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**AUSTRALIAN SECURITIES EXCHANGE LIMITED
COMPANY ANNOUNCEMENT PLATFORM
ASX CODE USA**

CHAIRMAN'S ADDRESS – AGM 2010

When I addressed last year's AGM my focus was on how we had managed the impacts of the Global Financial Crisis while continuing to explore, and that we were driving hard to establish Mullaquana as a significant uranium discovery and a future producer.

You will be aware from our recent announcements and our share price that we have achieved these objectives. With an Inferred Mineral Resource of 10,400t* of U₃O₈ the Blackbush Prospect is a significant deposit within Australia, and as we continue to explore at Mullaquana we expect to grow our asset base well beyond 20,000t* of mineralisation.

Over the last year our Company has built a new unproven uranium discovery at Mullaquana into a significant and continually growing asset of uranium mineralisation. In the year ahead, we will move it towards production.

UraniumSA from its formation has operated on the basis that exploration is a business and this approach has been fundamental to our success as a junior exploration company. The Company is now rapidly evolving from successful explorer into a project developer and it has a clear pathway to become a yellowcake producer.

The success we have achieved so far has been made possible by just a small group of employees and we would not be in the position we are today without the dedication and work ethic of our Field Team - the drillers, geotechnician, geologist, field hands - of our Administration Team, and of our Management Group.

However the Board knows that generational and structural change is required to ensure that progression through development and into production will be successful. Hovering above all this has been the incredible drive and skill of our CEO Russel Bluck. As with any Company, our people are our most valuable asset.

We have commenced this process of generational change with the recruitment of a very well qualified Project Development Team for the Mullaquana Project. Individually, each member of this Team has an established professional reputation in their area of expertise. Together, they have the ability to continue our tradition of outperformance as they transform our existing asset of mineralisation in the ground into yellowcake product in drums destined for market. As the project moves into mining and then production a further operating, financial and corporate management skills will be required and recruited.

Over the years, the volume and quality of work delivered by the Field Team has been outstanding. They have demonstrated a consistent work ethic and discipline while working with minimal plant and equipment. The result of their efforts has been the cost effective exploration and discovery we have been able to achieve. Their attention to operating procedures has minimised the environmental footprint of our drilling, and this attention to detail is a critical discipline which we will maintain as we advance towards production. Above all of this we have also ensured that safety management and training are given the high priority necessary to protect our people in the remote, and demanding environment in which they work.

All our operations occur in country areas in South Australia, and while minerals are owned and leased by the Crown, it is the pastoralists and farmers who live and work on the land who are most impacted by exploration. There is recognition in country South Australia of the contributions which mining can make to local areas and communities and as we explore and advance our projects we endeavor to work with and respect the pastoral stakeholders and country communities where we operate.

In the areas where we work, we also endeavor to understand and respect the ongoing connection of Aboriginal peoples to land.

These are not always straight forward or easy tasks, but they are real and serious obligations which we endeavor to discharge ethically and responsibly.

The Board is very conscious that as the Company grows it will need to expand its range of expertise to ensure it is providing appropriate oversight and governance. Since listing, UraniumSA has been governed by a Board with a majority of independent Directors. Its major shareholders have never had or sought representation on the Board, or to influence the management of the Company, and it is the intention of the Board to continue this tradition.

I have been Chairman of UraniumSA since it listed on ASX in October 2006. By the time that boom period ended there were well over a hundred listed companies styling themselves as uranium explorers. As with most market booms, that period ended and the vast majority of those companies moved on to do other things.

Now, four years down the track UraniumSA is also about to do other things. In those four years we have achieved a new uranium discovery, we have survived the Global Financial Crisis, we have found ever increasing tonnages of uranium, and we are well on track to achieving yellowcake production.

Uranium was discovered at Mullaquana in our first drill hole and I was told on the phone that I was now 'Chairman of a genuine uranium company'. Not everyone in the market had our level of belief when we announced it, but we have stayed the course and we are now reaping the rewards.

Now, consistent with the Boards commitment to structured generational change to parallel the development of the Company, I am today advising that at the next Board Meeting I will be resigning as Chairman of UraniumSA. I will remain as a non-executive Director. Russel Bluck will assume the role of Executive Chairman.

I believe that as Chairman I have contributed to the governance and management that has enabled UraniumSA to succeed in what it set out to do. In the market, we have performed respectably and shareholders have been able to achieve a return on their investment. As an exploration company, we have generated an asset of significant value which now underpins the market value of our shares. As a corporate entity, everything we have done has been done professionally and with integrity and also with our shareholders' best interests in mind.

Thank you,

A handwritten signature in black ink, appearing to read "Tom Phillips".

Tom Phillips AM
Chairman
UraniumSA Limited