

Friday, 4 July 2008

AUSTRALIAN SECURITIES EXCHANGE LIMITED
COMPANY ANNOUNCEMENTS PLATFORM
ASX CODE USA

PROMOTIONAL FLYER

The attached promotional flyer which summaries the company exploration programs has been posted to UraniumSA shareholders. The information contained in the flyer has been provided to the market in previous releases or is directly derived from such previous data. A note accompanies the flyer with the following text;

Dear Shareholder,

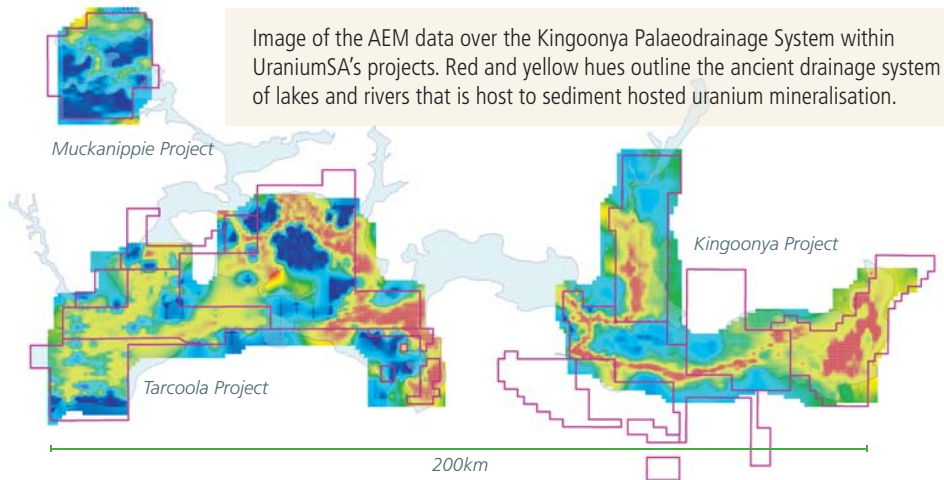
The attached flyer describing the activity and exploration success of your Company was distributed at the Paydirt Uranium Conference held in Adelaide in March of this year. We hope that you find it a useful explanation to the information that we have released to the market on the ASX website.

Regional exploration drilling with our existing drill plant is continuing in the Kingoonya Palaeodrainage System. Refurbishment of our second drill plant is nearing completion and early in the new financial year active exploration and drilling will re-commence at Mullaquana.

Yours faithfully
Russel Bluck
Managing Director

◆ Kingoonya Palaeodrainage System

UraniumSA regards the Kingoonya Palaeodrainage System as its best exploration asset. It contains sediment hosted uranium mineralisation at the Warrior and Elbara prospects (outside our tenure) and our Peela Swamp, Bradman Outstation and Blackoak Bore prospects. AEM surveys (completed 2007) mapped the architecture of the palaeodrainage and systematic exploratory rotary mud drilling which commenced February 2008 will continue through 2008.



About UraniumSA

UraniumSA is an Adelaide-based uranium-only explorer specialising in sediment-hosted and unconformity styles of uranium mineralisation within a substantial portfolio of properties in South Australia's Gawler Craton.

The UraniumSA exploration approach is to build conceptual models of mineralization from publicly available information to support purpose-designed surveys, and then systematically test the resulting mineralisation models and identified targets. As it operates its own drill plant and logging equipment the Company is able to schedule its work, ensuring continuous drill testing of targets and ensuring the quality of the work and results.

In its first year, UraniumSA has demonstrated that it is a capable and cost-effective organization able to deliver continuous exploration results and discover uranium mineralization.

During 2008, along the east coast of Eyre Peninsula UraniumSA intends to complete the regional drill-out of the Nonowie and Mullaquana uranium trends, and commence in-fill drilling of the Mullaquana NE accumulation envelope No1. In the Kingoonya Palaeodrainage System, continuous drilling will test targets identified by the AEM survey and follow-up the Bradman Outstation and Blackoak Bore prospects.

