

UraniumSA

Mullaquana Uranium Project and the Blackbush Prospect

Investor Presentation

BGF Equities High Conviction Emerging Resources Conference

Hong Kong 29th October 2010

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Disclaimer



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The results reported herein, insofar as they relate to mineralisation, are based on information compiled by Russel Bluck who is a Member of the Australian Institute of Geoscience and an employee of UraniumSA Limited with sufficient experience relevant to the style of mineralisation and type of deposits being considered and to the activity which is being reported to qualify as a Competent Person as defined by the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2004 Edition). He consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

Overview

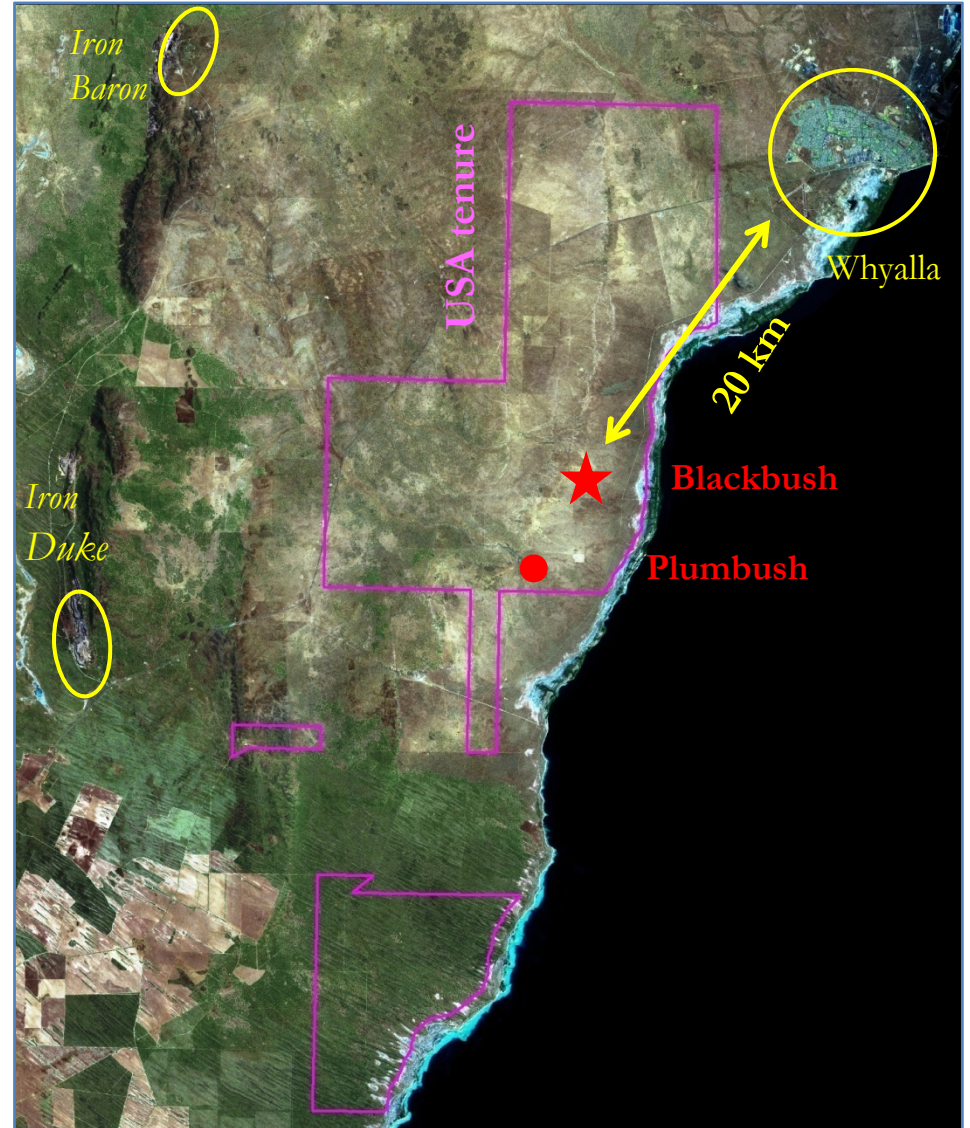
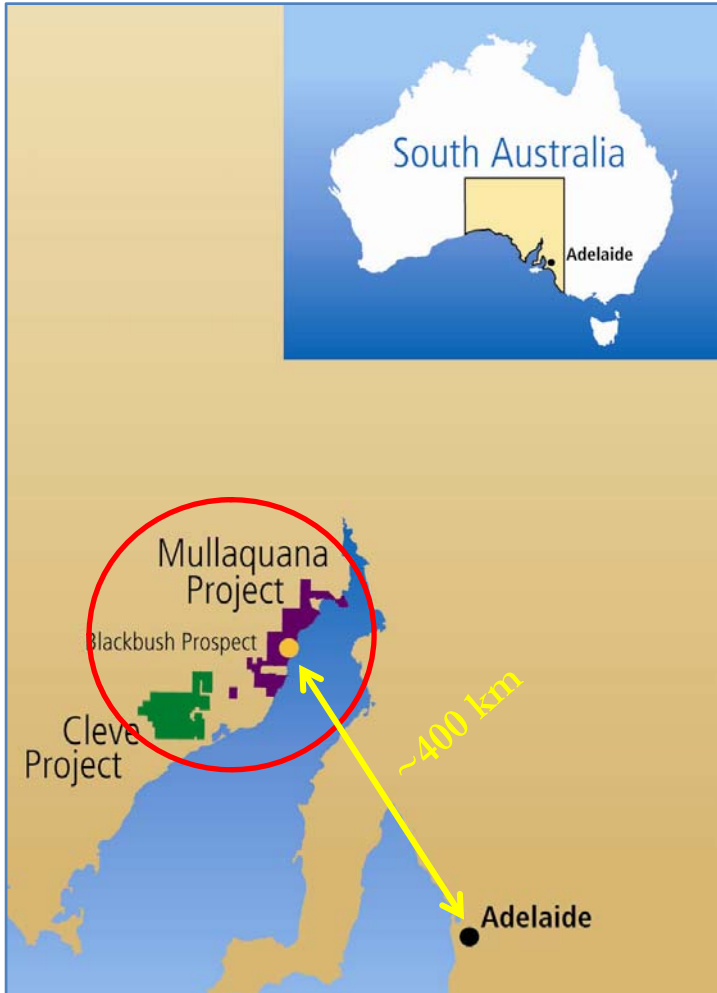
- Australian Securities Exchange code USA
- ~111 million shares on issue
- top 20 shareholders have 35.6%
- largest institutional shareholder has 4.5%
- Managing Director is largest individual shareholder with 3.79%

