



Mullaquana
sediment-hosted
uranium
discovery



UraniumSA

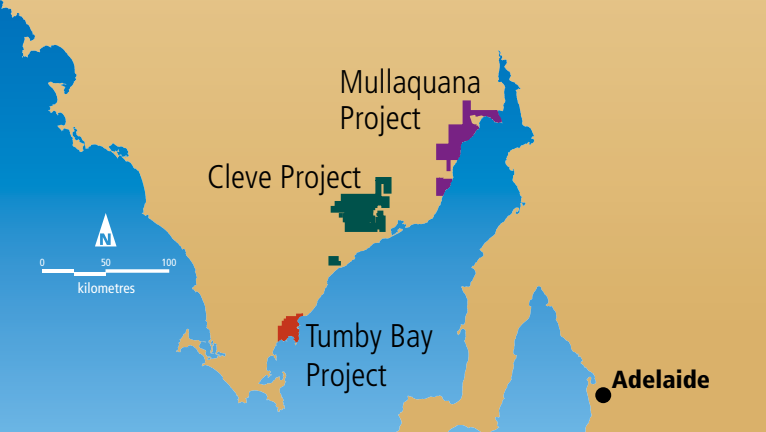
Muckanippie Project



Tarcoola
Project



Kingoonya
Project



‘... the Company was able to announce the discovery of uranium mineralisation in its Mullaquana property on the Eyre Peninsula of South Australia.’

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Overview

UraniumSA has continued to progress its exploration in line with the program and budgets given in its 2006 Prospectus. It has discovered uranium mineralisation at Mullaquana and, over the next year, our objective is to build this discovery to establish resources of uranium mineralisation and advance towards the delineation of a mineable reserve.

The year in brief

- ◆ **September Quarter, 2007**
Aircore drilling in the Muckanippie and Kingoonya project areas to ground-truth airborne electromagnetic survey data found anomalous uranium (the Bradman Outstation and Blackoak Bore prospects).
- ◆ **December Quarter, 2007**
Discovery of significant sediment-hosted uranium mineralisation at Mullaquana in the first hole drilled by Company owned drilling plant. Native Title Mining Agreement signed with the Antakirinja Matu - Yankunytjatjara Native Title Claimants for parts of the Kingoonya Palaeodrainage System.
- ◆ **March Quarter, 2008**
Drilling at Mullaquana delineates accumulation envelopes of potentially economic sediment-hosted uranium mineralisation. Company rig moves to the Kingoonya Palaeodrainage System to drill in the Tarcoola, Kingoonya and Muckanippie project areas.
- ◆ **June Quarter, 2008**
Mullaquana ground consolidated with agreement to Joint Venture with Stellar Resources Limited, Australasia Gold Limited and Rex Minerals Limited. Negotiations for airborne electromagnetic survey at Mullaquana in progress. Company rig working in the Tarcoola and Kingoonya project areas. Native Title Mining Agreements signed with the Far West Coast Native Title Claim Group and the Barngarla Native Title Claim Group.

Mullaquana - discovery of sediment-hosted uranium

The year ahead

- ◆ **Mullaquana:**
 - ◆ staged drill-out of the known Mullaquana mineralised system.
 - ◆ ongoing regional exploration to locate repetitions of the mineralisation and assess their potential.
 - ◆ complete Joint Ventures to consolidate equity in extensions of the prospective Mullaquana stratigraphy.
 - ◆ end of year objective is to have delineated a resource of uranium mineralisation which can support the commencement of pre-feasibility studies.
- ◆ **Kingoonya Palaeodrainage System, the Tarcoola, Kingoonya, Muckanippie projects.**
Continuing exploration drilling to identify mineralised positions for follow-up drilling.
- ◆ **Base metals**
Ongoing evaluation of the base and precious metal exploration potential of our tenements. Focus on the Muckanippie Anorthosite Complex for Cu-Ni-PGE (copper-nickel-platinum group elements) mineralisation.

Mullaquana
sediment-hosted
uranium
discovery



Russel Bluck, reviewing operations

Company's down-hole logging truck at Mullaquana

Refurbishing the Company's drilling rig





Chairman's Message

In December 2007 the Company was able to announce the discovery of uranium mineralisation in its Mullaquana property on the Eyre Peninsula of South Australia.

Mullaquana is a new district for sediment-hosted uranium and the Company has been able to agree the terms for Joint Ventures which secure uranium exploration rights over a majority of the prospective stratigraphy. We anticipate formalising these Joint Ventures by the end of September 2008.

While exploration at Mullaquana is at a very early stage, the prospect and its hosting stratigraphy has the geotechnical characteristics which are essential for the development of significant bodies of mineralisation and UraniumSA is looking forward to an exciting period of successful exploration and development.

With the discovery of Mullaquana, UraniumSA has achieved the first of the objectives which are critical to its development as a viable and profitable Company. Over the next year, we will be focussing on Mullaquana to develop it into the Company's major resource asset, and working towards our vision of achieving cash-flow by producing uranium from an in-situ leach mining operation as soon as is practicable.

We have continued with our small team of geoscientists and operators working with Russel Bluck, Executive Director, and Craig Gooden, Company Secretary. During the year Nicole Galloway Warland was appointed Exploration Manager.

I am once again able to report that the UraniumSA exploration programs have been delivered to schedule and on budget, largely as a result of the efficiencies which have come from owning and operating our own drilling and geophysical logging plant and equipment. Given the difficult conditions which exist in equity markets, the Company will be managing its capital and working assets to optimise its exploration activities, and it will continue to pursue corporate opportunities which are consistent with its objectives and needs.

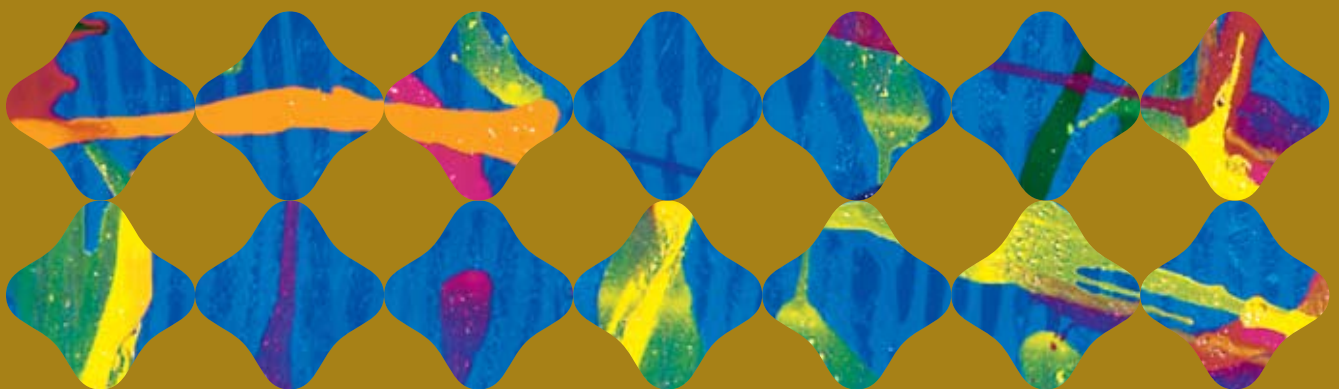
Tom Phillips AM
Chairman



Tom Phillips AM
Chairman

'... efficiencies which have come from owning and operating our own drilling and geophysical logging plant and equipment.'

Review of Operations



◆ Review of Operations

During the 2007-2008 year UraniumSA discovered the Mullaquana uranium prospect with the first hole drilled by its own, newly commissioned, drilling rig.

UraniumSA is a single-purpose uranium company focused on the discovery of mineralisation within its portfolio of tenements on the Gawler Craton in South Australia. This corporate strategy is designed to optimise our opportunity for discovery by;

- ◆ operating only in the Gawler Craton, one of the worlds most prospective uranium provinces.
- ◆ exploring for a single commodity in a limited number of deposit types, making the most effective use of our existing in-house skills.
- ◆ minimising our exposure to corporate and sovereign risk by operating in the stable jurisdiction of Australia, and specifically confining ourselves to South Australia which has a permissive regime for uranium exploration and mining.
- ◆ managing our exploration funds and assets to ensure continuous, ongoing exploration activity.

As foreshadowed in our first Annual Report in 2007, the Company has been able to announce a new uranium discovery in its second year of operation. The Directors look forward to reporting more positive exploration and development results to shareholders during the 2008-2009 year.

After two years of operations the Company has a good understanding of the potential of its properties. During 2008-2009 the Company will be focussed on generating JORC compliant resource estimates of uranium mineralisation at our Mullaquana prospect, and applying the knowledge that we have generated from our uranium exploration to identify base metal and gold exploration targets within our properties.



*Rotary mud drilling operations;
Kingoonya Palaeodrainage System*



*Drill site preparation for rotary mud
drilling; Muckanippie*



Mullaquana project

Significance

Mullaquana is a new discovery of sediment-hosted uranium in South Australia. It is contained in sediments of the Kanaka Beds of the Pirie Basin rocks which are the same age and lithologies as those of the Frome Embayment which is host to the Beverley in-situ leach uranium mine and the Honeymoon, 4-Mile and Oban deposits. Since the discovery of Beverley in 1969, the Frome Embayment has been intensively explored with thousands of holes drilled specifically for uranium exploration and development. In the Pirie Basin, the only uranium exploration has been by CRA (1978-1980 50 km southwest of the Mullaquana discovery, 42 holes drilled the majority with anomalous responses) and now by UraniumSA (2007-2008 at Mullaquana, 33 holes to date).

Geology and mineralisation

The uranium mineralisation at Mullaquana is hosted by Eocene age sandy lignites to coarse grained lignite-stained sand. The sands are well sorted, mature, unconsolidated and have a high porosity; they contain large volumes of saline to hyper-saline formation water. Overlying the mineralised units is a plastic, impervious, clay which forms an aquatard isolating the mineralised Eocene sequence from overlying shallower saline aquifers and surface waters.

Source of the uranium in the sediments at Mullaquana appears to be an underlying stock of Hiltaba granite. The stock is uranium anomalous (average 61 ppm eU_3O_8 in the 13 holes which intersected granite) and one hole returned an intersection of 3.7m at 120ppm eU_3O_8 . It is an exploration target in its own right and is prospective for variants of the Olympic Dam style IOCG-U mineralisation.

Geological interpretation of the Eocene mineralised sediments suggests that the depositional environment was generally similar to the modern coast with rivers flowing in from the north and west and depositing sediments into a relatively uniform layer along a north-south trending coastline. Uranium mineralisation is well developed overlying the granite and sub-parallel to the inferred coastline.

The year ahead

Initial drilling has indicated two 'accumulation envelopes' – areas where the drill holes intersected a thickness and grade of mineralisation which is of potential economic significance. The best defined of these covers an area of some 2.5 km² which is comparable in size to the accumulation envelopes of several of the significant prospects in South Australia.

In the 2008-2009 year a regional drill out will identify new accumulation envelopes, and the already identified accumulation envelopes will be in-fill drilled. The objective is to establish an inventory of prospects and to advance towards delineation of a JORC resource.



