

Notice of Annual General Meeting 2011

UraniumSA Limited
ABN 48 119 978 013

Notice is hereby given that the Annual General Meeting of the shareholders of UraniumSA Limited (**Company**) will be held at Enterprise House, 136 Greenhill Road, Unley 5061, South Australia, in room 4 on Thursday 6 October 2011 at 10.30 am (Adelaide time) for the purpose of transacting the business referred to in this Notice of Annual General Meeting.

The Explanatory Memorandum that accompanies and forms part of this Notice of Annual General Meeting describes the Ordinary and Special business to be considered.

Ordinary Business:

A) Financial Statement and Reports

'To receive and consider the financial statements of the Company for the year ending 30 June 2011, and related Directors' Report, Directors' Declaration and Auditor's Report.'

B) To consider, and if thought fit, to pass, with or without modification, the following resolutions each as an Ordinary Resolution:

1. Ordinary Resolution 1: Remuneration Report

'To approve the remuneration report as set out in the Directors' Report section of the 2011 Annual Report.'

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

2. Ordinary Resolution 2: Election of a Director

'That Tom Phillips AM, a Director retiring by rotation in accordance with the Constitution of the Company, being eligible, and offering himself, is re-elected as a Director of the Company.'

Special Business:

To consider and, if thought fit, to pass with or without modification, the following resolutions each as an Ordinary Resolution:

3. Ordinary Resolution 3: Approval to Re-issue Share Options to a Director

'That for the purposes of the Corporations Act 2001 and ASX Limited (ASX) Listing Rules 10.11 and all other purposes, approval is given for the re-issue of 5,000,000 Share Options to Russel Bluck, Executive Chairman and Managing Director of the Company, or his nominee(s), being options to acquire ordinary fully paid shares in the Company at an exercise price of the higher of \$0.20 or \$0.03 above the volume weighted average price (VWAP) of the shares in the five ASX trading days prior to the grant of the options, exercisable at any time after the grant, and expiring on the day before the fifth anniversary of the date of the grant, any such grant to take place within 1 month of the date of this resolution, and otherwise on the terms and conditions set out in the accompanying Explanatory Memorandum.'

Note: If shareholder approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1 (ASX Listing Rule 7.2, Exception 14).

The Company will disregard any votes cast on this ordinary resolution by Russel Bluck (**Participating Party**) and any associate of the Participating Party. However, the Company will not disregard a vote if:

- (a) it is cast by the Participating Party as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Participating Party who is chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4. Special Resolution 4: Adoption of a New Company Constitution

'That for the purposes of section 136(2) of the Corporations Act 2001, and for all other purposes, the Company adopt the Constitution described in the Explanatory Memorandum accompanying this Notice of Meeting in substitution of the present Constitution of the Company which will be repealed from the close of the meeting.'

5. Ordinary Resolution 5: Approval of Securities Issued

'That for the purposes of ASX Listing Rule 7.4 and all other purposes, the previous issues of securities to the persons described in, and on the terms detailed in, item 5 of the section headed 'Agenda Item B' of the of the accompanying Explanatory Memorandum, are hereby approved.'

The Company will disregard any votes cast on this ordinary resolution by any person who participated in the issues (**Participating Party**) and any associate of a Participating Party. However, the Company will not disregard a vote if:

- (a) it is cast by a Participating Party as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by a Participating Party who is chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Other Business:

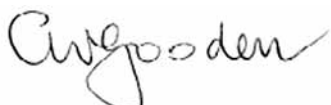
To deal with any other business that may legally be brought forward in accordance with the Constitution and the *Corporations Act 2001*.

Explanatory notes for Agenda Items 1, 2, 3, 4 and 5 appear on the following pages.

You may review the 2011 Annual Report on the UraniumSA website.

www.uraniumsa.com.au/html/reports.htm

By order of the Board



Craig Gooden
Company Secretary
5 September 2011

The Board has determined that, in accordance with the Company's Constitution and the *Corporations Regulations 2001 (Cth)*, that the members entitled to attend and vote at the Annual General Meeting shall be those persons who are recorded in the register of members at close of business on Tuesday 4 October 2011.

PROXIES

Appointment of Proxy

A shareholder who is entitled to attend and vote at the Annual General Meeting may appoint up to two proxies to attend and vote on behalf of that shareholder. A proxy need not be a shareholder of the Company. A proxy form is included with this Notice of Annual General Meeting.

If a shareholder appoints two proxies, the appointment of the proxies may specify the proportion or the number of that shareholder's votes that each proxy may exercise. If the appointment does not so specify, each proxy may exercise half of the votes. Fractions of votes will be disregarded.

A proxy form must be signed by the member or their duly appointed attorney, or in the case of a body corporate, executed in accordance with the Corporation's Constitution, or signed by a duly authorised officer or attorney.

To be effective, the Company must receive the completed proxy form signed by the member and, if the form is signed by the shareholder's attorney or authorised officer of a corporation, the authority under which the proxy form is signed (or a certified copy of the authority).