- 10,400t U₃O₈ (22.9 million pounds) Inferred Mineral Resource at the Blackbush Prospect
- Field Trial scheduled for second half 2011
- Initial production projected for second half 2012
- Mullaquana Project exploration objective ~20,000t* by end first quarter 2011

- Project being de-risked with staged testing and development
- Mineralisation has permissive uraninite/coffinite mineralogy
- Initial metallurgical work shows good dissolution rate ~90% in ~48 hours
- Bench testing continuing to determine extraction options
- Field Trial to scale up and determine production parameters

** an exploration objective is conceptual in nature and there is no certainty of conversion to reserves*

Mullaquana – where is it ?



Blackbush Prospect – growing the resource of mineralisation

inferred mineral resource estimate

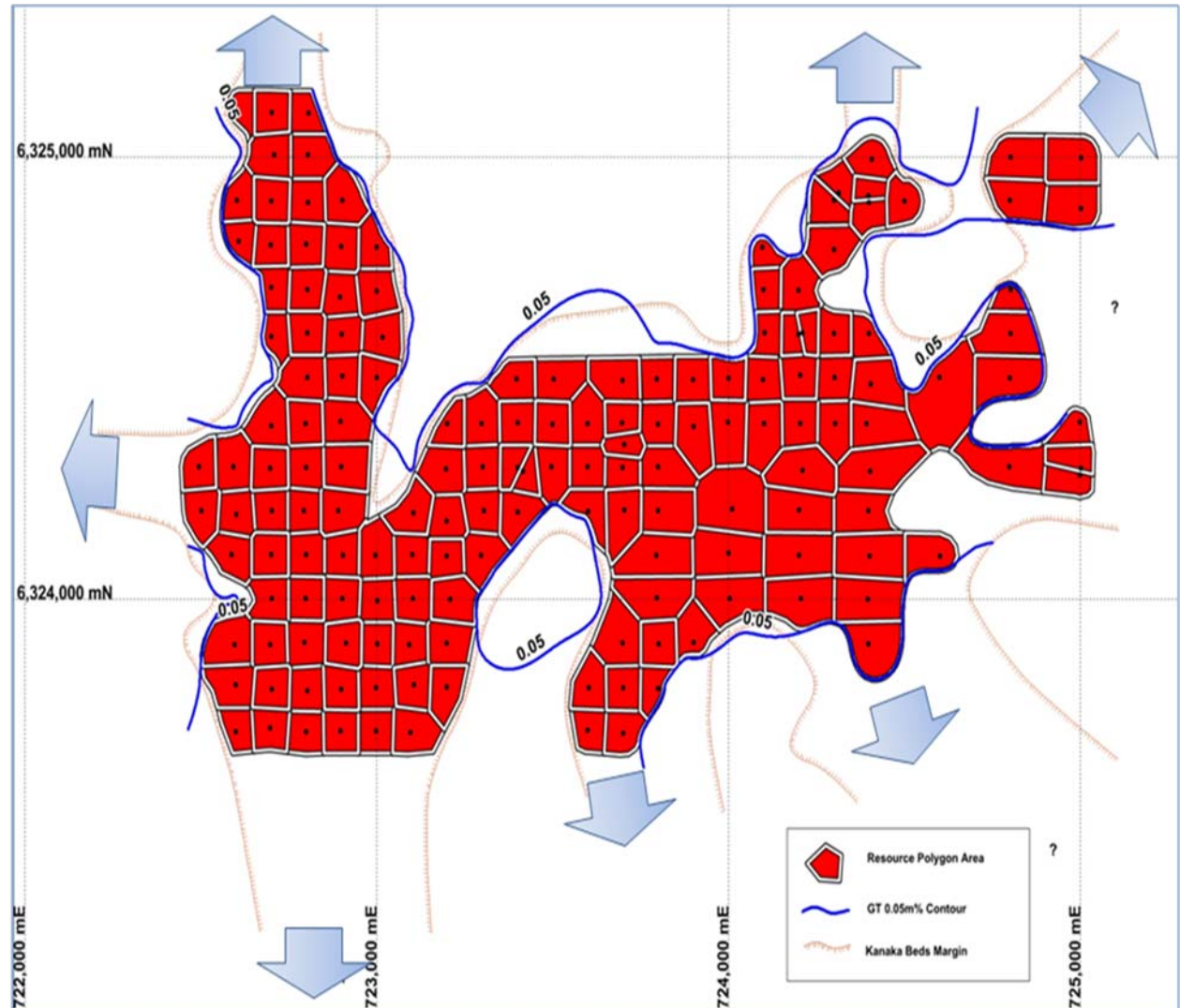
38.7 m tonnes

10,400t contained U_3O_8
(22.9 million lbs)

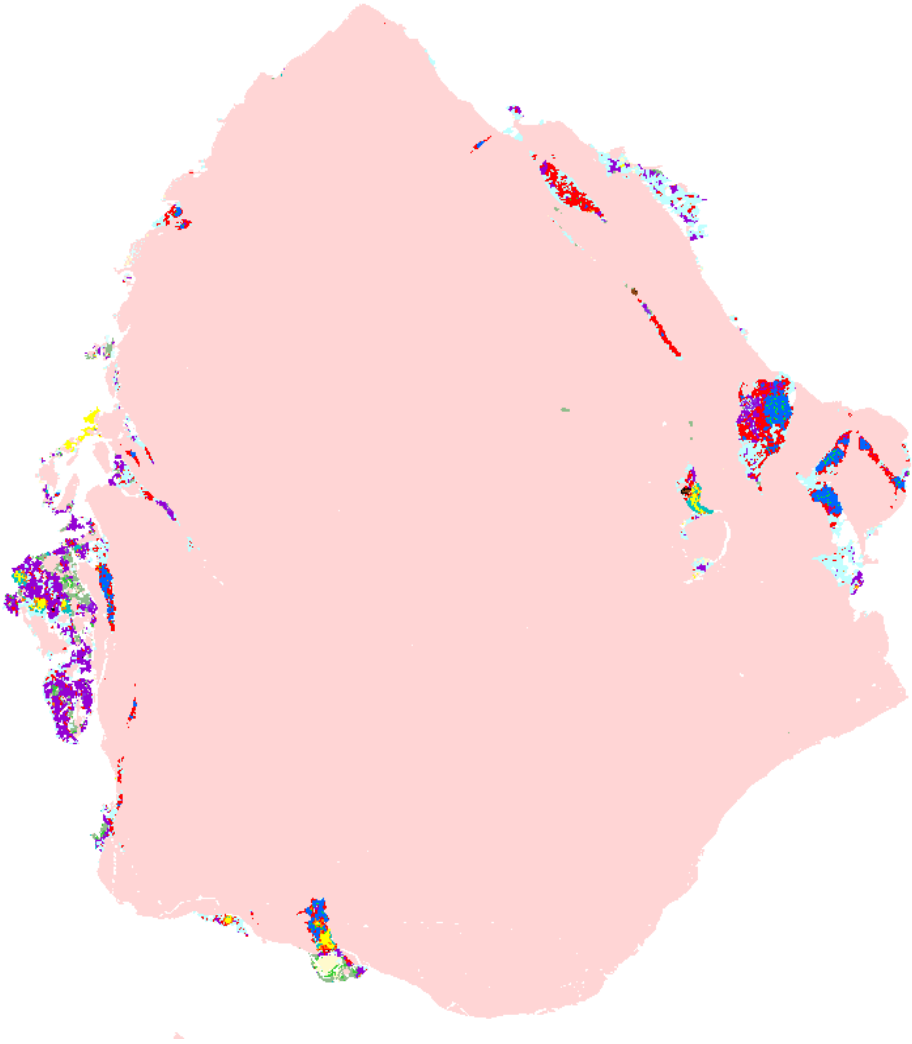
weighted average
grade 275 ppm eU_3O_8
thickness 11.85m