Mullaquana - uranium prospect

Geological interpretation

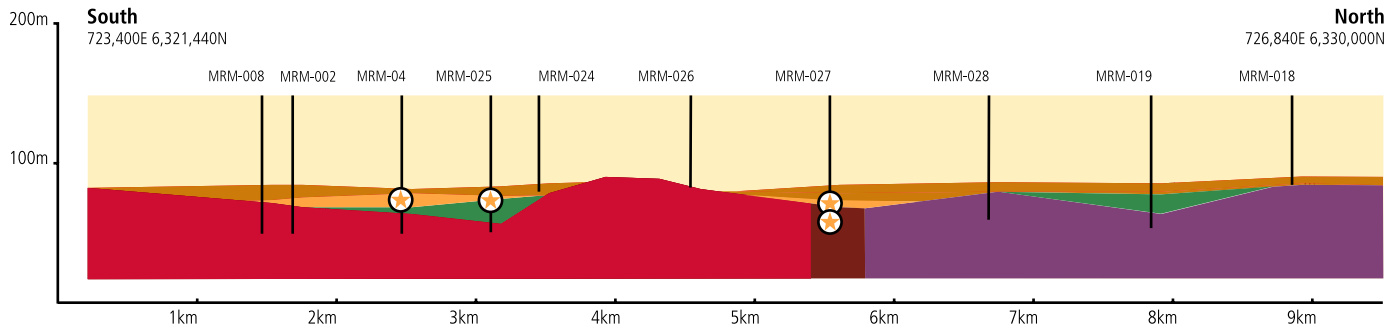
- Altered Hiltaba suite granite
- Hiltaba suite granite
- Metamorphics
- Drill holes
- Accumulation contours



*Drill hole MRM - 021,
62.0m to 64.0m quartz sand grains
0.5 – 2.0mm diameter, minor
lignite. Interval 62.8-63.5M @
0.018 % eU_3O_8 with peak
0.027 % eU_3O_8 @ 63.26m*



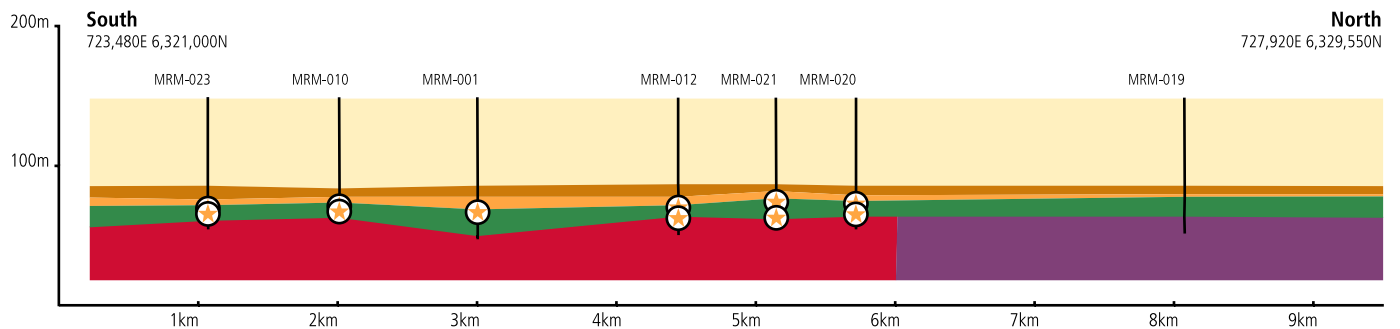
Mullaquana - discovery of sediment-hosted uranium



Long section 1, view west

Section is located towards the palaeo shoreline and has a pronounced basement topography with incised leads of Eocene sedimentation overlain by variable thickness of Miocene sands and bioclastic limestone. Uranium mineralisation is present both above and below the Miocene-Eocene contact and at the basal contact with the granite.

- Quaternary soils and alluvium over Pliocene(?) clay
- Miocene bioclastic limestone and sand
- Miocene polymict sand and marl
- Eocene monomict sand, lignitic sand, clay and lignite
- Altered Hiltaba suite granite
- Hiltaba suite granite
- Metamorphics
- ★ Uranium mineralisation >0.01%eU₃O₈



Long section 2, view west

Section is located ~1 km east of long section 1 and offshore of the palaeo-shoreline. Basement topography is relatively subdued and the Eocene is present as a continuous sheet overlain by a relatively uniform thickness of Miocene sands and bioclastic limestone. Uranium mineralisation is present at the top of the Eocene and at the basal contact with the granite.

Review of Operations

Kingoonya Palaeodrainage System

The Tarcoola, Kingoonya and Muckanippie projects

Exploration rotary mud drilling commenced in February 2008 to follow up the AEM and reconnaissance aircore programs completed in 2007. The Kingoonya Palaeodrainage System within our tenements contains some 350 kilometres of main channels and tributaries, the vast majority of which has never been tested. Initial rotary mud holes spaced ~1km apart on irregular sections up to 10km apart were completed in the Tarcoola and Kingoonya project areas. The rotary mud drilling has been directed towards areas which have been interpreted as potentially favourable for mineralisation and designed to generate basic geological knowledge to assist in targeting smaller areas for systematic testing.

Tarcoola

Follow-up of the historically recognised Peela Swamp uranium prospect confirmed that mineralisation is confined to a surficial layer of modern lake sediments and is not economically significant. The source of the uranium is the adjacent granite which has previously been prospected for uranium. However, the amount of mineralisation being released from the granite by weathering indicates that systematic surface exploration for hard-rock sources is warranted.

Elsewhere at Tarcoola, anomalous results were obtained from several favourable sediment sections. Modelling of the new drilling and existing AEM data has commenced to identify targets for follow-up drilling. Unfortunately, the rig was unable to complete several holes through thick sections of free flowing sands and the thalweg (the main axis of the palaeodrainage system) remains untested. Ongoing improvements to the drilling system and significantly improved use and management of a broader range of drilling mud means that we will be able to test these targets when the rig returns to the area.

Kingoonya

Broad spaced traversing along roads and tracks obtained anomalous results associated with favourable sequences and oxidation-reduction zones. Targets for follow-up drilling are being defined by modelling of the new drill hole and existing AEM data.

Muckanippie

The rig is scheduled to be completing its first holes in the Muckanippie area towards the end of the September 2008 Quarter. The drilling will follow-up the anomalous uranium identified by the aircore drilling at Bradman Outstation and explore the limits of the newly recognised palaeodrainage which hosts the mineralisation. During the program, the rig will obtain bedrock core samples of the underlying Muckanippie Anorthosite Complex to provide basic geological data for the design of a targeted exploration program for Cu-Ni-PGE mineralisation.

Eastern Eyre Peninsula

Cleve

A calcrete sampling program was completed between the Boothby and Ben Buy prospects. Unfortunately, the assay results did not generate a coherent picture of the surface geochemistry and did not contribute to an interpretation of the IP anomalies or of the bedrock geochemical anomalies.

Further basement drilling for geochemical sampling will be carried out over the summer of 2008-2009.

Tumby Bay

Basement drilling for geochemical sampling will be carried out over the summer of 2008-2009.

Track reconnaissance ahead of drilling at Kingoonya Palaeodrainage System



Review of Operations

Native Title and Environment

UraniumSA exploration activities are predominantly carried out in the arid areas of South Australia where the dominant activity is low intensity pastoral grazing. Across all of our tenements, Native Title Claim Groups are custodians of the cultural heritage and environmental integrity of their traditional lands. During the past year, the Company has endeavoured to work with the people and organisations whom live and work in the area of our operations to minimise the impact of our presence.

All mineral exploration gives rise to community concerns, and when the exploration is for uranium these concerns are often intensified. As a focussed uranium exploration group we are constantly seeking to improve the way in which we operate in order to mitigate these community concerns.

The peoples of the Far West Coast Claim Group are the custodians of the land where the Maralinga atomic tests were conducted and are particularly sensitive to issues of surface contamination. As the Company became aware of the depth of this concern while negotiating a Native Title Mining Agreement for Exploration for parts of the Tarcoola project area, we reviewed our drilling operations and have made significant modifications to our methods. Drill sites are laid out to minimise the area disturbed by plant and vehicle movements, samples collected during drilling are laid out on plastic sheeting to minimise contact with the soil, and all surplus material is returned down the hole or into the excavated sump on completion of drilling and geological logging. Post drilling, sites are rehabilitated within several days with sumps backfilled and the area reshaped to conform with its surrounds. Sites are revisited within 6 to 12 months to monitor revegetation and rectify any issues which have become apparent.

Occupational Health & Safety

UraniumSA operates its own Mayhew 1000 drill rig and is commissioning a second, and it operates in isolated areas with poor infrastructure and limited emergency support. To ensure that we minimise risk of injury to our employees the Company has an active training program and an established daily schedule of operating procedures. Our objective is to make sure that all our employees are appropriately trained for the work they are doing and the areas where they are working, and that they are aware of a plan for and actively manage the occupational risk which exists in all work places. The objectives of the Company are to achieve:

- ◆ *zero harm to employees, 24 hours a day, 7 days a week.*
- ◆ *100% maintenance of operating plant and equipment.*
- ◆ *employees aware of their individual duty of care to themselves and fellow workers.*

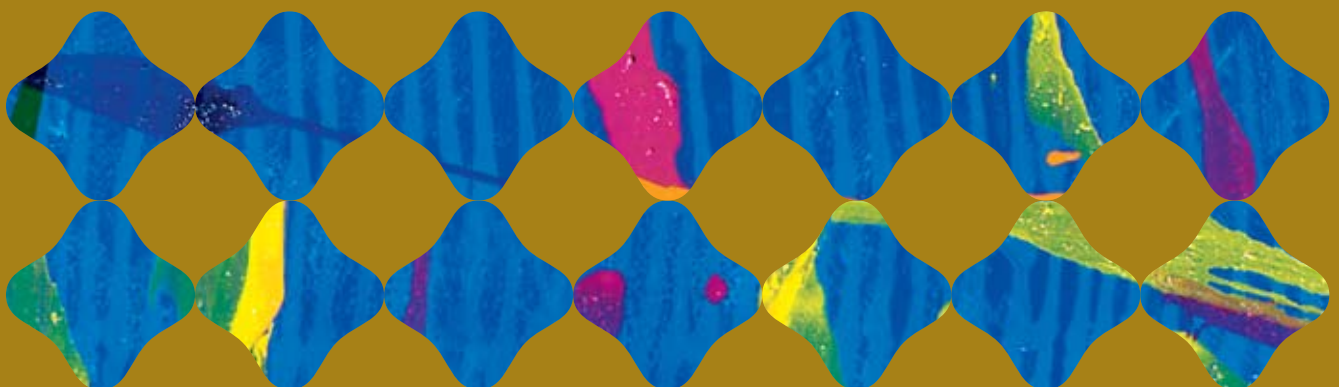
During the 2007-2008 reporting period there were no days lost to work related injury.

*Russel Bluck
Managing Director*

UraniumSA plant drilling rotary mud hole MRM-021 along existing tracks on the east side of the prospective area, view west. 10,000 litre water truck, Mayhew 1000 series rig, down-hole logging truck, service truck (left-to-right)



Directors' Report





Directors' Report

Your Directors present this report on the Company and its controlled entities for the financial year ended 30 June 2008.

Directors

The names of directors in office at any time during or since the end of the end of the year are:

Tom Phillips AM

Russel Bluck

Alice McCleary

Xu Gang

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of company secretary at the end of the financial year:

- ◆ Mr Craig Gooden – Chartered Accountant.
Craig Gooden performs the financial/accounting role in the company as well as the secretarial duties. He has been a member of the Institute of Chartered Accountants in Australia since 1967 and has over 30 years experience in the resources industry. Mr Gooden is also the Company Secretary of Sundance Energy Australia Limited and Archer Exploration Limited.

Principal Activities

The principal activity of the consolidated group during the course of the year was the exploration for Uranium on the company's exploration licenses in South Australia. There has been no change to these activities during the financial year.

Operating Results

The consolidated loss of the consolidated group after providing for income tax of \$4,811 was \$531,217.

Dividends

No dividends were declared or paid during the financial year. No recommendation for payment of dividends has been made.

Review of Operations

Following listing of the company on the Australian Securities Exchange on 18 October 2006, there was a period of strategic planning and consolidation. The required quality technical staff were employed and the company acquired a suitable drilling rig from the United States with support equipment sourced locally. The company has extensive drilling requirements on its tenements, and there are substantial benefits and efficiencies resulting from ownership of a drilling rig.

A second rig and supporting equipment was acquired in March 2008 to enable the effective exploration of the uranium discovery at Mullaquana.

A detailed resume of the company's operations and financial position is set out on pages 21 to 43.

Significant Changes in State Of Affairs

During the year the Company announced a uranium discovery at Mullaquana which is detailed in the Review of Operations in this report. Except for this discovery, and the acquisition of a second drill plant, there have been no significant changes in the Company's state of affairs during the year other than as disclosed elsewhere in this report.

