

Thursday, 2 December 2010

AUSTRALIAN SECURITIES EXCHANGE
 COMPANY ANNOUNCEMENTS PLATFORM
 ASX CODE USA

TONNES - GRADE DATA

BLACKBUSH PROSPECT Mullaquana Uranium Project Eyre Peninsula, South Australia

UraniumSA is conducting work to characterise the Blackbush Prospect uranium mineralisation. The work presented here is a review of the impact of variation of the assumed cut-off grade on the resource estimate (tonnes of mineralisation, average grade and tonnes contained U₃O₈).

Significant areas of mineralisation at higher than deposit average grade/thickness are present within the Blackbush Prospect. The Company will be able to select the areas where it commences in-situ recovery operations to optimise cash flow, pay back and profitability.

The following data indicate that, in addition to the ability to select mining areas, ongoing operations will benefit from the ability to vary cut-off grade to meet market conditions and maintain the viability of the project.

Table 1

cut-off grade ¹ ppm eU ₃ O ₈	average grade ² ppm eU ₃ O ₈	mineralisation ³ million tonnes	estimated contained ⁴ U ₃ O ₈
100	280	45.5	12,730
200	515	18.1	9,337
300	774	9.0	6,963
400	970	5.9	5,712
500	1,216	4.1	4,958
600	1,377	3.2	4,402
700	1,569	2.5	3,894
800	1,754	2.0	3,454
900	1,918	1.7	3,191
1000	2,123	1.4	3,021

note¹ the cut-off grade is an assumed figure

note² volume weighted average grade of the mineralisation material above the cut-off grade

note³ estimated millions of tonnes of mineralised material above the cut-off grade

note⁴ estimated tonnes of contained uranium oxide mineralisation

The underlying assumptions of a minimum intercept length of 40cm above the cut-off grade with an allowable internal dilution of 10cm have been retained in this work.

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 within its Mullaquana Project, 20km south of the industrial city of Whyalla on the eastern Eyre Peninsula. The Blackbush Prospect has an Inferred Mineral Resource of 45.5Mt at 280ppm eU₃O₈ with an estimated 12,700t contained U₃O₈. The Company is working to advance the Blackbush Prospect to an in-situ recovery field trial as soon as practicable. Continuing drilling to expand the resource base is obtaining intersections significantly above deposit average grade and thickness. The objective is to expand the resource base through incremental addition and new discovery.

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.

Russel Bluck
Managing Director
UraniumSA Limited

The exploration results mineral resources reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr Russel Bluck an employee of UraniumSA Limited and Member of the Australian Institute of Geoscientists with 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.