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Friday, 29 June 2007



AUSTRALIAN STOCK EXCHANGE LIMITED
COMPANY ANNOUNCEMENTS PLATFORM

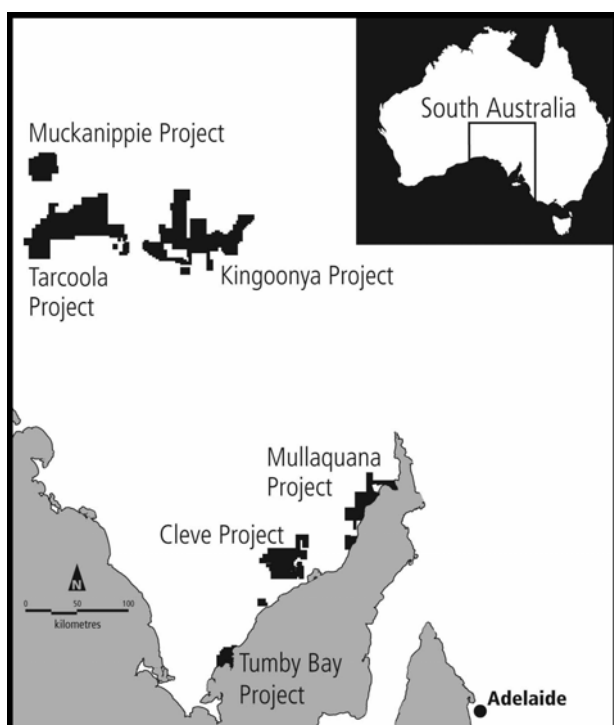
ASX CODE USA

**PRIORITY OFFER TO SHAREHOLDERS IN PROPOSED FLOAT OF
ARCHER EXPLORATION LTD**

Attached is a copy of correspondence to be sent to UraniumSA Limited Shareholders advising details of, and Priority Offer to Shareholders in, the proposed Archer Exploration Limited IPO. UraniumSA is advised that it is anticipated that the correspondence will be posted Wednesday 4th July 2007, and that the Offer will open Monday 9th July 2007.

Russel Bluck
Managing Director
UraniumSA Limited

About UraniumSA Ltd



UraniumSA is an Adelaide-based uranium-only explorer specialising in palaeochannel or rollfront and unconformity styles of uranium mineralisation within a substantial portfolio of properties in South Australia's Gawler Craton. The focus of the rollfront uranium search is within its substantial tenement holding over the highly regarded Kingoonya Palaeodrainage System which hosts the Warrior and Ealbara uranium prospects in adjoining tenements. On the eastern seaboard of Eyre Peninsula, UraniumSA's acreage features altered and potentially uranium mineralised unconformities of the style which host the majority of current world uranium production.

The Company's growth strategy is founded on a well established collaborative business model and a balanced vision for the development of its exploration assets. The Company is pioneering long-term technical and educational relationships with key potential stakeholders and project partners in China and elsewhere and is well placed to generate, in time, significant value to our shareholders.

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Dear Shareholder,

Priority Offer in Archer Exploration Limited IPO

On 20 June 2007 UraniumSA Limited (USA) announced to the ASX that it had entered into a services agreement (Services Agreement) with Archer Exploration Limited (Archer Exploration). Archer Exploration is an unlisted public company proposing to undertake a public offer of shares and list on the ASX in August 2007 (the IPO).

Archer Exploration is a mineral exploration company focused on the discovery of new Olympic Dam style iron-oxide-copper-gold-uranium ("IOCG-U") deposits, and the discovery of sediment-hosted uranium deposits in the Gawler Craton of South Australia. The Gawler Craton is recognised as one of the most prospective mining provinces in the world, and, in the opinion of Archer Exploration and the Board of UraniumSA, is considerably under-explored. It offers excellent opportunities to build a significant mining company by discovery and mine development.

Under the Services Agreement, USA will provide ongoing management and technical services to Archer Exploration following its successful capital raising and listing on the ASX. USA will receive a fee for services provided under the Services Agreement. In addition, USA has provided facilitation services for the listing of Archer Exploration. As consideration for this facilitation, Archer has issued 1,000,000 shares to USA, in addition to the 1,000,000 Archer Exploration shares already issued to USA as seed capital.