UraniumSA Ltd

ABN 48 119 978 013

32 Beulah Road
Norwood, South Australia 5067
Australia

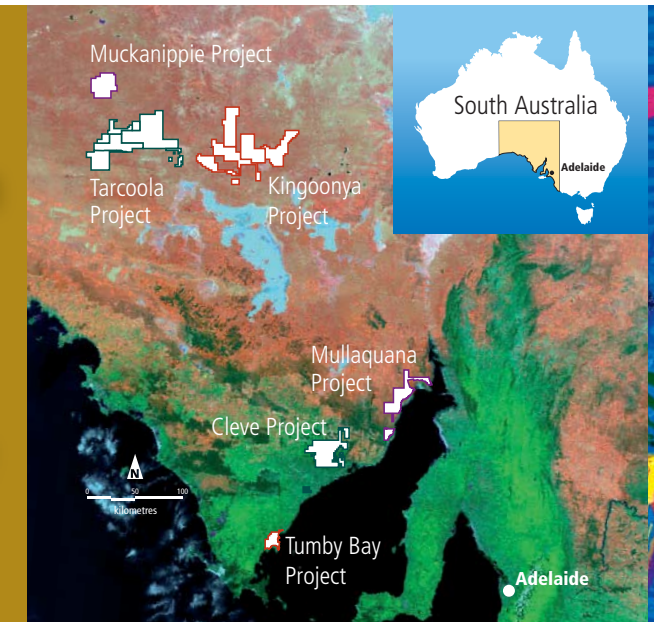
Telephone +61 (0)8 8132 0577
Facsimile +61 (0)8 8132 0766
executive@uraniumsa.com.au
www.uraniumsa.com.au

ASX code: USA

UraniumSA

UraniumSA

Uranium
Exploration
focused
continuous
cost-effective
successful



- ◆ single commodity
Uranium
- ◆ single regulatory regime
South Australia
- ◆ single geological province
Gawler Craton



Continuous, quality controlled operations

Disclaimer

The exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr Russel Bluck a Member of the Australian Institute of Geoscience and an employee of UraniumSA Limited. Mr Bluck has sufficient experience relevant to the style of mineralisation and type of deposits being considered and to the activity, which he is undertaking to qualify as a Competent Person

as defined by the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2004 Edition). Mr Bluck consents to the inclusion in the report of matters based on his information in the form and context in which it appears. It should be noted that the abovementioned exploration results are preliminary.

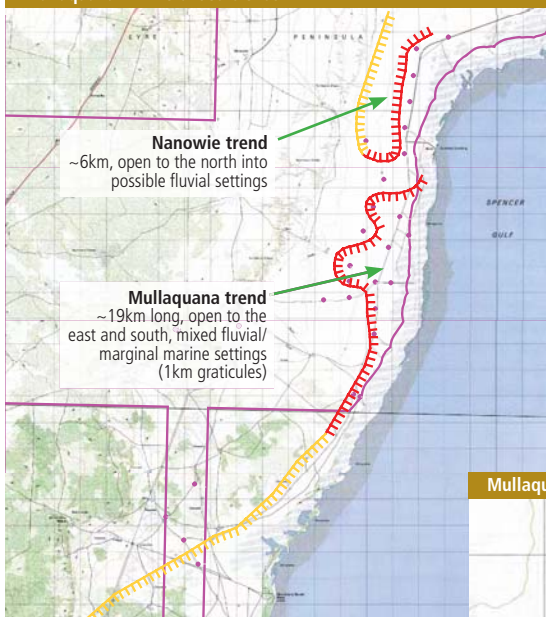
This presentation contains general information about UraniumSA's activities as of May 2008 and it does not purport to be complete and no warranty is given as to the accuracy, reliability or completeness of the information (except to the extent liability under statute cannot be excluded). This presentation is not intended as financial advice or an investment recommendation.