Resource envelope remains
open in several directions

Higher grade/thickness
“starter zones” present



Blackbush Prospect – the right mineralogy



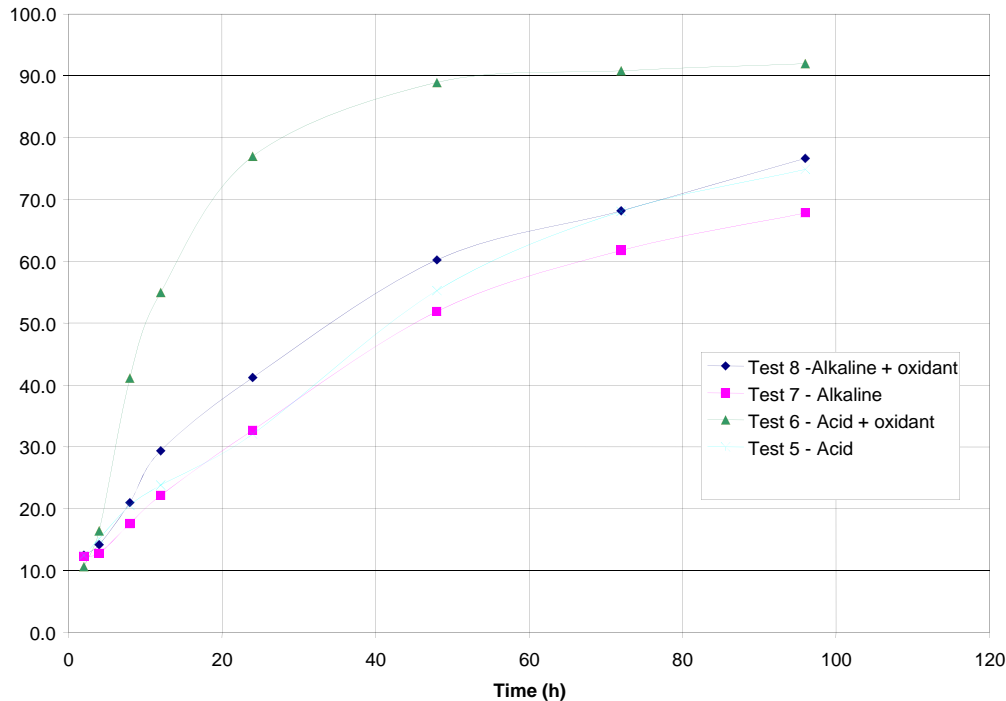
On the left is an electron microscopy image of a grain of sand approximately 1mm across (the light pink field)

Uranium metal is contained in the uraninite and coffinite minerals which occur on the grain margins and surface, and as veins within the grain (showing as red, green and blue fields)

uraninite and coffinite have good metallurgical characteristics

Blackbush Prospect – good initial metallurgical results

Round 2 Bottle Roll Tests



Initial results show ~90% dissolution in ~48 hours with moderate to low acid and oxidant consumption.

Round 3 bottle roll tests completed, data being compiled.

Laboratory bench tests do not necessarily reflect what can be achieved in a field trial.

Mullaquana Project – a strong Project Development Team



Alistair Muir, BAppSc GradDIPMgt MAusIMM. General Manager, Mullaquana. A Project Manager experienced in the delivery of technically complex high capital expenditure projects in the Northern Territory and South Australia.



Charles Nesbitt, BSc(Hons). Geoscience Manager. A specialist uranium geologist with twelve years experience across South Australia's uranium mining operations with extensive experience in ISR resource definition drilling, well field design and well construction at Beverly, Pepegooona and Honeymoon.



Simon Hall, BAppSc. Metallurgical Manager. A metallurgist with broad experience across the South Australian uranium mining industry. Simon worked on the Honeymoon ISR uranium project, and consulted on concept development and feasibility studies focussed on uranium metallurgy and process design.



Ben Jeuken, BSc(Hons). Senior Hydrogeologist with Australian Groundwater Technologies (AGT) is providing hydrogeological services to UraniumSA . Ben has worked on the Beverly, Four Mile and Honeymoon mine well fields and his expertise is recognised by State and Federal government regulatory agencies.

Blackbush Prospect – trajectory towards production

- scheduling for field trial for ISR mid 2011 following rigorous regulatory process:
this is building on laboratory bench testing to de-risk the project
- studies for regulatory process well underway:
initial flora/fauna studies completed
monitor bore sites established, hydrogeological modeling commenced
radiation baseline studies commenced
- scheduling for commencement of construction/production mid 2012:
initial 100tpa unit to confirm scale-up of field trial results
scale-up production capacity targeting 400tpa by end of first year
final scale of production determined once operating parameters are defined
- transparent sovereign, statutory and regulatory regime in Australia and South Australia.
State and Federal government agencies experienced with in situ recovery mining

Mullaquana Project – growing the asset base

Blackbush Prospect

38.7 m tonnes
10,400t contained U_3O_8 (22.9 million lb)
weighted average grade 275 ppm e U_3O_8
weighted average thickness 11.85m

Samphire Prospect

Potential ore grade intercepts
from 4 of ~12 exploration holes in an
area ~1.5km strike and ~1.5km of width

