



**CANARY EVENTS – Uranium & Rare Earths**

**13<sup>th</sup>/14<sup>th</sup> April 2011**

**Mullaquana Uranium Project**

## DISCLAIMER

*This presentation has been prepared by UraniumSA Limited in summary form and does not purport to be complete. The Company therefore gives no warranties as to the accuracy, reliability or completeness of the information( except to the extent liability under statute cannot be excluded). The data provided are taken from, or are interpretations based on, information provided to the market in releases to the Australian Securities Exchange and which are available from the web sites of UraniumSA and Australian Securities Exchange. Assumptions concerning the possible progress of exploration and development are conjectural and should not be used for financial forecasting or investment decisions.*

*The results reported herein, insofar as they relate to mineralisation, are based on information compiled by Russel Bluck a Member of the Australian Institute of Geoscience and employee of UraniumSA Limited with sufficient experience relevant to the style of mineralisation and type of deposits being considered and to the activity undertaken 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.*

# HIGHLIGHTS

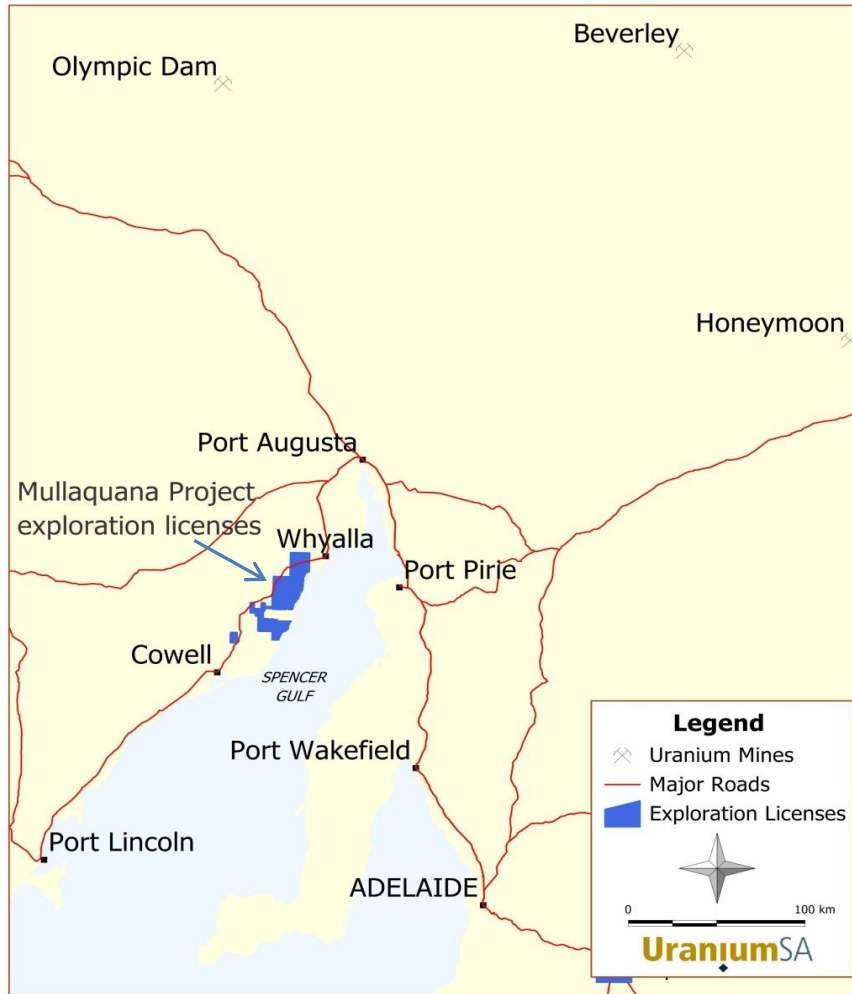
- Significant sedimentary uranium deposit now in excess of 40Mlbs (JORC Inferred).
- Focus is on ISR – In-situ recovery mining – well established mining method in SA.
- Trajectory to production firmly established for late 2012/13.
  