◆ Mullaquana

The Mullaquana project is located on the Eastern Eyre Peninsula, some 23km south of the industrial city of Whyalla. Land tenure is privately owned Perpetual Leasehold pastoral land. The region has a stable and skilled workforce and extensive, well established infrastructure. The project is located on the coastal plain and the tenement boundary is 800m inland from the high-water line. UraniumSA has established effective control of the known prospective ground within the Pirie Basin through Joint Venture with other Companies holding exploration tenure south of our Mullaquana tenement (ASX release 17th April 2008).

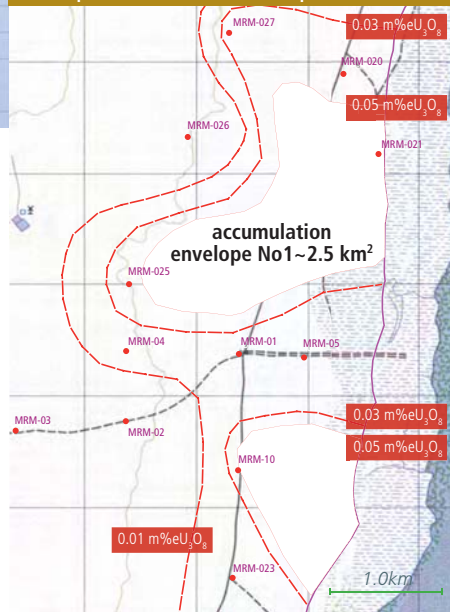
To enable continuous drilling of its prospects, and to maintain the quality of its data collection, UraniumSA has its own exploration plant and crews. The Company owns a Mayhew 1000 rotary mud drill rig and ancillary water truck, service truck, backhoe and down-hole logging truck. This plant is operated by our own staff and gives us control of the numerous variables that influence the quality, reliability and reproducibility of the data generated.

Mullaquana – mineralised trends



In South Australia, major sediment-hosted uranium deposits occur within permissive sediments of Miocene-Eocene age. At Mullaquana, uranium mineralisation has been discovered at the interface between an oxidised Miocene limestone-sandstone sequence and a reduced Eocene lignite-sand sequence occurring in fault-controlled basins. Regional reconnaissance drilling (holes ~1km apart) has identified two mineralised trends, the Mullaquana trend (>19km, open to both the east and south) and the less well-defined Nanowie trend (~6km, open to the north).

Mullaquana – accumulation envelopes



Within the Mullaquana trend, drilling has identified areas containing potentially economically significant sediment hosted mineralisation (defined by the 0.050 m%eU₃O₈ accumulation contour). The best defined is the *Mullaquana - accumulation envelope No1* (an area of ~2.5km²) and approximately 1km to the immediate south there is another potential accumulation envelope. Neither of the accumulation envelopes is well constrained by drill hole information (holes are from 0.9km to 1.6km apart) and in-fill drilling is being scheduled.

Company's drilling rig



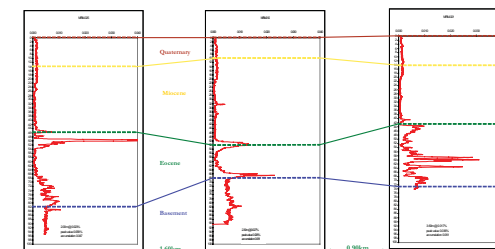
The Mayhew 1000 rig is purpose designed for drilling rotary mud holes to depths up to ~250m. The blade bits used in the drilling cause minimum disturbance to the frequently soft and unconsolidated sediments, and the mud in the re-circulated drilling fluid stabilizes the wall of the hole, holding it open long enough for the down-hole logging tools to be run. Cuttings samples are collected for geological logging but, because of the extent of cross-contamination and washing of fines, the samples are not suitable for assay.