Matters Subsequent to the End of the Financial Year

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

Future Developments, Prospects and Business Strategies

A Company drill rig is scheduled to re-commence drilling at Mullaquana in September 2008, after an absence due to drilling commitments on other tenements. It is planned to have at least one rig working at Mullaquana throughout the coming year to drill out the discovery announced in December 2007.

Environmental Issues

The company's operations are subject to Native Title and significant environmental regulations under the laws of the Commonwealth and/or State. No notice of any breach has been received and the Directors believe no breach of any environmental regulations has occurred.

Directors' Report

Information on Directors



Tom Phillips AM



Russel Bluck



Alice McCleary



Xu Gang

Tom Phillips AM MBA FAICD
Chairman (non-executive)

Experience - Tom Phillips is the Non Executive Chairman of UraniumSA and is also a director of Archer Exploration Limited (ASX listed). In addition he is a director of Australia Post, holds board positions with several not-for-profit organisations and manufacturing companies, is director of Workcover Corporation, is the Presiding member of Safework SA and also Chairs the Southern Adelaide Development Board.

Tom's extensive experience in successfully building Australian manufacturing to international competitiveness and his knowledge of international business is a significant asset to the Company.

Interest in Shares and Options - 103,400 ordinary shares and 500,000 options (escrowed until 18 October 2008) to acquire ordinary shares.

Special Responsibilities - Chairman of the Board

Russel Bluck BSc MSc MAIG
Managing Director

Experience - Russel Bluck lead the establishment of UraniumSA as a public company and has responsibility for building the Company's operating capability, designing and implementing its exploration programs.

Russel is an exploration geologist with a broad range of geotechnical and corporate consulting experience. He was closely involved with the evaluation and promotion to IPO of Archer Exploration Limited.

Interest in Shares and Options - 2,423,986 ordinary shares, 1,236,993 bonus options and 5,000,000 options to acquire further ordinary shares. (2,373,986 shares and 6,186,993 options are escrowed until 18 October 2008).

Special Responsibilities - Managing Director

Alice McCleary BEc FCA FTIA FAICD
Director (non-executive)

Experience - Alice McCleary is a Chartered Accountant and company director. She is Deputy Chancellor of the University of South Australia, a director of Great Southern Ltd and Archer Exploration Limited, which are listed on the ASX. She was a former director of TWT Group Ltd. She is also a director of Adelaide Community Healthcare Alliance Inc (ACHA) and a member of the Takeovers Panel and the Corporations and Markets Advisory Committee.

Previous appointments include board memberships of National ICT Australia Ltd, South Australian Government Financing Authority (SAFA) and National President of the Taxation Institute of Australia. She has been a tax partner in Coopers & Lybrand and was intimately involved with the Ralph Review of Business Taxation. Alice's professional interests include financial management and corporate governance.

Interest in Shares and Options - 351,531 ordinary shares, 364,966 bonus options and 500,000 options to acquire further ordinary shares. (281,531 shares and 640,766 options are escrowed until 18 October 2008).

Special Responsibilities - Nil.

Xu Gang BSc MSc MBA MAusIMM
Director (non-executive)

Experience - Xu Gang is a uranium geologist with diverse business, project accountancy and business advisory experience. Now based in Perth and working regularly in Beijing, China, he has successfully developed a comprehensive business network in China and Australia and has well established connections with government agencies at various levels.

He has brought several delegations from the Chinese nuclear industry to Australia for training and education, and organised exchange visits for UraniumSA staff to visit a range of uranium deposits in China.

Interest in Shares and Options - 500,000 options (escrowed until 18 October 2008) to acquire ordinary shares.

Special Responsibilities - Nil

Directors' Report

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each director of UraniumSA Limited and for the Key Management Personnel receiving the highest remuneration.

Remuneration Policy

The full board acts as the remuneration committee as a consequence of the size of the Board and the Company. The Board believes that individual salary negotiation is more appropriate than formal remuneration policies and external advice and market comparisons are sought where necessary. The Company discloses the fees and remuneration paid to all Directors as required by the Corporations Act 2001. The Board recognises that the attraction of high caliber executives is critical to generating shareholder value.

The directors and executives receive a superannuation guarantee contribution required by the government (which is currently 9%) and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation and/or elected to increase superannuation contributions a part of their salary package.

All remuneration paid to directors and executives is valued at the cost to the company and expensed. Shares issued to directors and executives are valued at the difference between the market price of those shares and the amount paid by the director or executives. Options are valued using the Black-Scholes methodology and recognised as remuneration in accordance with the attached vesting conditions.

The board policy is to remunerate non-executive directors at the market rates for time, commitment and responsibilities. The Board determines payments to non-executive directors and reviews their remuneration annually, based on market price, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is not linked to the financial performance of the consolidated group. However, to align director's interests with shareholder interests, the directors are encouraged to hold shares in the company.

Each member of the executive team has signed a formal contract at the time of their appointment covering a range of matters including their duties, rights,

responsibilities and any entitlements on terminations. The standard contract sets out the specific formal job description.

Remuneration

The elements of the Directors and group executives' remuneration which are dependent on performance conditions are:

Russel Bluck, Managing Director

Base salary, with annual review. Performance based on:

- a) discharge of duties;
- b) CPI movements; and
- c) Competitive salary rates for similar positions in the resources industry for small exploration companies.

Increases and bonus payments are at the discretion of the Board. The Company has established an Employee Share Option Plan and Russel Bluck would be eligible to participate.

Tom Phillips AM, Non-Executive Chairman

Base remuneration.

Alice McCleary, Non-Executive Director

Base remuneration.

Xu Gang, Non-Executive Director

Base remuneration.

Options issued as part of Remuneration to Directors or Key Personnel for the year ended 30 June 2008

300,000 options with an exercise price of 20 cents were issued during the year to key management as detailed in Note 4(c) to the Financial Statements. The fair value of these options was \$5,475 (225,000 of the 20 cents options were subsequently cancelled prior to year end.) No employee options have been issued to Directors during the financial year. Inputs utilised in determining the fair value of options are outlined in Note 24 to the financial statements. At balance date all directors options have vested.

Directors' Report

Number of Listed Options held by Directors and Key Management Personnel

<i>Director and Key Management Personnel</i>	<i>Balance 1.7.07</i>	<i>Granted as Compensation</i>	<i>Options Exercised</i>	<i>On Market Purchases</i>	<i>Total Vested 30.6.08</i>
Mr Russel Bluck	1,186,993*	-	-	50,000	1,236,993
Mr Tom Phillips AM	-	-	-	-	-
Ms Alice McCleary	175,766*	-	-	189,200	364,966
Mr Xu Gang	-	-	-	-	-
Mr Craig Gooden	175,000	-	-	-	175,000
Mr Wade Bollenhagen	-	-	-	-	-
Total	1,537,759	-	-	239,200	1,776,959

*1,186,993 of Mr Russel Bluck's options and 175,766 of Ms Alice McCleary's options are escrowed until 18 October 2008.

Number of Unlisted Options held by Directors and Key Management Personnel

<i>Director and Key Management Personnel</i>	<i>Balance 1.7.07</i>	<i>Granted as Compensation</i>	<i>Options Exercised</i>	<i>Balance 30.6.08</i>	<i>Balance 30.6.08</i>	<i>Total Exercisable 30.6.08</i>	<i>Total Unexercisable</i>
Mr Russel Bluck	5,000,000	-	-	5,000,000	5,000,000	5,000,000	-
Mr Tom Phillips AM	500,000	-	-	500,000	500,000	500,000	-
Ms Alice McCleary	500,000	-	-	500,000	500,000	500,000	-
Mr Xu Gang	500,000	-	-	500,000	500,000	500,000	-
Mr Craig Gooden	-	-	-	-	-	-	-
Mr Wade Bollenhagen*	-	75,000	-	75,000	75,000	75,000	-
Total	6,500,000	75,000	-	6,575,000	6,575,000	6,575,000	-

All options are escrowed until 18 October 2008 other than 75,000 held by Mr Wade Bollenhagen.

* Mr Wade Bollenhagen resigned on 22 March 2008.

Shareholdings - Number of shares held by Directors and Key Management Personnel

<i>Director and Key Management Personnel</i>	<i>Balance 1.7.07</i>	<i>Received as Compensation</i>	<i>Options Exercised</i>	<i>On Market Purchases</i>	<i>Balance 30.6.08</i>
Mr Russel Bluck	2,373,986*	-	-	50,000	2,423,986*
Mr Tom Phillips AM	-	-	-	103,400	103,400
Ms Alice McCleary	351,531*	-	-	-	351,531*
Mr Xu Gang	-	-	-	-	-
Mr Craig Gooden	325,000	-	-	-	325,000
Mr Wade Bollenhagen	-	-	-	-	-
Total	3,050,517	-	-	153,400	3,203,917

*2,373,986 of Mr Russel Bluck's shares and 281,531 of Ms Alice McCleary's shares are escrowed until 18 October 2008.

Employment Contracts of Managing Director

<i>Name</i>	<i>Position</i>	<i>Duration of Contract</i>	<i>Period of Termination Notice (2)</i>	<i>Termination Payment provided for under the Contract</i>
Mr Russel Bluck	Managing Director	3 years (1)	Immediate	12 months

Note 1) Contract Commenced 18 October 2006

2) For termination with good cause

Directors' Report

Details of Key Management Personnel Remuneration for year ended 30 June 2008

<i>Directors</i>	<i>Salary and Fees</i>	<i>Superannuation Contributions</i>	<i>Non-Cash Benefits</i>	<i>Share Based Payments - Options</i>	<i>Total</i>
T Phillips AM	68,807	6,193	-	-	75,000
R Bluck	230,000	20,700	-	-	250,700
A McCleary	45,872	4,128	-	-	50,000
Xu Gang	45,872	4,128	-	-	50,000
Sub total	390,551	35,149	-	-	425,700
<i>Key Management Personnel</i>					
C Gooden	61,725	-	-	-	61,725
W Bollenhagen*	87,741	7,897	-	5,475	101,113
Total	540,017	43,046	-	5,475	588,538

* W Bollenhagen resigned on 22 March 2008.

Details of Key Management Personnel Remuneration for period ended 30 June 2007

Key Management Personnel

<i>Directors</i>	<i>Salary and Fees</i>	<i>Superannuation Contributions</i>	<i>Non-Cash Benefits</i>	<i>Share Based Payments - Options</i>	<i>Total</i>
T Phillips AM	48,477	4,362	-	-	52,839
R Bluck	105,681	21,362	-	-	127,043
A McCleary	32,318	2,908	-	-	35,226
Xu Gang	32,318	2,908	-	-	35,226
Sub total	218,794	31,540	-	-	250,334
<i>Key Management Personnel</i>					
C Gooden	62,587	-	-	32,500	95,087
W Bollenhagen*	7,142	643	-	-	7,785
Total	288,523	32,183	-	32,500	353,206

* W Bollenhagen commenced employment on 11 June 2007.

Meetings of Directors

During the financial year, 11 meetings of the Board of Directors were held. Attendances by each Director were as follows:

<i>Director</i>	<i>Number of Directors meetings whilst a Director</i>	
	<i>Held</i>	<i>Attended</i>
T Phillips AM	11	11
R Bluck	11	11
Alice McCleary	11	11
Xu Gang	11	10

At the date of this report the Company has not formed a separate Audit Committee, Remuneration Committee or a Corporate Governance Committee. The Board as a whole considers these matters. The Board considers this appropriate given the size and nature of the Company at this time.

Directors' Report

Indemnifying Officers or Auditor

During or since the end of the financial year the company has given an indemnity or entered into an agreement to indemnify, paid or agreed to pay insurance premiums as follows:

- ◆ The Company has paid premiums to insure each of the following directors, officers and consultants against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or executive of the company, other than conduct involving willful breach of duty in relation to the company. The policy does not specify the individual premium for each officer covered.

