

Wednesday, 27 October 2010

**AUSTRALIAN SECURITIES EXCHANGE  
COMPANY ANNOUNCEMENTS PLATFORM  
ASX CODE USA**

## **CAPITAL RAISING**

The Board of UraniumSA Limited advise that BGF Equities Pty Ltd (“BGF”) have been mandated to raise up to \$5m in new capital through the placement of stock at a price of 25c per share to institutional and overseas investors.

The capital raised will be used to:

- Fast track the progression of the Blackbush Prospect towards the commencement of an In Situ Recovery Field Trial in the second half of 2011, with the objective of achieving initial production in the second half of 2012. The Blackbush Prospect has an Inferred Mineral Resource containing an estimated 10,400t of U<sub>3</sub>O<sub>8</sub> (38.7 million tonnes at 275 ppm eU<sub>3</sub>O<sub>8</sub>, 22.9 million pounds).
- Continue exploration drilling of other prospects within the Mullaquana Project area to continue to grow the inventory of uranium mineralisation in the Mullaquana Project area to ~20,000t of U<sub>3</sub>O<sub>8</sub> by the end of the first quarter 2011.
- Supplement general working capital.

A motion to approve the placement will be put to the Annual General Meeting of shareholders scheduled for 29<sup>th</sup> November 2010.

## ABOUT URANIUMSA LIMITED



UraniumSA is an Adelaide based uranium only explorer specialising in sediment hosted styles of uranium mineralisation within a substantial portfolio of properties in South Australia's Gawler Craton. The Company has discovered sediment hosted uranium mineralisation in its Mullaquana Project, 20km south of the industrial city of Whyalla on the eastern Eyre Peninsula. Through its own tenure and by Joint Venture the Company has exploration control over what it considers the most prospective portions of the Pirie Basin.

At the Blackbush Prospect in the Mullaquana Project there is an Inferred Mineral Resource of 38.7 million tonnes at a bulk grade of 275ppm eU<sub>3</sub>O<sub>8</sub> with an estimated 10,400t (22.9 million pounds) contained U<sub>3</sub>O<sub>8</sub>. Drilling of other prospects at Mullaquana is continuing to obtain intersections above deposit average grade and thickness.

The exploration objective is to expand the base of identified uranium mineralisation through incremental addition and new discovery to build the Mullaquana Project to a discovery of international significance. At the Blackbush Prospect, the Company is working to establish an in situ recovery field trial during 2011 with the objective of being able to commence production during 2012.

Russel Bluck  
Managing Director  
UraniumSA Limited

*The exploration results and mineral resources reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr Russel Bluck, Managing Director, UraniumSA Limited who 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 is reported 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). Mr. Bluck consents to the inclusion in the report of matters based on his information in the form and context in which it appears. It should be noted that the abovementioned exploration results are preliminary.*