- Resolved major metallurgical issues.
- Trial mining planned for late 2011.
- Approval from the Federal Government “not considered a controlled action”.
- In progress securing SA Government approvals.

**RESOURCE-INFRASTRUCTURE-PEOPLE-SYSTEMS-REGULATORY REGIME**

# THE COMPANY

- Australian Securities Exchange - code USA - Adelaide based.
- We only do uranium nothing else.
- We only explore in SA because of the tried & tested regulatory regime.
- ~145m shares on issue, cash on hand ~ AUD\$8.3m. Market cap \$44m
- ~ 1,800 shareholders.
- Open share registry – top 20 own 43%. (46% in March).
- Top shareholder holds in the order of 6.5%.
- Japanese events have had a major impact on current share prices.
- We see growth in demand is inevitable.
- Expect business as usual within a 6 month timeframe.

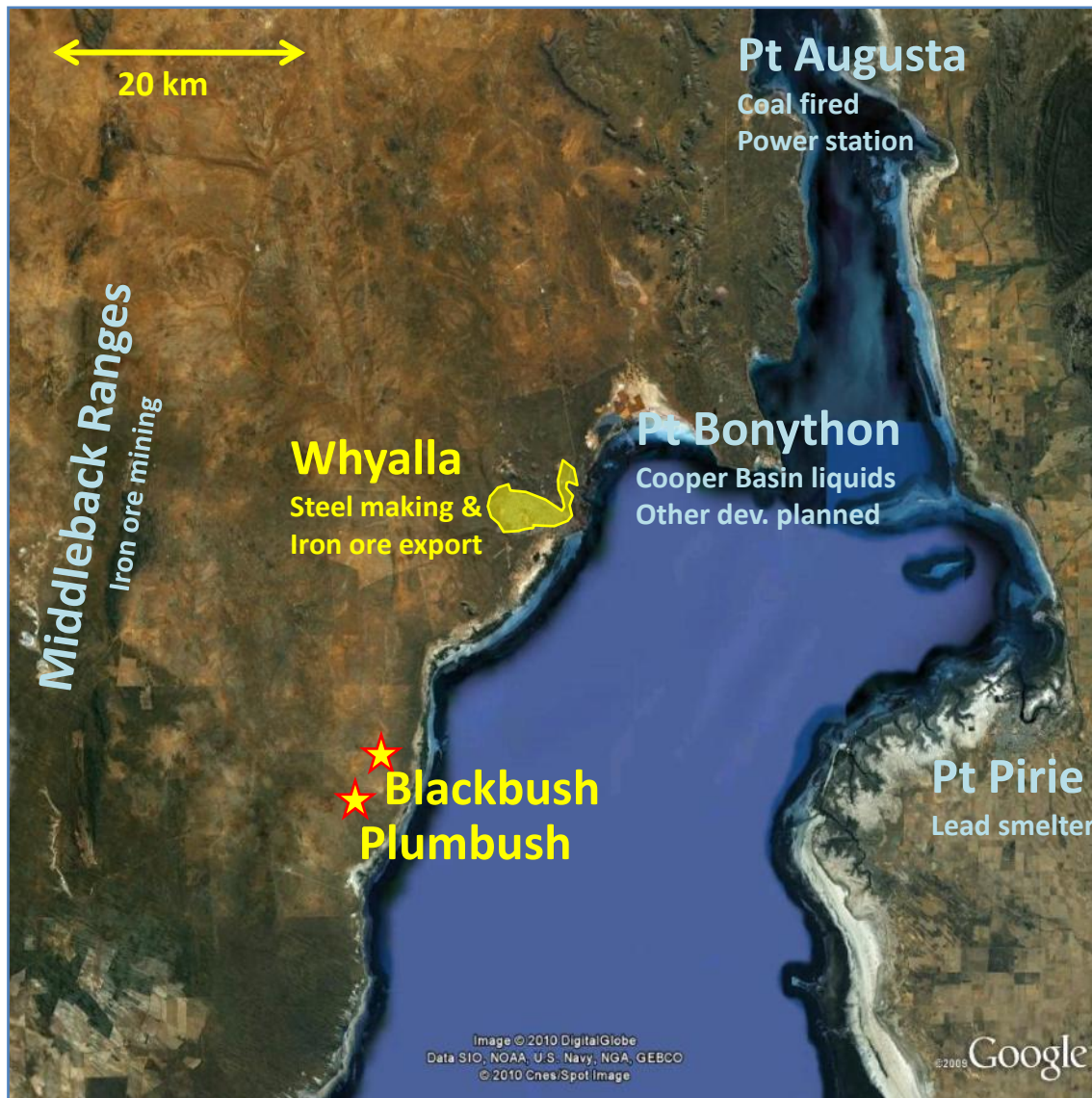
# MULLAQUANA PROJECT – South Australia



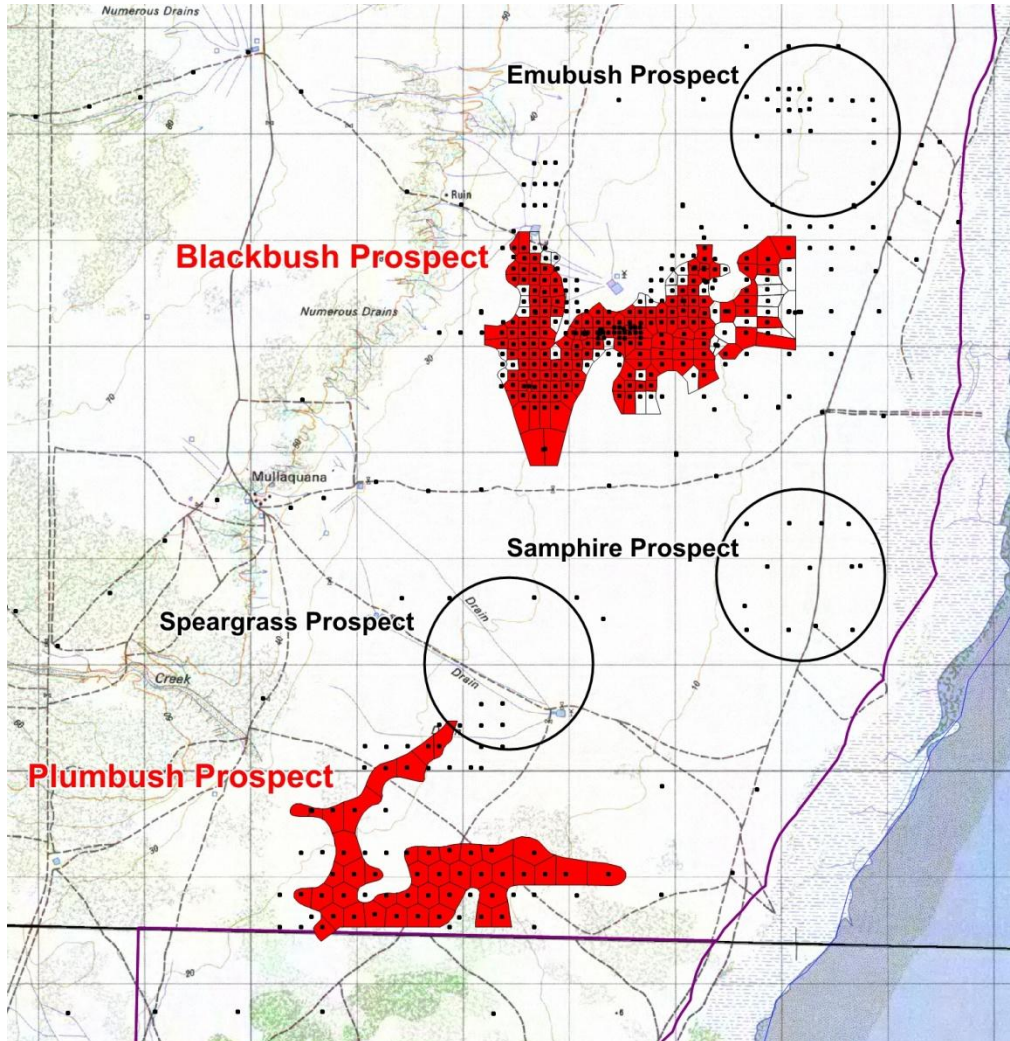
# THE MULLAQUANA DISCOVERY

- New uranium province.
- Located 20km SW of the Eyre Peninsula city of Whyalla.
- Set in relatively young sediments overlaying part of the Gawler Craton – 50m to top of mineralisation.
- Inferred “JORC” resource of 42Mlbs  $U_3O_8$ .
- Contained in Blackbush & Plumbush Deposits.
- Grade is averaging 285ppm  $eU_3O_8$ .