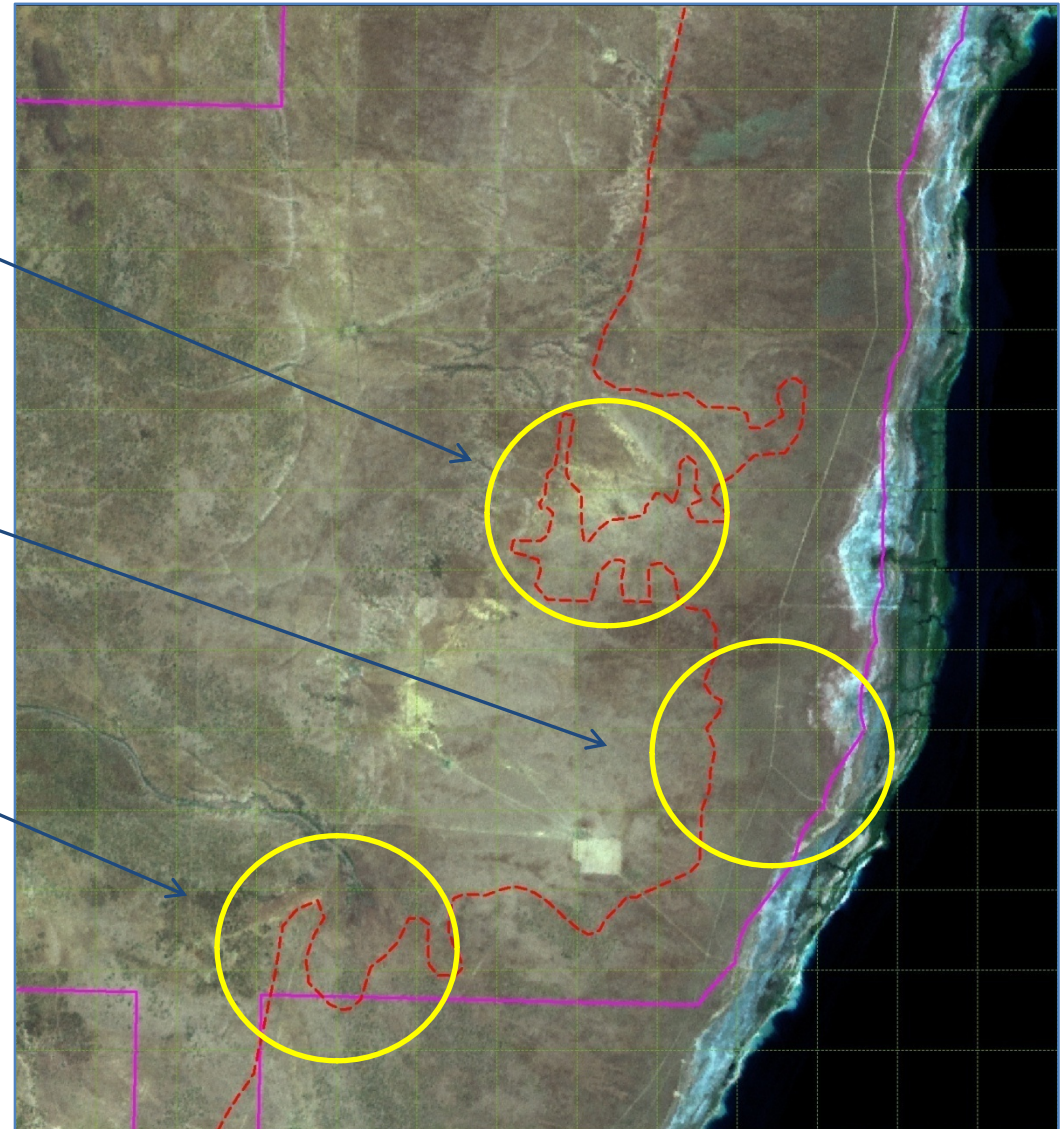
Plumbush Prospect

potential ore grade intercepts
from 12 of ~20 exploration holes in an
area >2km strike and ~2km of width

