October 2006.

Other than as stated in this Prospectus, the Company is not aware of any other material matter or circumstance that would impact on the contents of the August 2006 Prospectus or the activities and prospects of the Company and be relevant to assist investors or their professional advisers making an informed assessment of relevant matters.

Continuous Disclosure

The Company is listed on ASX and its Shares are quoted on ASX. The Company is a "disclosing entity" for the purposes of the Corporations Act. It is subject to regular reporting and disclosure obligations, which require it to disclose to ASX any information which it has or becomes aware of concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities in the Company.

All documents used to notify ASX of information relating to the Company under the provision of the

Listing Rules since 8 September 2006 can be viewed on the Company web site at www.uraniumsa.com.au or on the ASX web site at www.asx.com.au. At the time of lodging this Prospectus the only such documents were:

Date	Headline
3 January 2007	Airborne Electromagnetic Survey
20 November 2006	Change of Address
9 November 2006	Loyalty Options
2 November 2006	Response to ASX Query re: Share Price
25 October 2006	Amended Change in substantial holding
25 October 2006	Amended Becoming a substantial holder
25 October 2006	Becoming a substantial holder from MTN
23 October 2006	Becoming a substantial holder from SRZ
23 October 2006	Change in substantial holding
19 October 2006	Becoming a substantial holder
19 October 2006	Initial Director's Interest Notice
19 October 2006	Initial Director's Interest Notice
19 October 2006	Initial Director's Interest Notice
19 October 2006	Initial Director's Interest Notice
18 October 2006	Lists & signals start next month to exploration
18 October 2006	SRZ ann:JV To Explore for Uranium in Kingoonya PC
17 October 2006	Constitution
17 October 2006	Terms and Conditions of Issue of Options
17 October 2006	Appendix 1A - ASX Listing application & agreement
17 October 2006	Rules of the Employee Share Option Plan
17 October 2006	Allotment of shares for Material Contracts
17 October 2006	Restricted Securities
17 October 2006	Commitment Schedule
17 October 2006	Top 20 shareholders
17 October 2006	Restricted Securities
17 October 2006	Distribution Schedule
17 October 2006	Admission to Official List
17 October 2006	Pre-Quotation Disclosure
17 October 2006	ASX Circular: Commencement of Official Quotation
8 September 2006	Disclosure Document (August 2006 Prospectus)

EFFECT OF THE OFFER ON THE COMPANY

Capital Structure of the Company

If all Unrestricted Options are exercised prior to the Record Date, then under the Issue approximately 30, 875,001 Bonus Options will be issued. Upon completion of the Issue, the issued capital of the Company will comprise:

Shares	Number
Shares at the date of this Prospectus	61,250,002
Total Shares that could be issued upon exercise of all Unrestricted Options	500,000
Total	61,750,002
Options	Number
Restricted Existing Options on issue at the date of this Prospectus	6,500,000
Bonus Options issued pursuant to this Prospectus*	30,875,001
Total number of Options post Issue*	37,375,001

* based on assumption that all Unrestricted Options are exercised prior to Record Date.

Effect on immediate Financial Position

No amounts will be raised by the Company by the issue of Bonus Options under this Prospectus. The issue of Bonus Options pursuant to this Prospectus will not have a material impact on the Company's current financial position other than the decrease in cash reserves of approximately $32,000 being the expenses of the Issue as set out later in this Prospectus.

Principal Effects of the Offer

If all of the Bonus Options that may be issued pursuant to this Prospectus are exercised, then:

- the number of Shares on issue will increase by approximately 30,875,001. On the basis of the current Share capital this will increase the number of Shares on issue to 92, 625,003 (assuming exercise of all Unrestricted Options); and
- the Company will receive $0.25 for each Bonus Option exercised and raise additional funds of approximately $7,718,750. The likelihood of the Company raising the additional capital through the exercise of the Bonus Options is dependent

on the price of the Shares from time to time until the Bonus Options expire.

TERMS AND CONDITIONS OF BONUS OPTIONS

The terms and conditions of the Bonus Options are as follows:

Entitlement. The Bonus Options entitle the holder to subscribe for one Share upon exercise of each Bonus Option.

Exercise Price. The exercise price of each Bonus Option is 25cents.

Expiry Date. Each Bonus Option has an expiry date of 5.00pm (AEST) on 18 January 2010.

Exercise Period. The Bonus Options may be exercised at any time prior to the Expiry Date by notice in writing to the Company and payment of the Exercise Price for each Bonus Option being exercised. Any notice of exercise of a Bonus Option received by the Company will be deemed to be a notice of the exercise of that Bonus Option as at the date of the receipt.