- Undertaking significant development work on the Blackbush Deposit.
- Substantial exploration upside still exists.

# MULLAQUANA PROJECT – the Upper Spencer Gulf



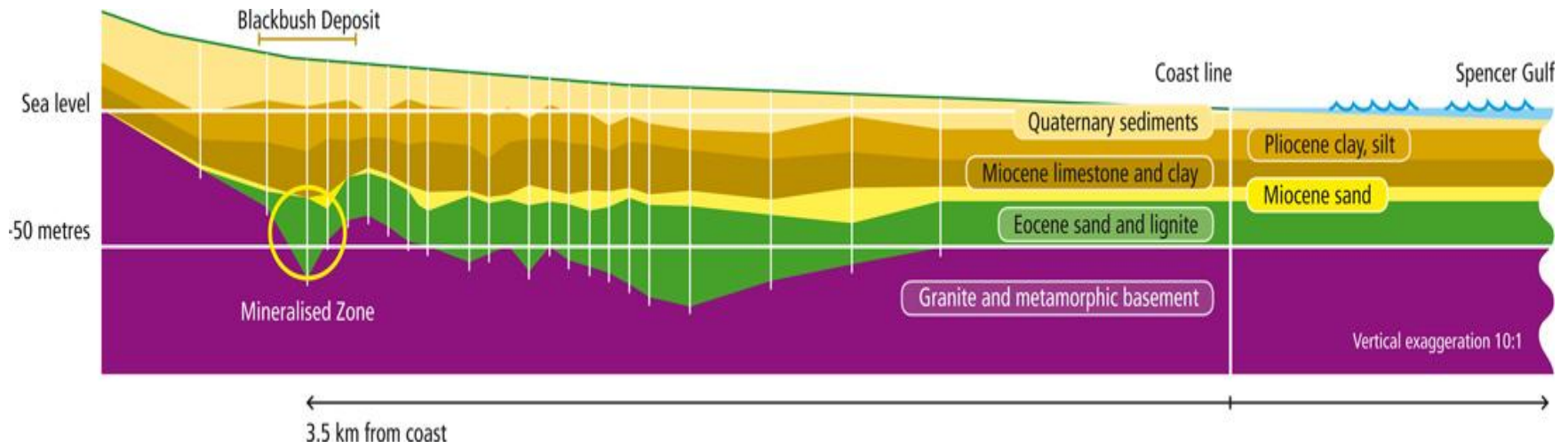
## MULLAQUANA CENTRAL ZONE – drilling and known prospects



*the view is 10km wide - 1 km grid squares.*

- **Drilling:**  
regional - 400m to 1km centres  
infill - 100m centres.
- **Blackbush Deposit**  
12,700t U<sub>3</sub>O<sub>8</sub>  
Inferred Resource
- **Plumbush Deposit**  
6,300t U<sub>3</sub>O<sub>8</sub>  
Inferred Resource
- **Emubush & Samphire Prospect**  
future resource potential
- **Speargrass Prospect**

