
NEWS

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DRILL START ON KINGOONYA TARGETS **AS URANIUMSA LIFTS EXPLORATION MOMENTUM**

Prospective uranium targets in the Kingoonya Palaeodrainage System are to be systematically drilled by Uranium SA Limited (ASX code "USA") as the Adelaide-based company lifts the momentum of its uranium exploration campaigns in South Australia.

Work has commenced on drilling the highly promising Tarcoola prospects within the Kingoonya Palaeodrainage System, employing UraniumSA's wholly owned Mayhew 1000 rotary mud rig.

"Our overall schedule for the Kingoonya Palaeodrainage System is to drill test our tenements and JV's based on our earlier discovery of anomalous samples in air core test-holes drilled 137km apart," UraniumSA's Managing Director, Mr Russel Bluck, said today.

"We are confident that uranium mineralisation exists over a far greater area within this ancient drainage system than has previously been recognised," Mr Bluck said.

The prospective sites in the Tarcoola project were identified over 12 months of extensive electromagnetic and geological surveying with UraniumSA's joint venture partner, Stellar Resources Limited.

Following the Stellar JV Tarcoola program, the rig will proceed to drill in the Marathon Resources JV project area, and the company-owned projects at Pyramid Bore and Muckanippie where uranium mineralisation has been found in reconnaissance air-core drilling.

Mr Bluck said the size and complexity of the 340km of ancient channels and tributaries within the project areas made them excellent targets for uranium and full exploration of the area could take some years.

UraniumSA assigned its Mayhew 1000 rig to Kingoonya following the Company's success in December last year in defining a sediment-hosted uranium prospect at its Mullaquana tenement near Whyalla.

MEDIA CONTACT

Russel Bluck
UraniumSA Ltd.
(08) 8132 0577

Kevin Skinner
Field Public Relations
(08) 8234 9555 / 0414 822 631

issued through
FIELD PUBLIC RELATIONS PTY LTD ABN 74 008 222 311
231 South Road, MILE END SA 5031
Ph: 08 8234 9555 Fax: 08 8234 9566
admin@fieldpr.com.au