

## MEDIA RELEASE

FOR IMMEDIATE RELEASE

Wednesday, 11 August 2010

### URANIUMSA MAPS OUT THE PATHWAY TO COMMENCEMENT OF FIELD LEACH TRIAL

An information evening is being held in Whyalla tonight by a South Australian company with plans to establish a uranium mine on the Eyre Peninsula.

UraniumSA is holding the Community Engagement meeting to provide information to local residents on what it is doing to advance its Mullaquana Uranium Project towards possible production.

The Company is in the process of applying for the permits and license required to carry out a Field Leach Trial at the Blackbush Prospect in its Mullaquana Project. A Field Leach Trial will enable the Company to determine how to extract the mineralisation and manage the environmental aspects of the process.

“UraniumSA is seeking to inform the community about the proposal for a Field Leach Trial, to seek their comments and reactions, and to identify areas or issues of concern which the Company should address in the design and development of its proposal,” UraniumSA Managing Director, Mr Russel Bluck, said today.

“We place high importance in keeping the local community informed as much as possible about our plans for our Mullaquana Uranium Project, and this also is a good opportunity to for us to receive constructive feedback from local residents and landowners.” Mr Bluck said UraniumSA has been exploring in the area, south of Whyalla, since 2007.

At the Blackbush Prospect, the Company has an Inferred Resource of 12 Mt of mineralisation containing an estimated 2,700t of uranium oxide, U<sub>3</sub>O<sub>8</sub>. Drilling is continuing to discover extensive new mineralisation at the Blackbush Prospect and the Company plans to announce new resource figures shortly.

The Mullaquana Uranium Project comprises Exploration License 3652 (UraniumSA Limited) and Joint Ventures over Exploration Licence 4242 (Stellar Resources Limited) and 3542 (Australasia Gold Limited).

Uranium mineralisation at Blackbush is confined to salt-water saturated sand and lignite rocks which start at depths of 50-60 meters and extend to granite basement between 80 -90 meters. The uranium mineralised units are overlain by regionally extensive limestone and clay units which are impervious to water and seal them off from the modern environments. The style of mineralisation, the host rocks and the impervious seal rocks are features which make the prospect a potential in-situ recovery mining operation.

In mid 2009 the Company recognised the economic potential of the Blackbush Prospect and commenced collecting base line data in and around the project area. To date

1. An environmental baseline survey of the flora and fauna in the area has been commenced and will be completed shortly when the last of a full year of periodic surveys is conducted.
2. Hydrogeological sites have been established to obtain baseline data on the groundwater systems and to form the base for long term monitoring. More sites are being established.
3. An assessment of the hydrological risk did not find significant risk of flood or inundation at the site.
4. A Radiation Baseline and Monitoring program has commenced and will run for twelve months.
5. Engagement with landowners, Native Title Claimants and business in Whyalla has been ongoing since exploration commenced. Formal consultation commenced 28th April 2010 with a focus group meeting in Whyalla, continued with two days of public information booths 15<sup>th</sup> and 17<sup>th</sup> July 2010 in the city, and is continuing with the present Engagement meeting.

## UraniumSA

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*The exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Ms. Nicole Galloway Warland, Exploration Manager, UraniumSA Limited. Ms Galloway Warland is a Member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposits being considered, and to the activity which she is undertaking to qualify as a Competent Person as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2004 Edition). Ms Galloway Warland consents to the inclusion in the report of matters based on her information in the form and context in which it appears. It should be noted that the abovementioned exploration results are preliminary.*