UraniumSA has negotiated with Archer Exploration for USA shareholders on the register on the Record Date (today, 29 June 2007) to be entitled to a priority of application in respect of up to 5,000,000 shares (valued at \$1million) in the Archer Exploration IPO.

Archer Exploration has advised that a prospectus in respect of its IPO was registered with ASIC today, 29 June 2007 to raise a maximum of \$7million through the offer of 35 million 20 cent shares.

The maximum application under the Priority Offer to an eligible UraniumSA shareholder is 125,000 Shares, (\$25,000). Applications under the Priority Offer will be allotted on a **first-come-first-served basis**. The closing date for applications under the Priority Offer is **Friday 20 July, 2007**.

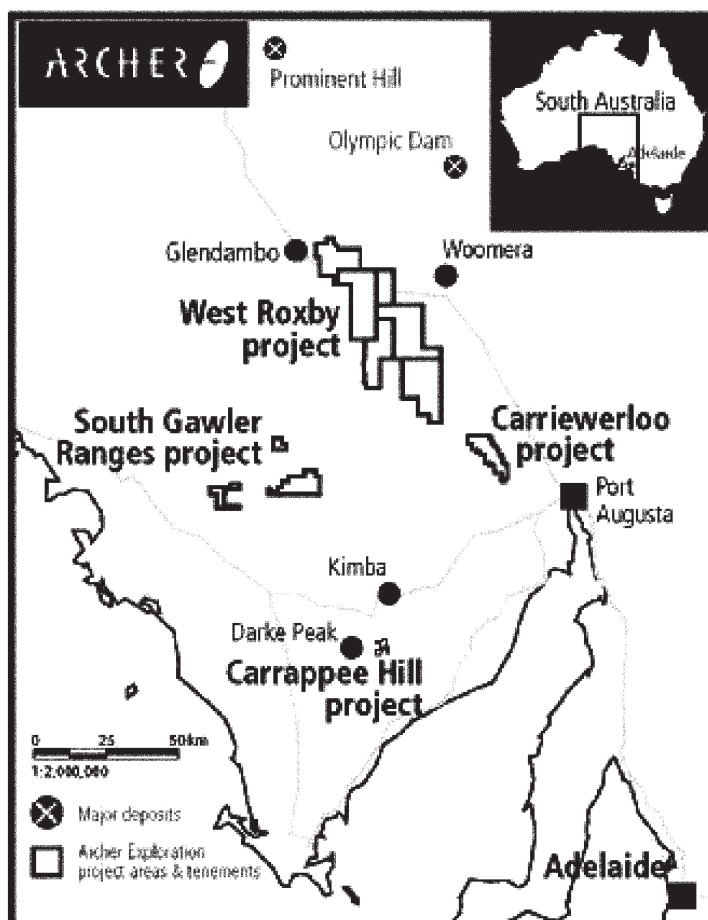
An application for shares under the Priority Offer can only be made on the Application Form enclosed in the prospectus. An electronic copy of the prospectus (minus the application form) is expected to be available from Saturday 30 June 2007, from www.archerexploration.com.au. The full prospectus, with application form, is expected to be available online from Monday 9 July 2007, the date the Archer Exploration IPO opens. UraniumSA shareholders are encouraged to access the electronic version of the prospectus if they wish to participate in the Priority Offer.

Enclosed is your Priority Offer Eligibility Label, which confirms that you were on the UraniumSA share register on the record date. **It must be affixed to the Archer Exploration application form**, when available, if your application is to be considered under the Priority Offer. Applications from UraniumSA shareholders which do not have the label affixed will not be considered under the Priority Offer.

Archer advises that, within the first six months after listing, a non-renounceable bonus issue of one option for every two shares held will be made to all Archer Exploration shareholders on the share registry at that time. The options will have an exercise price of \$0.25 and will expire 2 years from the date of issue.

UraniumSA encourages shareholders to read Archer Exploration's prospectus carefully before applying for shares in the IPO and to consult your stock broker, accountant in independent financial advisor if you have any questions about any aspect of the Priority Offer or a potential investment in Archer Exploration.

Archer Exploration projects



Yours sincerely

Russ Bluck
Managing Director



If you want to participate in the Priority Offer, please place your Eligibility Label (see above) here on the Application Form.

The Application Form will be attached to the Prospectus, which will be available to download at www.archerexploration.com.au from the date the Offer opens.