# GEOLOGY



# BLACKBUSH DEPOSIT - Inferred Mineral Resource Estimate

45.5M tonnes

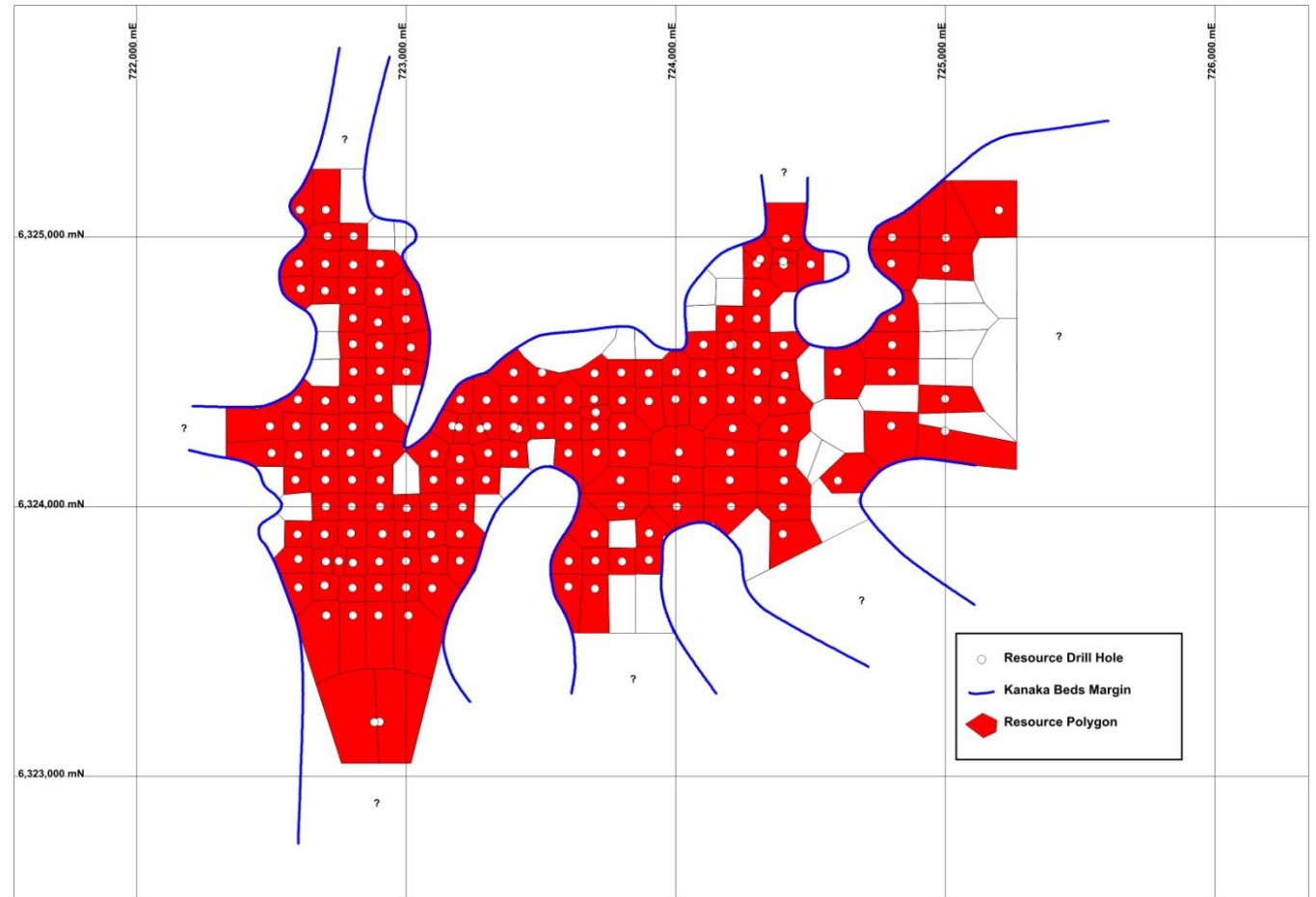
12,700t contained  $U_3O_8$   
(28 million lbs)

weighted average:

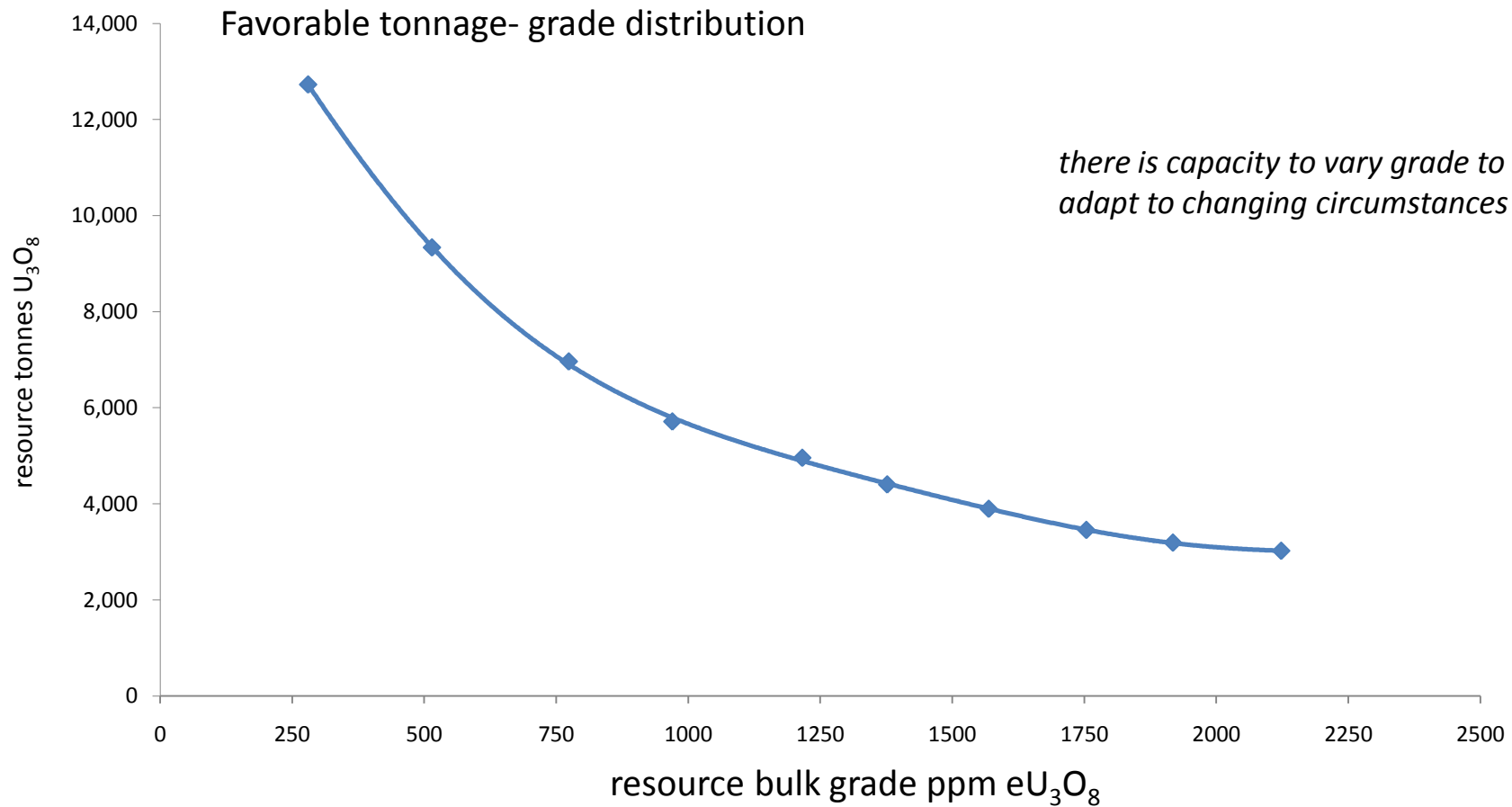
- grade 280ppm e $U_3O_8$   
- thickness 11.71m