Shares issued on exercise. Shares issued on exercise of the Bonus Options rank equally with the then Shares of the Company.

Quotation of Shares on exercise. Application will be made by the Company to ASX for Official Quotation of the Shares issued upon the exercise of the Bonus Options.

Timing of issue of Shares. After a Bonus Option is validly exercised, the Company must as soon as possible:

1. issue and allot the Share the subject of the Bonus Option; and
2. do all such acts, matters and things to obtain the grant of quotation of the Share on ASX no later than 5 business days from the date of exercise of the Bonus Option and receipt of cleared funds equal to the sum payable on the exercise of the Bonus Option.

Participation in new issues. There are no participation rights or entitlements inherent in the Bonus Options and holders will not be entitled to participate in new issues of capital offered to Shareholders unless the Bonus Option has been duly exercised prior to the relevant record date.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give the holders of Bonus Options the opportunity to exercise their Bonus Options prior to the date for determining entitlements to participate in any such issue.

Bonus Issue of Shares: If there is a bonus share issue to the holders of Shares, the number of Shares over which a Bonus Option is exercisable will be increased by the number of Shares which the holder of the Bonus Option would have received if the Bonus Option had been exercised before the record date for the issue of the bonus shares.

Rights issue: If the Company makes a rights issue (other than a bonus issue) of Shares, then the exercise price of the Bonus Options will be reduced according to the formula prescribed in the Listing Rules.

Adjustments for reorganisation. If there is any reorganisation of the issued share capital of the Company, the rights of Bonus Option holders may be varied to comply with the Listing Rules which apply to the reorganisation at the time of the reorganisation.

Quotation of Bonus Options. Application will be made by the Company to ASX for Official Quotation of the Bonus Options.

Bonus Options transferable. Subject to the constitution of the Company, the Corporations Act, the Listing Rules and any other applicable laws, Bonus Options are freely transferable at any time prior to their expiry.

RIGHTS ATTACHING TO SHARES UPON CONVERSION OF BONUS OPTIONS

There is only one class of Share on issue in the Company being fully paid ordinary Shares. The rights and liabilities attaching to Shares in the Company are:

(a) set out in the constitution of the Company, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and

(b) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Voting. Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member present in person or by proxy, attorney or representative has one vote on a show of hands and one vote per share on a poll. In the case of a vote on a poll, the person who holds a share which is not fully paid shall be entitled to a fraction of a vote equal to that proportion of a vote that the amount paid on the relevant share bears to the total issue price of the share.

Dividends. Subject to the rights of holders of shares issued with any special or preferential rights (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the holders of Shares equally and in proportion to the number of Shares held by them, and among the holders of partly paid shares in proportion to the amounts paid (not credited as paid) on the shares in respect of which the dividend is paid.

Future Issues. Subject to the constitution of the Company, the Corporations Act and Listing Rules, the Directors may allot, issue, grant Options over, or otherwise deal with the unissued shares in the Company at the times and on the terms and conditions that the Directors think proper and a share may be issued with preferential, deferred or special rights, privileges or conditions or restrictions including, but not limited to, restrictions in regard to dividends, voting or return of capital as the Directors from time to time determine.

Transfer of Shares. Subject to the constitution of the Company, the Corporations Act, the Listing Rules and any other applicable laws, Shares are freely transferable.

Meetings and Notices. Each Shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or Listing Rules. Shareholders may requisition meetings in accordance with the Corporations Act and the Constitution.

Winding Up. If the Company is wound up and there remain assets available for distribution, then the liquidator may, with the sanction of a special resolution,:

- divide the assets of the Company among the members in kind and for that purpose fix the value the value of the assets and decide how the division is to be carried out as between the members and different classes of members; and
- vest assets of the Company in trustees of any trusts for the benefit of members as the liquidator thinks appropriate.

Shareholder Liability. As the Shares are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

Alteration of Capital. Unless otherwise determined by the terms of issue of shares in a certain class, the rights attaching to shares of that class may be varied with the consent in writing of the holders of 75% of the issued shares of the relevant class, or with the sanction of a special resolution passed at a meeting of the holders of the shares in that class.

ADDITIONAL INFORMATION

Market Price of Ordinary Shares

The Shares of the Company were initially quoted on the ASX on 18 October 2006.

The highest and lowest recorded market sale prices of the Shares quoted on ASX from 18 October 2006 to the date of this Prospectus were 47.5 cents on 2 November 2006 and 22 cents on 18 October 2006 respectively.

The last market sale price of the Shares on ASX on 4 January 2007 was 42.5cents.