Tom Phillips AM *Chairman*
Russel Bluck *Managing Director*
Alice McCleary *Director*
Xu Gang *Director*
Craig Gooden *Company Secretary*

Options

The following options are unexercised at the date of this report:

<i>Grant Date</i>	<i>Option Type</i>	<i>Number of shares subject to Options</i>	<i>Exercise Price</i>	<i>Exercise Date</i>
8 August 2006	Unlisted	6,500,000	\$0.20	1 September 2011
16 November 2007	Unlisted	1,173,450	\$0.20	16 May 2011
1 January 2008	Unlisted	400,000	\$0.25	4 July 2011
18 January 2007	Listed	20,717,500	\$0.25	18 January 2010
18 January 2007	Unlisted	9,646,280	\$0.25	18 January 2010
Total		38,437,230		

During the financial year ended 30 June 2008, 75,385 options were exercised at 25 cents. No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Directors' Report

Proceedings on Behalf of Company

No person has applied to the Court for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-Audit Services

The Board of Directors is satisfied that the provision of the non-audit services during the period is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- ◆ All non-audit services are reviewed and approved by the board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor: and
- ◆ The nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees for non-audit services were paid to the external auditors during the year ended 30 June 2008.

Taxation services \$11,570

Auditor's Independence Declaration

The lead auditor's independence for the year ended 30 June 2008 has been received and can be found on page 18 of the Annual Report.

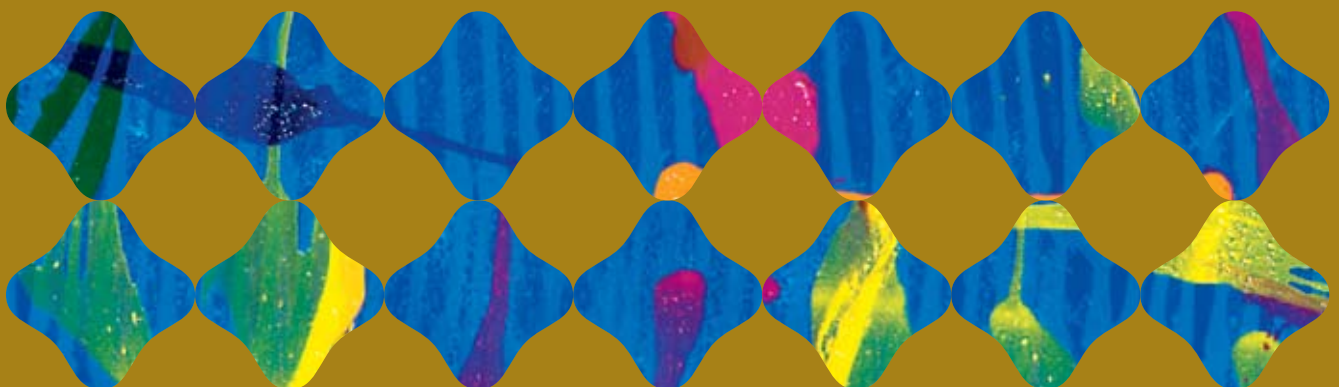
Signed in accordance with a resolution of the Board of Directors.



Tom Phillips AM
Chairman

Adelaide
Dated this 12th day of September 2008

Auditor's Independence Declaration





Auditor's Independence Declaration



Grant Thornton

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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF URANIUMSA LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of UraniumSA Limited for the year ended 30 June 2008, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b No contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON
South Australian Partnership
Chartered Accountants



J. I. Humphrey
Partner

Signed at Wayville on this 12th day of September 2008

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Corporate Governance Statement

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the year ending 30 June 2008.

A copy of the company's Corporate Governance Manual and its Code of Conduct may be found on the company's website, at www.uraniumsa.com.au.

Board Composition

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the director's report.

Three of the four directors of the company are independent, including the Chairman, and all non-executive directors are independent. The names of the independent directors of the company are:

Tom Phillips AM
Alice McCleary
Xu Gang

When determining whether a non-executive director is independent the director must not fail any of the following materiality thresholds:

- ◆ Less than 10% of company shares are held by the director and any entity or individual directly or indirectly associated with the director;
- ◆ No sales are made to or purchases made from any entity or individual directly or indirectly associated with the director; and
- ◆ None of the director's income or the income of an individual or entity directly or indirectly associated with the director is derived from a contract with any member of the economic group other than income derived as a director of the entity.

Independent directors have the right to seek independent professional advice in the furtherance of their duties as directors at the company's expense. Written approval must be obtained from the Chairman prior to incurring any expense on behalf of the company.

Securities Trading Policy

The company's policy regarding directors and employees trading in its securities is set by the board. The policy restricts directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the securities' prices.

Audit Committee

The company does not have a separate audit committee due to the current size of the company and its operations. The board as a whole has responsibility for the functions of an audit committee and carries out these functions in its monthly board meetings. The decision not to have a separate audit committee will be reviewed on a regular basis as part of the annual board performance evaluation, to ensure the decision is still appropriate.

Nomination Committee

The company does not have a separate nomination committee due to the current size of the company and its operations. The board as a whole has responsibility for the functions of a nomination committee, and board composition and skills are considered as part of the annual board performance evaluation to ascertain whether any additional skills are required.

Performance Evaluation of the board

An annual performance evaluation of the board and all board members has been conducted by the board in each calendar year from 2007 onwards.

Remuneration Policies and Remuneration Committee

The company does not have a separate remuneration committee due to the current size of the company and its operations. The board as a whole has responsibility for the functions of a remuneration committee, including the performance evaluation and remuneration of the Managing Director.

The company seeks to remunerate employees fairly in accordance with industry benchmarks and individual performance. The board has negotiated a contract with the Managing Director which includes a base salary and superannuation. This contract allows for annual performance and remuneration reviews. The Managing Director's performance and remuneration was reviewed by the board 1 August 2007.

The Managing Director is also entitled to participate in the UraniumSA employee share option plan, but to date no grants under this scheme have been made.

The amount of remuneration for all directors and executives, including all monetary and non-monetary components, is detailed in the directors' report. All remuneration is valued at the cost to the company and expensed. There are no schemes for retirement benefits for non-executive directors other than statutory superannuation.

Income Statement for the year ended 30 June 2008

	<i>Notes</i>	<i>Consolidated Group</i>		<i>Parent Entity</i>	
		2008 \$	2007 \$	2008 \$	2007 \$
Revenue	2	298,317	391,054	296,810	390,846
Finance costs		(2,023)	(1,219)	(1,930)	-
Depreciation and amortisation expense		(18,065)	(13,006)	(18,065)	(6,869)
Employee benefits expense		(451,564)	(299,021)	(451,564)	(294,745)
Occupancy expense		(39,453)	(18,950)	(39,453)	(18,950)
Consultants expense		(100,058)	(149,548)	(100,056)	(146,219)
ASX listing and registry expense		(58,672)	(116,376)	(58,672)	(116,376)
Other corporate expenses from ordinary activities		(154,888)	(187,991)	(147,523)	(163,833)
Loss before income tax		(526,406)	(395,057)	(520,453)	(356,146)
Income tax expense	3	(4,811)	(122,188)	(4,811)	(122,188)
Loss for year		(531,217)	(517,245)	(525,264)	(478,334)
Loss attributable to members of the parent entity		(531,217)	(517,245)	(525,264)	(478,334)
Earnings per Share		<i>Cents</i>	<i>Cents</i>		
Basic loss per share	6	(0.9)	(0.8)		

The accompanying notes form part of the financial statements

Balance Sheet as at 30 June 2008

	Notes	Consolidated Group		Parent Entity	
		2008 \$	2007 \$	2008 \$	2007 \$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	7	2,440,723	4,644,660	2,422,445	4,636,893
Trade and other receivables	8	39,148	227,296	22,943	156,974
Other current assets	9	33,706	22,113	23,704	22,113
TOTAL CURRENT ASSETS		2,513,577	4,894,069	2,469,092	4,815,980
NON-CURRENT ASSETS					
Trade and other receivables	10	-	-	7,023,714	5,177,692
Financial assets	11	200,000	200,000	200,000	200,000
Investment in controlled entities	12	-	-	3	3
Property, plant and equipment	13	951,442	410,179	76,145	47,761
Exploration and evaluation expenditure	14	6,349,413	4,951,910	-	-
TOTAL NON-CURRENT ASSETS		7,500,855	5,562,089	7,299,862	5,425,456
TOTAL ASSETS		10,014,432	10,456,158	9,768,954	10,241,436
CURRENT LIABILITIES					
Trade and other payables	15	193,655	147,912	56,235	58,394
Financial liabilities	16	55,751	51,076	-	-
Short-term provisions	17	38,324	7,668	25,115	5,952
TOTAL CURRENT LIABILITIES		287,730	206,656	81,350	64,346
NON CURRENT- LIABILITIES					
Financial liabilities	16	55,575	111,323	-	-
TOTAL NON-CURRENT LIABILITIES		55,575	111,323	-	-
TOTAL LIABILITIES		343,305	317,979	81,350	64,346
NET ASSETS		9,671,127	10,138,179	9,687,604	10,177,090
EQUITY					
Issued capital	18	10,630,546	10,622,924	10,630,546	10,622,924
Reserves	19	89,043	32,500	60,656	32,500
Retained earnings		(1,048,462)	(517,245)	(1,003,598)	(478,334)
TOTAL EQUITY		9,671,127	10,138,179	9,687,604	10,177,090

The accompanying notes form part of the financial statements

Statement of Changes in Equity for the year ended 30 June 2008

	<i>Issued Capital</i>	<i>Reserves</i>	<i>Retained Earnings</i>	<i>Total</i>
	\$	\$	\$	\$
Consolidated Group				
Balance at date of incorporation	-	-	-	-
Shares issued period from incorporation to 30 June 2007	11,308,029	-	-	11,308,029
Transaction costs (net of tax)	(685,105)	-	-	(685,105)
Fair value of share options issued	-	32,500	-	32,500
Loss attributable to the members of parent entity	-	-	(517,245)	(517,245)
Balance at 30 June 2007	10,622,924	32,500	(517,245)	10,138,179
Shares issued during the year	18,846	-	-	18,846
Transaction costs (net of tax)	(11,224)	-	-	(11,224)
Fair value of share options issued	-	56,543	-	56,543
Loss attributable to the members of parent entity	-	-	(531,217)	(531,217)
Balance at 30 June 2008	10,630,546	89,043	(1,048,462)	9,671,127

The accompanying notes form part of the financial statements

Statement of Changes in Equity for the year ended 30 June 2008

	<i>Issued Capital</i>	<i>Reserves</i>	<i>Retained Earnings</i>	<i>Total</i>
	\$	\$	\$	\$
Parent				
Balance at date of incorporation	-	-	-	-
Shares issued period from incorporation to 30 June 2007	11,308,029	-	-	11,308,029
Transaction costs (net of tax)	(685,105)	-	-	(685,105)
Fair value of options issued	-	32,500	-	32,500
Loss attributable to the members of parent entity	-	-	(478,334)	(478,334)
Balance at 30 June 2007	10,622,924	32,500	(478,334)	10,177,090
Shares issued during the year	18,846	-	-	18,846
Transaction costs (net of tax)	(11,224)	-	-	(11,224)
Fair value of options issued	-	28,156	-	28,156
Loss attributable to the members of parent entity	-	-	(525,264)	(525,264)
Balance at 30 June 2008	10,630,546	60,656	(1,003,598)	9,687,604

The accompanying notes form part of the financial statements

Cash Flow Statement for the year ended 30 June 2008

	Notes	<i>Consolidated Group</i>		<i>Parent Entity</i>	
		2008	2007	2008	2007
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from consulting services		47,155	100,000	47,155	100,000
Payments to suppliers and employees		(727,384)	(682,644)	(754,804)	(671,796)
Interest received		386,299	140,485	384,792	140,277
Finance costs		(2,023)	(1,219)	(1,930)	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	23	(295,953)	(443,378)	(324,787)	(431,519)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for exploration expenditure		(1,237,229)	(790,295)	-	-
Investment in controlled entities		-	-	-	(3)
Payments for investment in listed company		-	(200,000)	-	(200,000)
Payments for property, plant and equipment		(622,493)	(423,185)	(46,449)	(54,630)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		(1,859,722)	(1,413,480)	(46,449)	(254,633)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from the issue of shares		18,846	6,745,441	18,846	6,745,441
Payments for the costs of capital raisings		(16,036)	(407,292)	(16,036)	(407,292)
Repayment of hire purchase loans		(51,072)	(4,057)	-	-
Proceeds from hire purchase loans		-	166,453	-	-
Amounts advanced to controlled entities		-	-	(1,846,022)	(1,015,104)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		(48,262)	6,500,545	(1,843,212)	5,323,045
Net increase/(decrease) in cash held		(2,203,937)	4,643,687	(2,214,448)	4,636,893
Cash at the beginning of the period		4,644,660	-	4,636,893	-
Cash on hand on acquisition of subsidiaries		-	973	-	-
Cash at the end of the financial year	7	2,440,723	4,644,660	2,422,445	4,636,893

The accompanying notes form part of the financial statements

Note 1- Statement Of Significant Accounting Policies

The financial report includes the consolidated financial statements and notes of UraniumSA Limited and controlled entities ('Consolidated Group' or 'Group'), and the separate financial statements and notes of UraniumSA Limited as an individual parent entity ('Parent Entity').