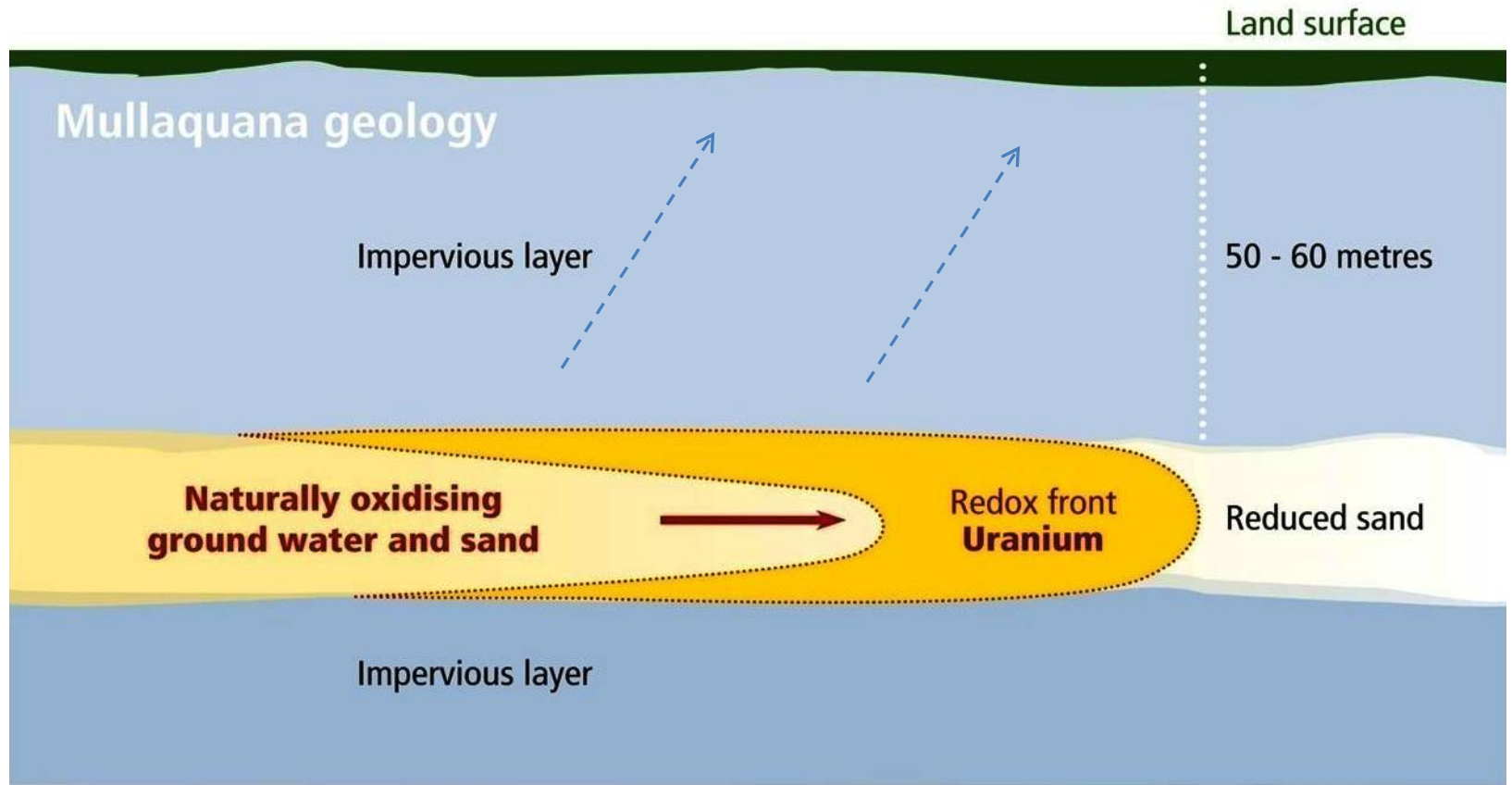
Exploration Objective

~20,000t U_3O_8 by late 2010 early 2011

*Exploration Objectives are conceptual
in nature and there is no