Company's down-hole logging truck



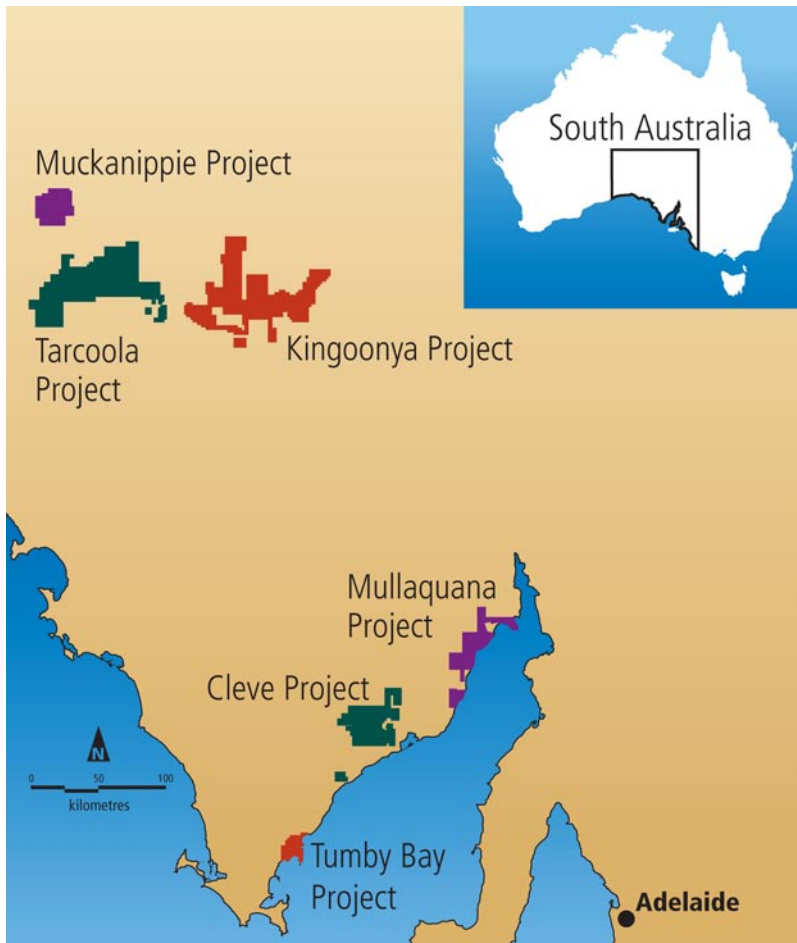
The logging truck is equipped with modern GeoVista natural gamma and resistivity tools that reliably provide high quality and reproducible data. Each drill hole is logged with the natural gamma tool and the raw-count data mathematically converted to %eU₃O₈. During geological logging, the drill cuttings are examined for materials that may contribute to the raw gamma count (in addition to uranium).

SW to NE cross section, MRM-025 to MRM-021



Sample field for drill hole MRM-021





UraniumSA is an Adelaide-based uranium-only explorer specialising in sediment-hosted and unconformity styles of uranium mineralisation within a substantial portfolio of properties in South Australia’s Gawler Craton.

The Company has discovered sediment hosted uranium mineralisation at Mullaquana. The mineralised trend has been traced out by drilling for 11km and remains open in both directions.

The Kingoonya Palaeodrainage System is the focus of the tenement portfolio. It hosts the Warrior and Ealbara uranium prospects in adjoining tenements. AEM surveys by USA have mapped out the architecture of the palaeodrainage system. Systematic exploration drilling of the palaeodrainage has commenced and will continue for the foreseeable future.

UraniumSA owns and operates its own Mayhew 1000 rotary mud drill rig, associated drilling plant and a down hole logging unit. This enables the Company to maintain a continuous program of drill testing of its exploration tenure.

Russel Bluck
 Managing Director
 UraniumSA Limited

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