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a) Principles of Consolidation

A controlled entity is any entity over which UraniumSA Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 12 to the financial statements.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered/(left) the consolidated group during the year, their operating results have been included/(excluded) from the date control was obtained/(ceased).

All inter-group balances and transactions between entities in the consolidated group, including any recognised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with those adopted by the parent entity.

Minority interests, being that portion of the profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the group, are shown separately within the equity section of the consolidated Balance Sheet and in the consolidated Income Statement.

Business Combinations

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the purchase method.

The purchase method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities to be determined at acquisition date, being the date that control is obtained. Cost is determined as the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control together with costs directly attributable to the business combination. Any deferred consideration payable is discounted to present value using the equity's incremental borrowing rate.

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in profit or loss.

b) Income Tax

The income tax expense/(revenue) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/(assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense/(income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset recognised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Note 1- Statement Of Significant Accounting

Policies *continues*

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation

UraniumSA Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. The group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2006. The tax consolidated group has entered a tax funding arrangement whereby each company in the group contributed to the income tax payable by the group in proportion to their contribution to the group's taxable income. Differences between the amounts of net tax assets and liabilities recognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can

be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, with the exception of land, are depreciated on a straight-line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

<i>Class of Non Current Asset</i>	<i>Depreciation Rate</i>	<i>Basis of Depreciation</i>
<i>Plant and equipment</i>	<i>10 - 33%</i>	<i>Straight Line</i>
<i>Buildings</i>	<i>2%</i>	<i>Straight Line</i>

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

d) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Note 1- Statement Of Significant Accounting

Policies continues

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the consolidated entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

f) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transactions costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-

cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

i) Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the group's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed determinable payments.

v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

g) Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

h) Interests in Joint Ventures

The Consolidated Group's share of assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the consolidated financial statements. Details of the Consolidated Group's interest are shown in Note 20.

Note 1- Statement Of Significant Accounting

Policies continues

i) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for these benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Equity - Settled Compensation

The Group has an employee share option plan. The bonus element over the exercise price of the employees services rendered in exchange for the grant of shares and options is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares or the option granted.

j) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

k) Cash and Cash Equivalent

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

l) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the year in which they are incurred.

n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

o) Incorporation

The Company was incorporated on 31 May 2006. The 2007 comparative financial information reflects transactions from that date to 30 June 2007.

p) New Accounting and Interpretation

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2008 reporting periods. The Groups assessment of the impact of these new standards and interpretations is that there would be no material impact on the reported results of the company for the year ended 30 June 2008.

q) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the group.

Key estimates

Impairment

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised in respect of non current assets for the year ended 30 June 2008.

Available for sale investment

Included in available for sale financial assets at 30 June 2008 is an investment in Archer Exploration Limited (an ASX listed company). The investment consists of 2,000,000 shares and 1,000,000 bonus options. The market value of these shares and options at 30 June 2008 was \$316,000.

As these shares and options are in escrow until 14 August 2009 the directors have continued to recognise the investment at cost.

Exploration and evaluation

The consolidated entity's policy for exploration and evaluation is discussed at Note 1(d). The application of this policy requires the directors to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, the directors conclude that the capitalised expenditure is unlikely to be recovered by future sale or exploitation, then the relevant capitalised amount will be written off through the income statement.

The financial report was authorised for issue on 12 September 2008 by the Board of Directors.

Notes to the Financial Statements for the year ended 30 June 2008

	<i>Consolidated Entity</i>		<i>Parent Entity</i>	
	2008 \$	2007 \$	2008 \$	2007 \$
Note 2 - Revenue				
Operating activities				
- Consulting fees	52,366	100,000	52,366	100,000
- Interest received	245,951	291,054	244,444	290,846
Total Revenue	298,317	391,054	296,810	390,846
Consulting fees represent amounts received from a director related entity, Archer Exploration Limited, for serviced office space, management and consulting services. Refer Note 26(c)				
Note 3 - Income Tax Expense				
a) The components of income tax expense comprise:				
Current tax	-	-	-	-
Deferred tax	4,811	122,188	4,811	122,188
	4,811	122,188	4,811	122,188
b) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows 30% (2007; 30%):				
Net Loss	(526,408)	(395,057)	(520,453)	(356,146)
Prima facie tax benefit on loss from ordinary activities before income tax at 30%	(157,922)	(118,517)	(156,136)	(106,844)
Add/(less):				
Tax effect of:				
- capital raising costs deductible	(49,400)	(48,438)	(49,400)	(48,438)
- other	(56,503)	(2,593)	(27,689)	(2,593)
	(263,825)	(169,548)	(233,225)	(157,875)
Deferred tax assets associated with capital raising costs recognised direct to equity but not meeting the recognition criteria	4,811	122,188	4,811	122,188
Tax effect of temporary differences not brought to account as they do not meet the recognition criteria	263,825	169,548	233,225	157,875
Income Tax attributable to operating loss	4,811	122,188	4,811	122,188
c) Unused tax losses for which no deferred tax asset has been recognised at 30%	433,373	169,548	391,100	157,875

Note 4 - Key Management Personnel Compensation

- a) Names and positions held of consolidated and parent entity key management personnel in office at any time during the financial year are:

Mr Russel Bluck	Managing Director - Executive
Mr Tom Phillips AM	Chairman - Non-executive
Ms Alice McCleary	Director - Executive
Mr Xu Gang	Director - Executive
Mr Craig Gooden	Company Secretary
Mr Wade Bollenhagen*	Chief Geologist

*Mr Wade Bollenhagen resigned effective 22 March 2008.

Other than those employees of the company listed above there are no additional management personnel.

- b) Key Management Personnel Compensation

2008

Key Management Personnel	Salary and fees	Superannuation contribution	Share based payment - options	Total
Mr Russel Bluck	230,000	20,700	-	250,700
Mr Tom Phillips AM	68,807	6,193	-	75,000
Ms Alice McCleary	45,872	4,128	-	50,000
Mr Xu Gang	45,872	4,128	-	50,000
Mr Craig Gooden	61,725	-	-	61,725
Mr W Bollenhagen	87,741	7,897	5,475	101,113
	540,017	43,046	5,475	588,538

2007

Key Management Personnel	Salary and fees	Superannuation contribution	Share based payment - options	Total
Mr Russel Bluck	105,681	21,362	-	127,043
Mr Tom Phillips AM	48,477	4,362	-	52,839
Ms Alice McCleary	32,318	2,908	-	35,226
Mr Xu Gang	32,318	2,908	-	35,226
Mr Craig Gooden	62,587	-	32,500	95,087
Mr W Bollenhagen	7,142	643	-	7,785
	288,523	32,183	32,500	353,206

- c) Number of Unlisted Options Held by Key Management Personnel

Key Management Personnel	Balance 1.07.07	Granted as Compensation	Options Exercised	Net Other Charge	Balance 30.06.08
Mr Russel Bluck	5,000,000	-	-	-	5,000,000
Mr Tom Phillips AM	500,000	-	-	-	500,000
Ms Alice McCleary	500,000	-	-	-	500,000
Mr Xu Gang	500,000	-	-	-	500,000
Mr Craig Gooden	-	-	-	-	-
Mr Wade Bollenhagen*	-	75,000	-	-	75,000
Total	6,500,000	75,000	-	-	6,575,000

*All options are escrowed until 18 October 2008 other than those held by Mr Wade Bollenhagen – Refer Note 24.

Notes to the Financial Statements for the year ended 30 June 2008

Note 4 - Key Management Personnel Compensation continued

d) Number of Listed Options Held by Key Management Personnel

<i>Key Management Personnel</i>	<i>Balance 1.07.07</i>	<i>Options Exercised</i>	<i>Net Other Charge</i>	<i>Balance 30.06.08</i>
Mr Russel Bluck	1,186,993*	-	50,000	1,236,993
Mr Tom Phillips AM	-	-	-	-
Ms Alice McCleary	175,766*	-	189,200	364,966
Mr Xu Gang	-	-	-	-
Mr Craig Gooden	175,000	-	-	175,000
	<u>1,537,759</u>	<u>-</u>	<u>239,200</u>	<u>1,776,959</u>

*1,186,993 of Mr. Russel Bluck's options and 175,766 of Ms Alice McCleary's options are escrowed until 18 October 2008.

e) Shareholdings

Number of shares held by Key Management Personnel

<i>Key Management Personnel</i>	<i>Balance 1.07.07</i>	<i>Granted as Compensation</i>	<i>Options Exercised</i>	<i>Net Other Charge</i>	<i>Balance 30.06.08</i>
Mr Russel Bluck	2,373,986	-	-	50,000	2,423,986*
Mr Tom Phillips AM	-	-	-	103,400	103,400
Ms Alice McCleary	351,531	-	-	-	351,531*
Mr Xu Gang	-	-	-	-	-
Mr Craig Gooden	325,000	-	-	-	325,000
Mr W Bollenhagen	-	-	-	-	-
Total	<u>3,050,517</u>	<u>-</u>	<u>-</u>	<u>153,400</u>	<u>3,203,917</u>

*2,373,986 of Mr. Russel Bluck's shares and 281,531 of Ms Alice McCleary's shares are escrowed until 18 October 2008.

Note 5 - Auditors' Remuneration

	<i>Consolidated Group</i>		<i>Parent Entity</i>	
	<i>2008 \$</i>	<i>2007 \$</i>	<i>2008 \$</i>	<i>2007 \$</i>
Remuneration of the auditor of the parent entity for:				
- auditing or review of the financial report	20,000	16,000	20,000	16,000
- other services provided by the practice of the auditor	11,570	9,000	11,570	9,000
	<u>31,570</u>	<u>25,000</u>	<u>31,570</u>	<u>25,000</u>

Included within other services paid to the auditor of the parent entity in 2007 is an amount of \$7,000 to provide an independent accountants report for inclusion in the company's prospectus. The cost of this service has been offset against issued capital. The other services provided are for tax services.

Notes to the Financial Statements for the year ended 30 June 2008

	<i>Consolidated Group</i>	
	2008	2007
	\$	\$
Note 6 - Earnings Per Share		
Reconciliation of earnings to Profit or Loss		
Loss for year used to calculate basic EPS	(531,217)	(517,245)
	Number	Number
a) Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	62,161,304	61,438,548
b) In accordance with AASB 133 "Earnings per Share" as potential ordinary shares may only result in a situation where their conversion results in decrease on profit per share or increase in loss per share, no dilutive effect has been taken into account.		