certainty that further work will
result in the determination of a mineral resource*



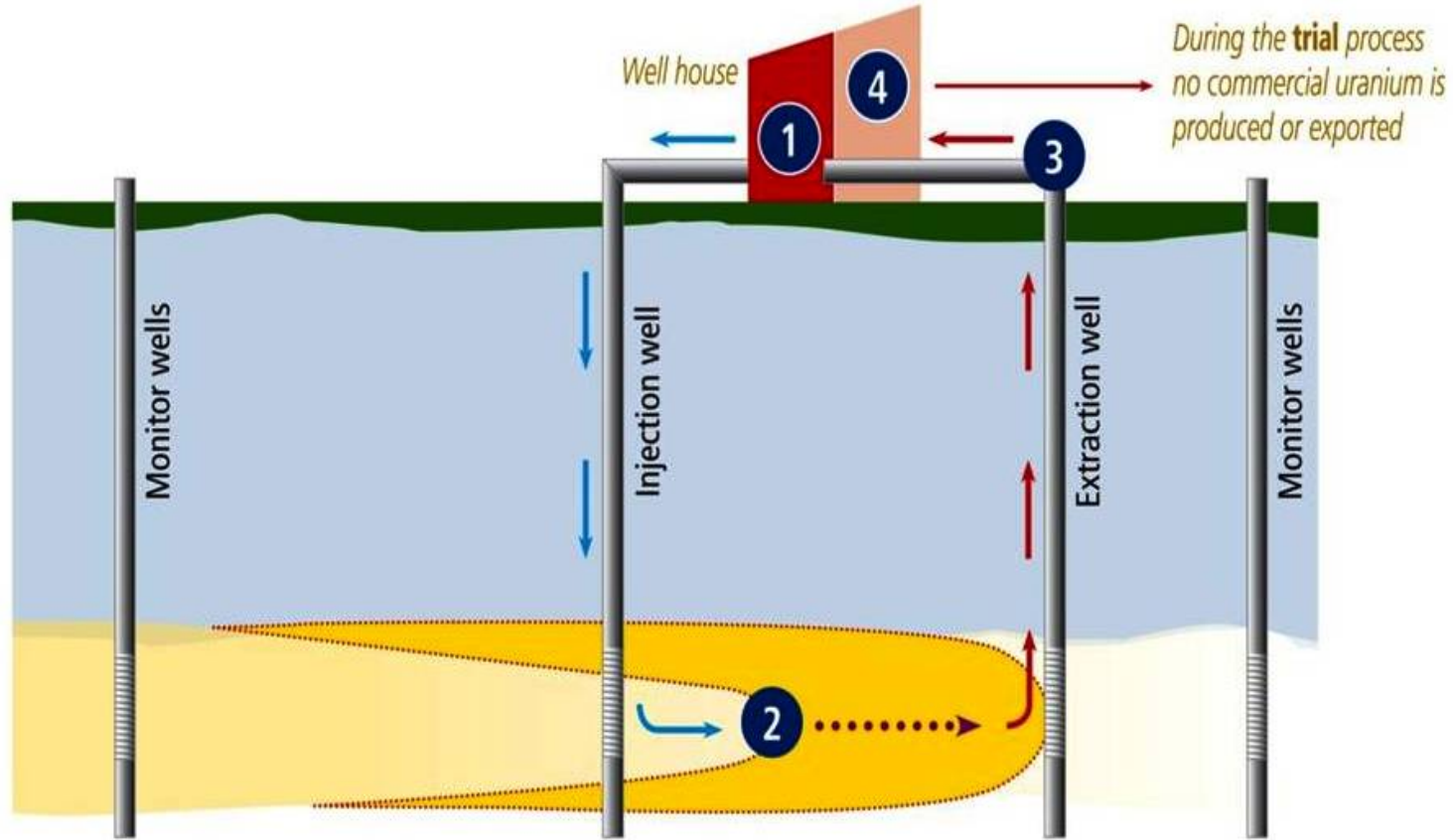
In Situ Recovery – what does it need to work ?