Resource envelope remain  
open in several directions

Higher grade/thickness  
“starter zones” present



# BLACKBUSH DEPOSIT - GRADE TONNAGE



# PLUMBUSH DEPOSIT - Inferred Mineral Resource Estimate

21.8M tonnes

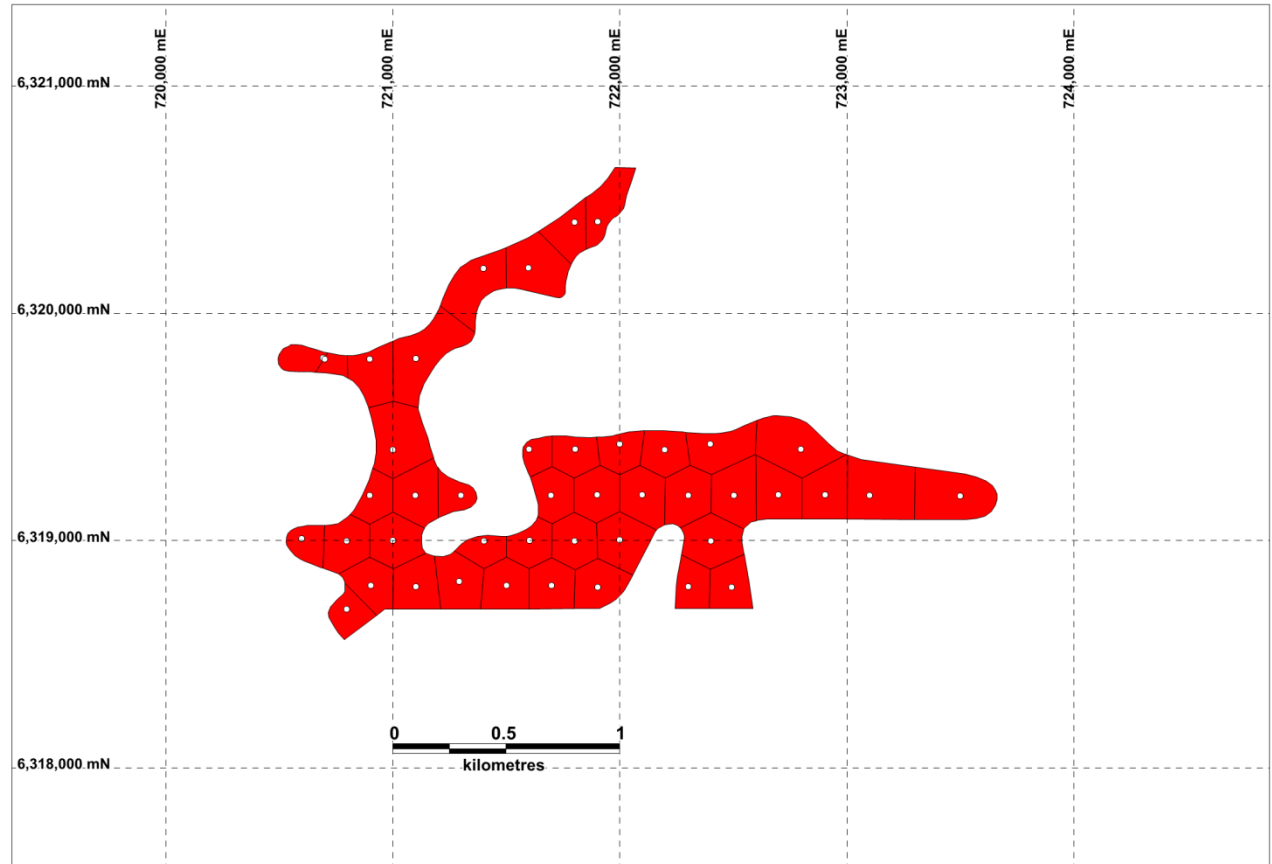
6,300 tonnes contained  $U_3O_8$   
(14 million lbs)

weighted average:

- grade 292ppm e $U_3O_8$
- thickness 6.88m

Resource envelope remains  
open in several directions

Higher grade/thickness  
“starter zones” present



# DEVELOPMENT REPORT CARD

## Resource Setting

CATEGORY	CURRENT STATUS
Resource	From 2009 to present resource build from 6Mlbs to 42Mlbs (April 2011 JORC inferred). Moving from inferred to indicated in 2011.
Setting	Favourable geological setting for ISR mining.
Metallurgy	First stage testing complete & successful. Second stage in progress. Major advances in recovery technology.
Hydrogeology	Detail models established & reviewed by regulators.