	<i>Consolidated Group</i>		<i>Parent Entity</i>	
	2008	2007	2008	2007
	\$	\$	\$	\$
Note 7 - Cash And Cash Equivalents				
Short term deposits	2,325,380	4,000,000	2,325,380	4,000,000
Cash at bank and on hand	115,343	644,660	97,065	636,893
	2,440,723	4,644,660	2,422,445	4,636,893
The effective interest rate on short term bank deposits was 7.75%. These deposits have an average maturity of 42 days. The groups' exposure to interest rate risk is summarised at Note 27.				
Note 8 - Trade And Other Receivables				
CURRENT				
GST receivable	23,639	76,650	7,434	6,328
Accrued interest	10,221	150,569	10,221	150,569
Other receivables	5,288	77	5,288	77
	39,148	227,296	22,943	156,974
At 30 June 2008 the consolidated entity did not have any receivables which were outside normal trading terms (past due but not impaired). \$2,200 of other receivables as owed by Archer Exploration Limited for provisions of a serviced office and a total of \$45,018 was charged during the year for the serviced office and technical consulting. Archer Exploration Limited is a director related entity associated with A McCleary and T Phillips.				
Note 9 - Other Current Assets				
CURRENT				
Deposits paid	25,000	17,927	15,000	17,927
Prepayments	8,706	4,186	8,704	4,186
	33,706	22,113	23,704	22,113

Notes to the Financial Statements for the year ended 30 June 2008

	<i>Consolidated Group</i>		<i>Parent Entity</i>	
	2008 \$	2007 \$	2008 \$	2007 \$
Note 10 – Trade And Other Receivables				
NON-CURRENT				
Loans to controlled entities	-	-	7,023,714	5,177,692
Carrying amount at the end of year	-	-	7,023,714	5,177,692
The loans are non interest bearing and repayable at call.				
Note 11 - Financial Assets				
Available for sale investment	200,000	200,000	200,000	200,000
	200,000	200,000	200,000	200,000

In 2007 the company acquired 2,000,000 ordinary shares in Archer Exploration Limited, a director related entity. Archer Exploration Limited was listed on the Australian Securities Exchange (ASX) on 14 August 2007. At balance date 1,500,000 shares are escrowed until 14 August 2009 and 500,000 were voluntarily escrowed until the same date. On 13 February 2008 the company received 1,000,000 bonus options exercisable at 25 cents up to 13 February 2010 which are also escrowed until 14 August 2009. (2007 at cost - \$200,000). At balance date the market value of the shares and options on the ASX was \$316,000. Refer Note 1(q)

Note 12 - Investments In Controlled Entities

NON-CURRENT				
Investments in controlled entities - at cost	-	-	3	3
Carrying amount at the end of year	-	-	3	3

	<i>Country of Incorporation</i>	<i>Percentage Owned (%)</i>	
		2008	2007
Parent Entity			
UraniumSA Limited:	Australia		
Subsidiaries of UraniumSA Limited			
Gingertom Resources Pty Ltd	Australia	100	100
Angus Resources Pty Ltd	Australia	100	100

Notes to the Financial Statements for the year ended 30 June 2008

	<i>Consolidated Group</i>		<i>Parent Entity</i>	
	2008 \$	2007 \$	2008 \$	2007 \$
Note 13 – Property, Plant And Equipment				
Plant and Equipment at cost	1,065,524	423,185	101,079	54,630
Accumulated depreciation	(125,035)	(13,006)	(24,934)	(6,869)
	940,489	410,179	76,145	47,761
i) Movements in carrying amounts:				
Balance at the beginning of the year	410,179	-	47,761	-
Additions	655,345	423,185	53,318	54,630
Depreciation	(125,035)	(13,006)	(24,934)	(6,869)
Balance at 30 June 2008	940,489	410,179	76,145	47,761
Land at cost	5,000	-	-	-
	5,000	-	-	-
ii) Movements in carrying amounts:				
Balance at the beginning of the year	-	-	-	-
Additions	5,000	-	-	-
Balance at 30 June 2008	5,000	-	-	-
Buildings at cost	6,074	-	-	-
Depreciation	(121)	-	-	-
Balance at 30 June 2008	5,953	-	-	-
iii) Movements in carrying amounts:				
Balance at the beginning of the year	-	-	-	-
Additions	6,074	-	-	-
Depreciation	(121)	-	-	-
Balance at 30 June 2008	5,953	-	-	-
Total property, plant and equipment	951,442	410,179	76,145	47,761
Note 14 - Exploration And Evaluation Expenditure				
Costs carried forward in respect of areas of interest in:				
Exploration and evaluation phases at cost	6,349,413	4,951,910	-	-
	6,349,413	4,951,910	-	-
a) Movements in carrying amounts:				
Exploration and evaluation				
Balance at the beginning of the year	4,951,910	-	-	-
Amounts capitalised during the year	1,397,503	4,951,910	-	-
Balance at 30 June 2008	6,349,413	4,951,910	-	-

During the year \$94,085 (2007-) of equipment depreciation and \$12,173 (2007-) of finance charges were included in amounts capitalised as exploration and evaluation costs. A summary by tenement is included at Note 20.

Notes to the Financial Statements for the year ended 30 June 2008

	<i>Consolidated Group</i>		<i>Parent Entity</i>	
	2008 \$	2007 \$	2008 \$	2007 \$
Note 15 - Trade And Other Payables				
CURRENT				
Unsecured liabilities:				
Trade payables	135,727	98,422	38,519	25,489
Other creditors and accruals	57,928	49,490	17,716	32,905
	193,655	147,912	56,235	58,394
Note 16 - Financial Liabilities				
CURRENT				
Hire purchase liabilities	55,751	51,076	-	-
NON-CURRENT				
Hire purchase liabilities	55,575	111,323	-	-
The hire purchase liabilities are secured by a charge over plant and equipment to which they relate.				
Note 17 - Short-term Provisions				
CURRENT				
Employee entitlements	38,324	7,668	25,115	5,952
Total number of employees at year end	12	12	5	5
Note 18 - Issued Capital				
	\$	\$	\$	\$
62,195,382 (2007: 62,119,997) fully paid ordinary shares	10,630,546	10,622,924	10,630,546	10,622,924
a) Ordinary Shares	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
Total shares at 30 June 2006	2,937,048	2,937,048	2,937,048	2,937,048
Shares issued during the year	59,182,949	59,182,949	59,182,949	59,182,949
Total shares issued at 30 June 2007	62,119,997	62,119,997	62,119,997	62,119,997
Shares issued during the year	75,385	-	75,385	-
Total shares issued at 30 June 2008	62,195,382	62,119,997	62,195,382	62,119,997
19,292,557 shares are held by vendor shareholders, directors and director related entities and are unlisted as a result of being escrowed until 18 October 2008.				
Ordinary shares participate in dividends and the proceeds on winding of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.				
b) Issued Capital	\$	\$	\$	\$
At the beginning of the year	10,622,924	-	10,622,924	-
Shares issued during the year	18,846	11,308,029	18,846	11,308,029
Transaction costs (net of tax)	(11,224)	(685,105)	(11,224)	(685,105)
Total shares issued at 30 June 2008	10,630,546	10,622,924	10,630,546	10,622,924

Notes to the Financial Statements for the year ended 30 June 2008

				Consolidated Group		Parent Entity	
				2008	2007	2008	2007
				\$	\$	\$	\$
Note 18 - Issued Capital continued							
c) Options on Issue							
Details of the share options outstanding as at the end of the year are set out below:							
Grant Date		Expiry Date	Exercise Price				
9 Aug 06	Director's options*	1 Sept 11	0.20	6,500,000	6,500,000	6,500,000	6,500,000
1 Feb 07	Bonus options**	18 Jan 10	0.25	30,363,780	30,439,165	30,363,780	30,439,165
16 Nov 07	Employees options*	16 May 11	0.20	1,173,450	-	1,173,450	-
4 Jan 08	Employee options*	4 Jul 11	0.25	400,000	-	400,000	-
				38,437,230	36,939,165	38,437,230	36,939,165

* These options are unlisted.

** 9,646,280 are held by vendor shareholders, seed capital shareholders, directors or director related entities and are unlisted as a result of being escrowed.

Note 19 - Reserve

a) Share Option Reserve

The share option reserve records items recognised as an expense on valuation of employee share options.

Note 20 – Tenements And Joint Ventures

The Company's interest in tenements and unincorporated joint ventures are as follows.

Project Tenement	Commodity						
Wild Horse Plain	EL 3377	Uranium, Base Metals	382,950	320,021	-	-	-
Muckanippie	EL 3438	Uranium, Base Metals	634,736	459,307	-	-	-
Tumby Bay	EL 3628	Uranium, Base Metals	29,787	20,731	-	-	-
Mullaquana	EL 3652	Uranium, Base Metals	458,977	103,761	-	-	-
Elbow Hill	EL 3653	Uranium, Base Metals	19,085	12,341	-	-	-
Malbrom	EL 3691	Uranium, Base Metals	10,249	2,458	-	-	-
Pyramid Bore	EL 3373	Uranium, Base Metals	550,194	451,022	-	-	-
Kingoonya	EL 3655	Uranium, Base Metals	391,585	378,062	-	-	-
Mulga Well	EL 3211	Uranium	366,593	345,201	-	-	-
McDowell Hill	EL 3474	Uranium	356,344	327,075	-	-	-
Bon Bon	EL 3540	Uranium	567,725	309,658	-	-	-
Tarcoola - North	EL 3799	Uranium	106,978	53,345	-	-	-
Tarcoola - South	EL 4167	Uranium	1,353,112	1,112,155	-	-	-
Pinding	EL 3205	Uranium	471,960	446,624	-	-	-
Mt Finke	EL 3253	Uranium	398,901	381,601	-	-	-
Carnding East	EL 3369	Uranium	156,030	146,106	-	-	-
Kychering	EL 3500	Uranium	92,271	82,442	-	-	-
Konkaby Rockhole	EL 4024	Uranium	1,936	-	-	-	-
Carrying value of exploration costs			6,349,413	4,951,910	-	-	-

All tenements are within South Australia.

Notes to the Financial Statements for the year ended 30 June 2008

	<i>Consolidated Group</i>		<i>Parent Entity</i>	
	2008 \$	2007 \$	2008 \$	2007 \$
Note 20 – Tenements And Joint Ventures <i>continued</i>				
Interests in unincorporated joint venture operations are noted below:				
<i>Name of EL</i>	<i>Principal activity</i>	<i>Joint venture partner</i>		
Mulga Well	Mineral exploration	Marathon Resources Ltd	70%	70%
McDowell Hill	Mineral exploration	Marathon Resources Ltd	70%	70%
Bon Bon	Mineral exploration	Marathon Resources Ltd	70%	70%
Tarcoola North	Mineral exploration	Hiltaba Gold Pty Ltd	70%	70%
Tarcoola South	Mineral exploration	Hiltaba Gold Pty Ltd	70%	70%
Pinding	Mineral exploration	Hiltaba Gold Pty Ltd	70%	70%
Mt Finke	Mineral exploration	Hiltaba Gold Pty Ltd	70%	70%
Carnding East	Mineral exploration	Hiltaba Gold Pty Ltd	70%	70%
Kychering	Mineral exploration	Hiltaba Gold Pty Ltd	70%	70%
The Company's interests in the unincorporated joint ventures are earned pursuant to agreements providing for minimum exploration expenditures all of which are to be met by the company over defined periods. Hiltaba Gold Pty Ltd is a wholly owned subsidiary of Stellar Resources Limited.				
Note 21 - Capital And Other Expenditure Commitments				
Capital commitments relating to joint ventures and tenements				
The Company and the Consolidated group are required to meet minimum expenditure requirements of various Australian Government bodies and joint ventures. These obligations are subject to re-negotiation, may be farmed out or may be relinquished and have not been provided for in the financial statements.				
Exploration expenditure commitments				
- due within one year	567,333	873,937	-	-
- due within 1-5 years	-	-	-	-
- due over 5 years	-	-	-	-
	567,333	873,937	-	-
Operating Lease commitments				
Commitments for minimum lease payments in relation to non-cancellable operating leases not provided for in the financial statements.				
Lease expenditure commitments				
- due within one year	36,300	36,300	36,300	36,300
- due within 1-5 years	18,150	54,450	18,150	54,450
- due over 5 years	-	-	-	-
	54,450	90,750	54,450	90,750