no leakage to surface

mineralisation in water saturated sand

In Situ Recovery – how does it work ?

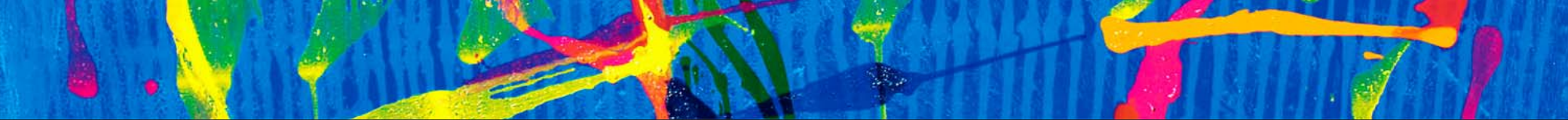


1 Natural water is modified and pumped into the ground from the Well house

2 Uranium dissolves

3 The Uranium solution is drawn up through the extraction well back to the Well house. The Uranium is extracted and the water is reclaimed for circulation

4 The plant precipitates, dries and drums the yellowcake (Uranium)

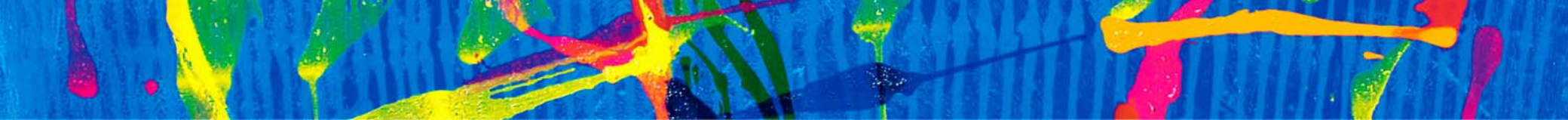


In Situ Recovery – what are the advantages ?

- low capital cost – range per 100tpa production (200,000lb) ~ \$9.5m to ~ \$7.5m
- low operating costs – internationally range between <\$20/lb to >\$35/lb
- smallest environmental footprint of all mining methods
 - no traditional mine openings
 - pipes and pumps, no mining trucks and haul roads
 - no waste dumps or tailings dam, everything stays in the ground
- manageable legacy issues
- established technology – all production in USA and Kazakhstan is from ISR

UraniumSA;

- owns 100% of the Mullaquana project
- Inferred Resource 10,400t U₃O₈ potentially amenable to ISR extraction
- expecting an asset base of ~20,000t U₃O₈ by early 2011
- advancing towards production in 2012
- a strong Project Management Team with In Situ Recovery expertise
- the uranium market has good upside price potential