Legal Proceedings

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against or involving the Company.

Interests of Directors and Experts

A full disclosure of the interests of Directors, experts and promoters of and to the Company for the issue of the August 2006 Prospectus is set out in the "Additional Information" (pp 61-66) section of that document. The relevant interests of the Directors in the securities of the Company at the date of this Prospectus are as follows:

Directors	Shares	Existing Options
Tom Phillips		500,000
Russel Bluck	2,373,986	5,000,000
XU Gang		500,000
Alice McCleary	351,531	500,000

The Directors and their associates will receive the same entitlement to Bonus Options as all other Shareholders under the Issue in respect of Shares in which they hold an interest on the Record Date.

Watsons Layers has acted as Solicitors to the Company in relation to the Issue. The Company estimates it will pay Watsons Lawyers $7,000 (exclusive of goods and services tax) for these services.

Expenses of the Offer

The total expenses of the Offer are estimated to be approximately $32,000 including legal costs, accounting fees, ASX fees, printing and other administrative expenses.

Material Contracts

Investors and their professional advisers are referred to the "Summary of Material Agreements" of the August 2006 Prospectus (pp 56-60) which is referred to earlier in this Prospectus. Other than the contracts referred to in the August 2006 Prospectus, the only other contract material to investors is the contract entered into by the Company in early January 2007 for the flying of an airborne electromagnetic survey during February-March 2007 at a cost of approximately $333,000.

Employee Share Option Plan

Investors and their professional advisers are referred to the terms of the Employee Share Option Plan (pp 65-66) of the August 2006 Prospectus. On 12 October 2006, 500,000 Options were issued to the Company Secretary under the Employee Share Option Plan and no other Options have been issued under Employee Share Option Plan.

Consents

The following persons have each consented to the inclusion of the following statements and statements identified in this Prospectus as being based on statements made by those persons, in the form and context in which they are included or referred, and have not withdrawn that consent before lodgement of this Prospectus with ASIC:

Grant Thornton South Australian Partnership have given and as at the date hereof have not withdrawn their consent before lodgement of this prospectus with ASIC, to be named in this prospectus as the Auditor of the Company in the form and context on which they are named, and to the incorporation by reference in this prospectus of their Independent Accountant's Report, dated 25 August 2006.

Other than as referred to above, Grant Thornton South Australian Partnership are not responsible for any part of the Prospectus and have not authorised or caused the issue of any part of this Prospectus.

David Tonkin & Associates has given its consent to the incorporation of and reference to the Independent Consulting Geologist's Report in the August 2006 Prospectus and the reference to that report in this Prospectus and reference being named in the August 2006 Prospectus as Independent Consulting Geologist to the Company.

Watsons Lawyers has given its consent to the incorporation of and reference to the Solicitors Report on the Tenements in the August 2006 Prospectus and to being named in this Prospectus as Solicitors to the Company.

AUTHORITY OF DIRECTORS

This Prospectus is issued by the Company and in accordance with section 720 of the Corporations Act, each Director has consented and has not withdrawn their consent to the lodgement of this Prospectus with ASIC.

Dated: 5 January 2007.

Tom Phillips
Chairman
UraniumSA Limited

DEFINITIONS

AEST means Australian Eastern Standard Time.

ASIC means Australian Securities and Investments Commission.

August 2006 Prospectus means the replacement prospectus lodged by the Company with ASIC on 31 August 2006.

ASX means Australian Stock Exchange Limited (ACN 008 624 691).

Board means the board of Directors unless the context indicates otherwise.

Bonus Option means an Option to be issued under this Prospectus.

Company means UraniumSA Limited (ABN 48 119 978 013).

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Entitlement means the non-renounceable right of a Shareholder to receive Bonus Options under the Issue.

Existing Options means Options on issue on the Record Date with an exercise price of $0.20.

Issue means the bonus issue of Bonus Options pursuant to this Prospectus.

Issue Period means the period commencing on the date of this Prospectus and ending on the date of despatch of Bonus Option holding statements to Shareholders.

Listing Rules means the Listing Rules of ASX.

Official List means the Official List of ASX.

Official Quotation means quotation of securities by the ASX in accordance with the Listing Rules.

Option means an option to acquire a Share.

Optionholder means the holder of an Option.

Priority Offer has the meaning given in the August 2006 Prospectus.

Prospectus means this prospectus dated 5 January 2007.

Public Offer has the meaning given in the August 2006 Prospectus.

Record Date means 5:00pm (AEST) on 18 January 2007.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Unrestricted Options means the 500,000 Existing Options which are not restricted securities.