Notes to the Financial Statements for the year ended 30 June 2008

	<i>Consolidated Group</i>		<i>Parent Entity</i>	
	2008 \$	2007 \$	2008 \$	2007 \$
Note 21 - Capital And Other Expenditure Commitments				
<i>continued</i>				
Employment and consultant commitments				
Commitments for the payment of salaries and other remuneration pursuant to an employment contracts not provided for in the financial statements.				
Expenditure commitments				
- due within one year	250,692	350,000	250,692	350,000
- due within 1-5 years	83,564	416,667	83,564	416,667
- due within 6-10 years	-	-	-	-
	<u>334,256</u>	<u>766,667</u>	<u>334,256</u>	<u>766,667</u>
Details relating to the employment contracts are set out in the Remuneration Report				
Hire purchase commitments				
Payable - minimum hire purchase payments				
- not later than 12 months	63,324	63,324	-	-
- between 12 months and 5 years	58,047	121,370	-	-
- greater than 5 years	-	-	-	-
Minimum hire purchase payments	<u>121,371</u>	<u>184,694</u>	<u>-</u>	<u>-</u>
Less: future finance charges	10,045	22,295	-	-
Present value of minimum hire purchase payments	<u>111,326</u>	<u>162,399</u>	<u>-</u>	<u>-</u>
Note 22 - Segment Reporting				
The Consolidated group operates in the mining exploration industry within Australia.				
Note 23 - Cash Flow Information				
a) Reconciliation of cash flows from operations with Profit/(Loss) from ordinary activities after Income Tax				
Profit/(Loss) from ordinary activities after income tax	(531,217)	(517,245)	(525,264)	(478,334)
Non cash flows in operating loss				
Depreciation	112,150	13,006	18,065	6,869
Share-based payments	56,543	32,500	28,156	32,500
Deferred tax asset written off	4,811	122,188	4,811	122,188
Changes in assets and liabilities, net of the effects of purchase of subsidiaries				
- (Increase)/Decrease in receivables	(14,640)	(249,406)	132,441	(179,088)
- Increase/(Decrease) in accounts payable	45,743	147,912	(2,159)	58,394
- Increase/(Decrease) in provisions	30,657	7,667	19,163	5,952
Net cash provided by operating activities	<u>(295,953)</u>	<u>(443,378)</u>	<u>(324,787)</u>	<u>(431,519)</u>

Notes to the Financial Statements for the year ended 30 June 2008

	2008		2007	
	Shares issued	Fair Value of Shares Issued	Shares Issued	Fair Value of Shares Issued
		\$		\$
Note 23 - Cash Flow Information continued				
b) Non Cash Financing and Investing Activities				
Share issues				
During the previous year the company issued ordinary fully paid shares to third parties as outlined in the company's IPO prospectus for:				
- Compensation for entering into joint ventures	-	-	14,637,041	2,927,408
- Acquisition of mining tenements	-	-	6,175,913	1,235,183
- Corporate advisory services rendered during Initial Public Offer	-	-	2,000,000	400,000
	-	-	22,812,954	4,562,591
c) Business Combinations				
During the previous year UraniumSA Limited acquired 100% of the issued capital of Gingertom Resources Pty Ltd and Angus Resources Pty Ltd.				
Details of the fair value of the assets acquired:				
Cash	-	-	973	-
Net assets	-	-	973	-
Net cash acquired	-	-	973	-
Net cash inflow	-	-	973	-

Note 24 - Share-based Payments

The following share-based payment arrangements existed at 30 June 2007.

- On 9 August 2006, 6,500,000 share options were granted to the directors and founders of the company to take up ordinary shares at an exercise price of \$0.20 each. The options are exercisable on or before 1 September 2011. The options hold no voting or dividend rights and are not transferable. At 30 June 2007, none of these share options had been exercised. The fair value of these options was nil.
- The company established the UraniumSA Limited Employee Share Option Plan on 23 August 2006. All employees are entitled to participate in the scheme if in the employment with the consolidated group. Employees are entitled to acquire vested ordinary shares at an agreed price. When issued, the shares carry full dividend and voting rights.
- On 13 October 2006, 500,000 share options were granted to the Company Secretary under the UraniumSA Limited Employee Share Option Plan to take up ordinary shares at an exercise price of \$0.20 each. The options were exercisable on or before 1 September 2011. The options hold no voting or dividend rights and are not transferable. At balance date, 30 June 2007, all the share options had been exercised. The fair value of these options was \$32,500.

The following share-based payment arrangements existed at 30 June 2008.

- On 16 October 2007, 1,398,450 share options were granted to the employees under the UraniumSA Limited Employee Share Option Plan to take up ordinary shares at an exercise price of \$0.20 each. These options vest over a 4 year period. The options are exercisable on or before 16 November 2010. The options hold no voting or dividend rights and are not transferable. At 30 June 2008, 225,000 of the options had been cancelled and none of the remaining balance being 1,173,450 of the share options had been exercised. The fair value of these options based on those that had vested was \$35,693.
- On 4 January 2008, 400,000 share options were granted to an employee under the UraniumSA Limited Employee Share Option Plan to take up ordinary shares at an exercise price of \$0.25 each. These options vest over a 4 year period. The options were exercisable on or before 4 January 2011. The options hold no voting or dividend rights and are not transferable. At balance date, 30 June 2008, none of the options had been exercised. The fair value of these options based on those that had vested was \$20,850.

All options granted to employees are over ordinary shares in UraniumSA Limited, which confer a right of one ordinary share for every option held.

Notes to the Financial Statements for the year ended 30 June 2008

Note 24 - Share-based Payments continued

	Consolidated Group				Parent Entity			
	2008		2007		2008		2007	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Outstanding at the beginning of the year	6,500,000	0.20	-	-	6,500,000	-	-	-
Granted	1,798,450	0.21	7,000,000	0.20	1,798,450	0.21	7,000,000	0.20
Forfeited	(225,000)	-	-	-	(225,000)	-	-	-
Exercised	-	-	(500,000)	-	-	-	(500,000)	-
Expired	-	-	-	-	-	-	-	-
Outstanding at year-end	8,073,450	0.202	6,500,000	0.20	8,073,450	0.202	6,500,000	0.20
Unexercisable at year-end	1,123,838	0.20	-	0.20	1,123,838	0.20	-	0.20

The options outstanding at 30 June 2008 had a weighed average exercisable price at \$0.202 and a weighted average remaining contractual life of 3.1 years. The weighted average fair value of the options granted during the year from the UraniumSA Limited Share Option Plan was \$0.09.

The fair value of options issued during the year as remuneration were calculated by using a Black-Scholes option pricing model applying the following inputs:

	Employees	
	4 Jan 08	16 Nov 07
Weighted average exercise price	\$0.25	\$0.20
Weighted average life of the option	3.5 years	3.5 years
Underlying share price	\$0.25	\$0.15
Expected share price volatility	72%	72%
Risk free interest rate	6.46%	6.46%

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

Included under employee benefits expense in the income statement is \$28,156 (2007: \$32,500) and \$28,387 (2007: -) was capitalised as exploration costs, which relates in full, to equity-settled share-based payment transactions.

Note 25 - Events After The Balance Sheet Date

There have been no material events after balance date.

Note 26 - Related Party Transactions

a) Subsidiaries

Interests in subsidiaries are disclosed in Note 12.

b) Key Management Personnel

Disclosures relating to Key Management Personnel are set out in Note 4.

c) Other transactions with related parties

Included in revenue is an amount of \$45,018 (2007: \$100,000) received from Archer Exploration Limited for consulting fees and provision of a serviced office. The 2007 consulting fees were received in consideration for services provided by UraniumSA Limited management in relation to the Archer Exploration Limited IPO.

Included with the Available for Sale Financial Assets is the value of 2,000,000 ordinary fully paid shares and 1,000,000 25 cent exercise price Bonus Option acquired by the company in Archer Exploration Limited. These shares are subject to the escrow provision outlined in Note 11.

Mr Tom Phillips AM and Ms Alice McCleary are directors of Archer Exploration Limited.

Notes to the Financial Statements for the year ended 30 June 2008

Note 27 - Financial Risk Management

a) Financial Risk management Policies

The group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable, payables, hire purchase liabilities and loans to and from subsidiaries.

i) Treasury Risk Management

The board meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The board's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

ii) Financial Risk Exposure and Management

The main risk the group is exposed to through its financial instruments is interest rate risk.

Interest Rate Risk

Interest rate risk is managed with a mixture of fixed and floating rate cash deposits. At 30 June 2008 approximately 95% of group deposits are fixed. It is the policy of the group to keep between 90% and 100% of surplus cash in high yielding deposits.

	<i>Weighted Average Effective Interest Rate</i>		<i>Floating Interest Rate</i>		<i>Non Interest Bearing</i>		<i>Total</i>	
	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>
	<i>%</i>	<i>%</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>
Financial Assets								
Cash at bank	7.25%	6.25%	140,723	144,660	-	-	140,723	144,660
Deposits	7.75%	6.45%	2,300,000	4,500,000	-	-	2,300,000	4,500,000
Receivables	-	-	-	-	39,148	227,296	39,148	227,296
Total Financial Assets			2,440,723	4,644,660	39,148	227,296	2,479,871	4,871,956
Financial Liabilities								
Payables	-	-	-	-	(193,655)	(147,912)	(193,655)	(147,912)
Borrowings	8.79%	8.79%	(111,326)	(162,397)	-	-	(111,326)	(162,397)
Total Financial Liabilities			(111,326)	(162,397)	(193,655)	(147,912)	(304,981)	(310,309)
Total Net Financial Assets			2,329,397	4,482,263	(154,507)	79,384	2,174,890	4,561,647

b) Sensitivity Analysis

Interest Rate and Price Risk

The group has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks. It should be noted that the company has fixed term and interest hire purchase liabilities and any impacts would be in relation to deposit yields on cash investments.

Notes to the Financial Statements for the year ended 30 June 2008

Note 27 - Financial Risk Management continued

Interest Rate Sensitivity Analysis

At 30 June 2008, the effect on loss and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Consolidated Group		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Change in loss				
- Increase in interest rates by 2%	52,000	91,000	52,000	91,000
- Decrease in interest rates by 2%	(52,000)	(91,000)	(52,000)	(91,000)
Change in equity				
- Increase in interest rates by 2%	52,000	91,000	52,000	91,000
- Decrease in interest rates by 2%	(52,000)	(91,000)	(52,000)	(91,000)

c) Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and cash equivalents and non interest bearing monetary financial assets and financial liabilities of the consolidated entity approximate their carrying value.

The net fair value of other monetary financial assets and financial liabilities is based on discounting future cash flows by the current interest rates for assets and liabilities with similar risk profiles. The balances are not materially different from those disclosed in the balance sheet of the consolidated entity.

d) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for doubtful debts of those assets, as disclosed in the balance sheet and notes to the financial statements.

The consolidated entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the consolidated entity.

◆ Directors' Declaration

The Directors of the Company declare that:

- 1 the Financial Statements and Notes as set out on pages 21 to 43 are in accordance with the *Corporations Act 2001* and:
 - a) comply with Accounting Standards/and the *Corporations Regulations 2001*; and
 - b) give a true and fair view of the financial position as at 30 June 2008 and of the performance for the year ended on that date of the Company and Consolidated Group;
- 2 the Chief Executive Officer and the Chief Financial officer have each declared that:
 - a) the financial records of the Company for the year ended have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c) the financial statements and notes give a true and fair view;
- 3 in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 4 the remuneration disclosures set out on pages 12 to 15 in the Directors Report comply with Accounting Standards AASB 124 Related Party Disclosures and the *Corporations Regulations 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.