# DEVELOPMENT REPORT CARD - Supporting Areas

CATEGORY	CURRENT STATUS
Environmental	Into our 3 year of baseline studies. Key risks identified and being managed.
Field trial	Well advanced in the planning and progressing through the approvals.
Exploration	Established excellent exploration models to apply to new ground.
Project resources	Recruited heavily from the existing ISR industry – all resources to take us through to feasibility.
Project management	Project management structures – focused on de risking the project & parallel tracking. Highly successful.
Regulatory	Very supportive SA regime. Strong working relationship. Federal approvals EPBC Act – “not a controlled action”.

## REPORT CARD – Infrastructure

CATEGORY	CURRENT STATUS
Regional centre	City of Whyalla – population of 22,000 extensive mining/industrial base.
Workforce	Skilled workforce available Whyalla.
Electricity	15 km from SA power grid.
Water	Options for up to 600ML of process water.
Land ownership	Contract to purchase 8210 Hectares - containing the Blackbush Deposit.
Transport	Proximity to Pt Lincoln Highway – access to Olympic Dam & Beverley transport route to Pt Adelaide.
Community	Investing heavily in securing social licence to operate. Progressing well.
SA skills base	SA holds deep experience in ISR mining at all levels.

## DEVELOPMENT – Field Trial

- Proposed field trial is not a “controlled action” under the Commonwealth EPBC Act the next stages of the process will be managed by South Australian regulators.
- Application for a Mineral Claim granted over proposed field trial site.
- Application for a Retention Lease being prepared:
  - Required for the conduct of the proposed field trial.
  - Community Engagement commenced.
  - Draft MARP documentation commenced.
  - Completion of process tentatively scheduled for 4<sup>th</sup> qtr 2011.
- Will make application for a Mining Lease for production following the field trial:
  - Similar Community Engagement and MARP processes.
  - Specific mine proposals, environmental and radiation studies.
  - MARP process.
  - Initial production scheduled for late 2012 to 2013.



# FIELD TRIAL

- To be within a 225Ha lease within the Nonowie Station.
- Footprint of trial will be a few Ha probably 5-10Ha.
- Operational 24X7 for 12-18 months.
- Yellowcake (uranium compound) will be produced but not for sale.

# FIELD TRIAL - IN-SITU RECOVERY



Courtesy Curnamona Energy

# IN-SITU RECOVERY - PRACTICE





# DEVELOPMENT TIMELINE

- 4<sup>th</sup> qtr 2011 – schedule commencement of field trial
- 1<sup>st</sup> to 2<sup>nd</sup> qtr 2012 – delivery of field trial informing resource upgrade and mine design
- 2<sup>nd</sup> qtr to 3<sup>rd</sup> qtr 2012 – development and submission of mining proposal
- 3<sup>rd</sup> qtr to 4<sup>rd</sup> qtr 2012 – commencement of site works
- 4<sup>th</sup> qtr 2012 to 1<sup>st</sup> qtr 2013 – commissioning first 100tpa production module
- 2<sup>nd</sup> qtr to 3<sup>rd</sup> qtr 2013 – production ramp up to 400tpa

## IN SUMMARY

What we have with Mullaquana is:

- A world class resource.
- Ideal location for development.
- All the supporting infrastructure to make it work.

## RESOURCE-INFRASTRUCTURE-PEOPLE-SYSTEMS-REGULATORY REGIME



**Uranium**SA  
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