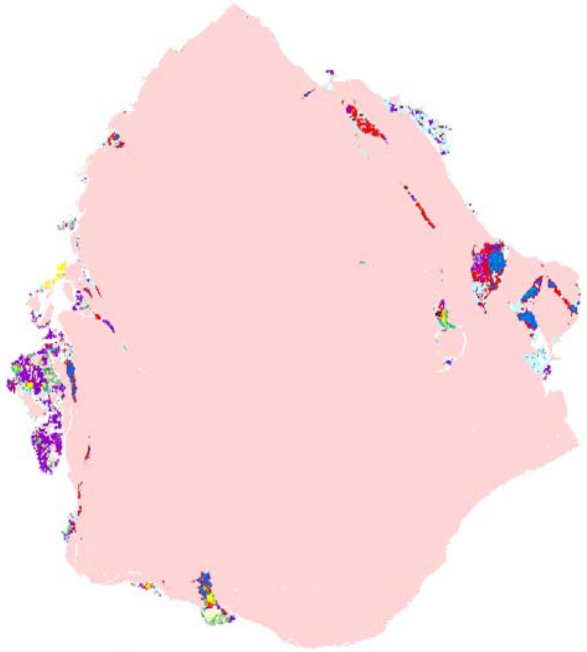


the challenge

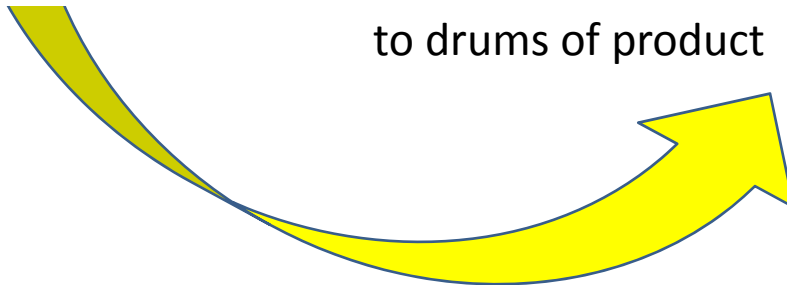
UraniumSA

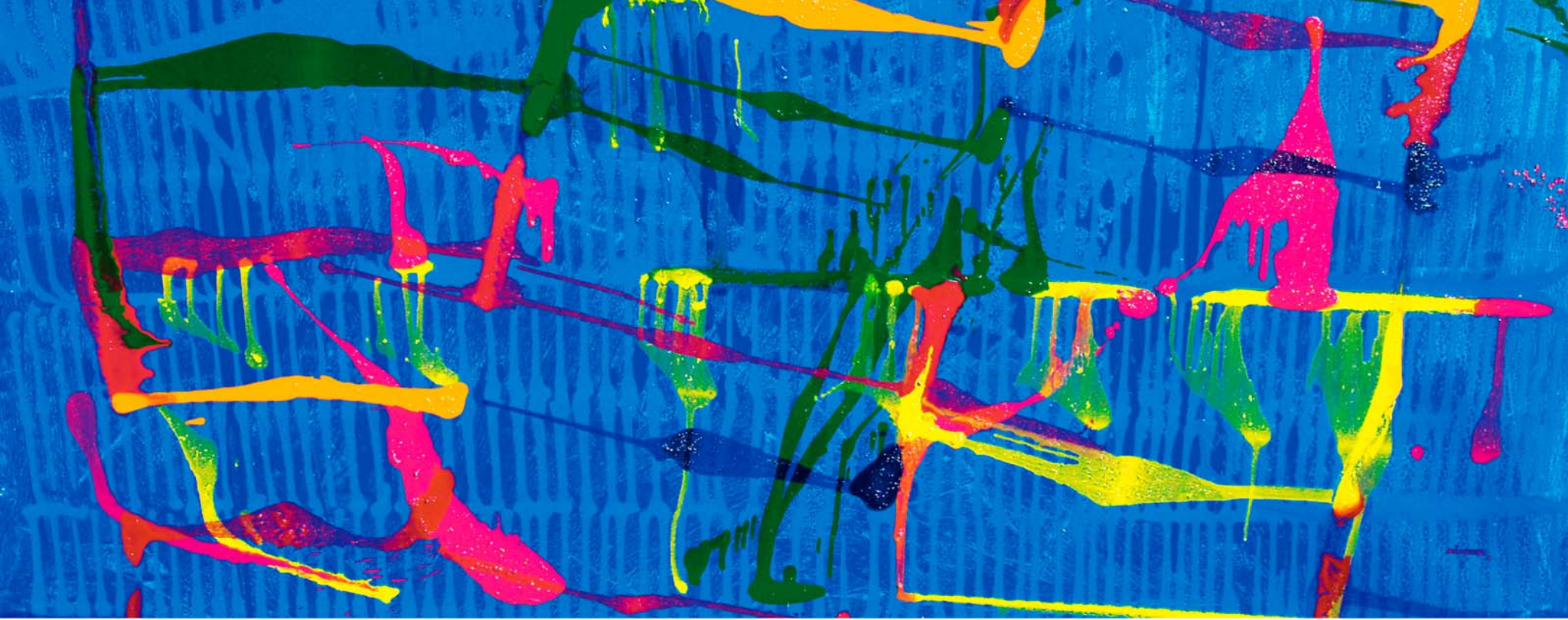
to move as quickly and as cost-effectively as practicable from

grains
of
sand



to drums of product





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