*Tom Phillips AM
Chairman*

Adelaide

Dated this 12th day of September 2008



Independent Auditor's Report



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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF URANIUMSA LIMITED
ABN 64 123 993 233**

Report on the financial report

We have audited the accompanying financial report of UraniumSA Limited (the Company), which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

As permitted by the Corporations Regulations 2001, the company has disclosed information about the remuneration of directors and executives ("Remuneration disclosures"), required by Accounting Standards AASB 124: Related Party Disclosures, under the heading "Remuneration report" and marked as "Audited" in the Directors' Report and not in the financial report. We have audited these remuneration disclosures.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1 the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

The directors are also responsible for preparation and presentation of the remuneration disclosures contained in the directors' report in accordance with the Corporations Regulations 2001.

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Independent Auditor's Report



Grant Thornton

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards, which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement and that the remuneration disclosures comply with Accounting Standard AASB 124 Related Party Disclosures.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- a the financial report of UraniumSA Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2008 and of their performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.
- c the remuneration disclosures that are contained in the remuneration report comply with Accounting Standard AASB 124 Related Party Disclosures.

GRANT THORNTON
South Australian Partnership
Chartered Accountants



J. L. Humphrey
Partner

Signed at Wayville on this 12th day of September 2008

Additional Information

Compiled as at 12 September 2008

Audit committee

Details of the Company's Audit Committee are contained within the Directors' Report.

Corporate Governance Practices

A statement disclosing the extent to which the Company has followed the best practice recommendations set by the Australian Securities Exchange Corporate Governance Council during the reporting period immediately follows the Directors' Report.

Shareholding

Details of the Company's Audit Committee are contained within the Directors' Report.

Substantial Shareholders

The names of the substantial shareholders in the Company, the number of equity securities to which each substantial shareholder and substantial holder's associates have a relevant interest, as disclosed in substantial holding notices given to the Company:

<i>Name</i>	<i>No. of Ordinary Share</i>	<i>%</i>
Hiltaba Gold Pty. Ltd.	10,266,065	16.51
Peninsula Exploration Pty Ltd	4,391,048	7.06
Marathon Resources limited	4,370,061	7.03

Distribution of Ordinary Shares

Ordinary & Escrow Shares

<i>Range</i>	<i>Total Holders</i>	<i>Units</i>	<i>% Issued Capital</i>
1 – 1,000	46	18,964	0.03
1,001 – 5,000	462	1,446,261	2.33
5,001 – 10,000	373	3,229,574	5.19
10,001 – 100,000	624	19,616,009	31.54
100,001 – 9,999,999,999	61	37,884,574	60.91
Total	1,566	62,195,382	100.00

<i>Unmarketable Parcels</i>	<i>Minimum parcel size</i>	<i>Holdings</i>	<i>Units</i>
Minimum \$500.00 parcel at \$0.09 per unit	5,556	525	1,554,737

Distribution of 18 January 2010 Listed Options

Listed Share Options

<i>Range</i>	<i>Total Holders</i>	<i>Units</i>	<i>% Issued Options</i>
1 – 1,000	93	65,372	0.22
1,001 – 5,000	417	1,464,733	4.82
5,001 – 10,000	169	1,407,509	4.64
10,001 – 100,000	276	8,248,173	27.16
100,001 – 9,999,999,999	39	19,177,993	63.16
Total	994	30,363,780	100.00

<i>Unmarketable Parcels</i>	<i>Minimum parcel size</i>	<i>Holdings</i>	<i>Units</i>
Minimum \$500.00 parcel at \$0.016 per unit	31,250	866	6,250,724

Additional Information

Distribution of 1 September 2011 Unlisted Option (Exercise price 20 Cents)

Listed Share Options				
	<i>Range</i>	<i>Total Holders</i>	<i>Units</i>	<i>% Issued Options</i>
	1 – 1,000	-	-	-
	1,001 – 5,000	-	-	-
	5,001 – 10,000	-	-	-
	10,001 – 100,000	-	-	-
	100,001 – 9,999,999,999	4	6,500,000	100.00
	Total	4	6,500,000	100.00

Distribution of 16 May 2011 Unlisted Option (Exercise price 20 Cents)

Listed Share Options				
	<i>Range</i>	<i>Total Holders</i>	<i>Units</i>	<i>% Issued Options</i>
	1 – 1,000	-	-	-
	1,001 – 5,000	-	-	-
	5,001 – 10,000	-	-	-
	10,001 – 100,000	2	150,000	12.78
	100,001 – 9,999,999,999	7	1,023,450	87.22
	Total	9	1,173,450	100.00

Distribution of 4 July 2011 Unlisted Option (Exercise price 25 Cents)

Listed Share Options				
	<i>Range</i>	<i>Total Holders</i>	<i>Units</i>	<i>% Issued Options</i>
	1 – 1,000	-	-	-
	1,001 – 5,000	-	-	-
	5,001 – 10,000	-	-	-
	10,001 – 100,000	-	-	-
	100,001 – 9,999,999,999	1	400,000	100.00
	Total	1	400,000	100.00

Voting Rights

At meeting of members or classes of members:

- a) each member entitled to vote may vote in person or by proxy, attorney or representative;
- b) on a show of hands, every person present who is a member or proxy, attorney or representative of a member has one vote; and
- c) on a poll, every person present who is a member or a proxy, attorney or representative of a member has:
 - i) for each fully paid share held by him, or in respect of which he [is] appointed a proxy, attorney or representative, one vote for the share;
 - ii) for each partly paid share, only the fraction of one vote which the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited), subject to any rights or restrictions attached to any shares or class or classes of shares.

Escrowed Securities

<i>Class</i>	<i>Number</i>	<i>Expiry Date</i>
Ordinary Shares		
Ordinary Shares	19,292,557	18/10/2008
18/1/2010 25 cent Unlisted options	9,646,280	18/10/2008
1/9/2011 20 cent unlisted options	6,500,000	18/10/2008

Additional Information

Twenty largest holders of each class of quoted equity security

Ordinary Shares

<i>Rank</i>	<i>Name</i>	<i>Units</i>	<i>% Issued Capital</i>
1	Hiltaba Gold Pty Ltd	10,266,980	16.51
2	Peninsula Exploration Pty Ltd	4,391,048	7.06
3	Marathon Resources Limited	4,370,061	7.03
4	Bluck Holdings Pty Ltd	2,373,985	3.82
5	Tigermoth Investments Ltd	2,000,000	3.22
6	Mr Shane Le Plastrier	617,591	0.99
7	Plaisance Pty Ltd	615,000	0.99
8	National Nominees Limited	614,392	0.99
9	Fergus & Co Pty Ltd	600,000	0.96
10	Mrs Yung Suryatin	547,996	0.88
11	Malenki Pty Ltd	505,200	0.81
12	Batavia Oil & Gas Pty Ltd	500,000	0.80
13	Toad Facilities Pty Ltd	500,000	0.80
14	Mr Malcolm Arnold Haines + Mrs Jennifer Haines	465,000	0.75
15	Mr Peter Judocus Smolenaers	420,385	0.68
16	Mr Jacob Mathew	400,000	0.64
17	Mr Anthony John Sprlyan	385,890	0.62
18	Mr Daniel Willcox Freitag + Mrs Patricia Josephine Johnson	368,023	0.59
19	UBS Wealth Management Australia Nominees Pty Ltd	350,000	0.56
20	Mr Craig Gooden + Mrs Virginia Gooden	325,000	0.52
Total		30,616,551	49.22

Twenty largest holders of each class of quoted equity security

18 January 2010 Options

<i>Rank</i>	<i>Name</i>	<i>Units</i>	<i>% of Options</i>
1	Hiltaba Gold Pty Ltd	5,133,490	16.91
2	Marathon Resources Limited	2,185,031	7.20
3	Peninsula Exploration Pty Ltd	2,000,000	6.59
4	Bluck Holdings Pty Ltd	1,186,993	3.91
5	Tigermoth Investments Ltd	1,000,000	3.29
6	M & K Korkidas Pty Ltd	683,262	2.25
7	Mr David Robert Tiller & Mrs Sarah Ann Tiller	567,500	1.87
8	Mr Shane Le Plastrier	308,796	1.02
9	Plaisance Pty Ltd	307,500	1.01
10	Fergus & Co Pty Ltd	300,000	0.99
11	Mr Fredic Wong & Mrs Sandra Wong	300,000	0.99
12	Batavia Oil & Gas Pty Ltd	278,000	0.92
13	Mrs Melanie Ann Tardivel & Mr Graeme Andrew Jenkin	257,000	0.85
14	Mr Malcolm Arnold Haines & Mrs Jennifer Haines	255,729	0.84
15	Mr Jacob Mathew	250,000	0.82
16	Toad Facilities Pty Ltd	250,000	0.82
17	Mr Kiang Ty Lim	239,539	0.79
18	Malenki Pty Ltd	238,000	0.78
19	Ms Alice McCleary	224,200	0.74
20	Mr Peter Refalo	212,802	0.70
Totals		16,177,842	53.28

Holders of 20 cent 1 September 2011 Unlisted Options

<i>Rank</i>	<i>Name</i>	<i>Units</i>	<i>% of Options</i>
1	Russel Bluck	5,000,000	76.93
2	Tom Phillips AM	500,000	7.69
3	Alice McCleary	500,000	7.69
4	Xu Gang	500,000	7.69
Totals		6,500,000	100.00

Additional Information

Holders of 16 May 2011 Unlisted Option (Exercise price 20 Cents)

<i>Rank</i>	<i>Name</i>	<i>Units</i>	<i>% of Options</i>
1	Wade Bollenhagen	75,000	6.39
2	David Usher	250,000	21.31
3	Trevor Orr	175,000	14.91
4	Edward Keys	181,250	15.44
5	Nicole Galoway Warland	115,200	9.82
6	Julian Snook	120,000	10.237
7	Thomas Hitchman	132,000	11.25
8	Susan Ortlepp	125,000	10.65
Totals		1,173,450	100.00

Holders of 20 cent 1 September 2011 Unlisted Options

<i>Rank</i>	<i>Name</i>	<i>Units</i>	<i>% of Options</i>
1	Grant Koch	400,000	100.00
Totals		400,000	100.00

Use of Cash

During the financial year, the Company used the cash and assets in a form readily convertible to cash in a manner that was consistent with its business objectives.

Stock Exchange on which the Company's Securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange.

Mineral Exploration Licences

As the Company is a mining exploration company, below is a list of its interests in mineral exploration tenements licences granted, where the licences are situated and the percentage interest held. All Joint Ventures are unincorporated

<i>Project</i>	<i>Tenement</i>	<i>Commodity</i>	<i>Interest</i>
Wild Horse Plain	EL 3377	Uranium,Base Metals	100%
Muckanippie	EL 3438	Uranium,Base Metals	100%
Tumby Bay	EL 3628	Uranium,Base Metals	100%
Mullaquana	EL 3652	Uranium,Base Metals	100%
Elbow Hill	EL 3653	Uranium,Base Metals	100%
Malbrom	EL 3691	Uranium,Base Metals	100%
Pyramid Bore	EL 3373	Uranium,Base Metals	100%
Kingoonya	EL 3655	Uranium,Base Metals	100%
Mulga Well	EL 3211	Uranium	70% Joint Venture
McDowell Hill	EL 3474	Uranium	70% Joint Venture
Bon Bon	EL 3540	Uranium	70% Joint Venture
Tarcoola North	EL 3799	Uranium	70% Joint Venture
Tarcoola South	EL 4167	Uranium	70% Joint Venture
Pinding	EL 3205	Uranium	70% Joint Venture
Mt Finke	EL 3253	Uranium	70% Joint Venture
Carnding East	EL 3369	Uranium	70% Joint Venture
Kychering	EL 3500	Uranium	70% Joint Venture

On Market Buy-back

There is currently no on-market buy-back.



Corporate Directory

Directors

Tom Phillips AM

Chairman

Russel Bluck

Managing Director

Alice McCleary

Director

Xu Gang

Director

Company Secretary

Craig Gooden

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