The proxy's appointment and, if applicable, the authority appointing an attorney, must be received by post or fax **no later than 10.30am (Adelaide time) on Tuesday 4 October 2011 to:**

- the Company's registered office at 32 Beulah Road, Norwood, South Australia 5067 (facsimile number (08) 8132 0766); or
- the Company's share registrar, Computershare Investor Services Pty Limited, as listed below.
- **Custodian Voting** – for Intermediary Online subscribers only (Custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Mail:	In person:	Fax:
UraniumSA Limited C/- Computershare Investor Services Pty Limited GPO Box 242 Melbourne VIC 3001 Australia	UraniumSA Limited C/- Computershare Investor Services Pty Limited Level 5, 115 Grenfell Street Adelaide SA 5001 Australia	UraniumSA Limited C/- Computershare Investor Services Pty Limited (within Australia) 1800 783 447 (outside Australia) +613 9473 2555

If you require an additional proxy form, please contact Computershare Investor Services Pty Limited.

Appointment of company representative

A body corporate may elect to appoint a representative, rather than appoint a proxy, in accordance with the *Corporations Act 2001*. Where a body corporate appoints a representative, the Company requires written proof of the representative's appointment to be lodged with or presented to the Company before the meeting.

Voting by proxies

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with the direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit. If a proxy abstains from voting and the directions on the proxy require that person to vote, the votes not exercised by the proxy will be given to the chair to vote in accordance with the directions on the proxy form.

Where more than one proxy is appointed, neither proxy is entitled to vote on a show of hands.

If the chairperson or a member of key management personnel or one of their closely related parties is appointed as a proxy, they are not permitted to vote undirected proxies on various matters, including some remuneration matters and related party matters.

Subject to the note below, if a shareholder appoints the Chairperson of the meeting as the shareholder's proxy and does not specify how the Chairperson is to vote on an item of business, the Chairperson will vote, as proxy for that shareholder, in favour of that item on a poll.

Note: If a shareholder appoints the Chairperson of the meeting as the shareholder's proxy and does not either specify how the chairperson is to vote on Resolution 1 – Remuneration Report and Resolution 3 – Approval to Re-issue Share Options to a Director, or mark the relevant box in the proxy form, the Chairperson will not vote, as proxy for that shareholder, on those resolutions, and the shareholder's vote with regard to those resolutions will not be counted.

Please read the directions on the proxy form carefully, especially if you intend to appoint the Chairperson of the meeting as your proxy.

This Explanatory Memorandum has been prepared for the information of shareholders in connection with the Annual General Meeting (**AGM**) of shareholders to be held on Thursday 6 October 2011 at 10.30 am (Adelaide time) at Enterprise House 136 Greenhill Road, Unley 5061, South Australia, in room 4.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting, and is a brief explanation of Agenda Items 1, 2, 3, 4 and 5 in the Notice of Annual General Meeting, and why the Company is seeking this shareholder approval.

Agenda Item A

Financial Statements and Reports

The *Corporations Act 2001* (Cth) (**Corporations Act**) requires the financial report (which includes the Financial Statements and Directors' Declaration), the Directors' Report and Auditor's Report to be laid before the AGM. There is no requirement either in the Corporations Act or the Company's Constitution for shareholders to approve the Financial Report, the Directors' Report or the Auditor's Report. Shareholders will be given a reasonable opportunity at the meeting to ask questions and make comments on these reports.

Whilst no resolution is required in relation to this item, the auditor of the Company or their representative will be available to receive questions relevant to:

- a) the conduct of the audit;
- b) the preparation and content of the Auditor's Report;
- c) the accounting policies adopted by the Company in relation to the preparation of the Financial Statements; and
- d) the independence of the auditor in relation to the conduct of the audit.

Agenda Item B

1. Ordinary Resolution 1: Remuneration Report

The Directors' Report for the year ended 30 June 2011 contains a remuneration report, which sets out the policy for the remuneration of the Directors, Company Secretary and the senior managers.

Shareholders attending the AGM will be given a reasonable opportunity to ask questions about, or make comments on, the remuneration report.

The vote on this resolution is advisory only, and does not bind the Directors or the Company.

Remuneration report – Two Strikes Rule

Following recent corporate law changes which took effect from 1 July 2011, shareholders have the ability to spill a company's board of directors (**Board Spill**), if the resolution to approve the company's remuneration report receives 25% or more 'no' votes at two successive Annual General Meetings of the Company (**Two Strikes Rule**). Accordingly, while this will not result in any Board Spill at a Company's 2011 Annual General Meeting, a Board Spill could potentially occur at a Company's 2012 Annual General Meeting. If you require further information about the Two Strikes Rule, please contact the Company Secretary.

2. Ordinary Resolution 2: Election of a Director

Tom Phillips AM retires by rotation and offers himself for re-election. The qualifications and experience of the Director standing for re-election appear below:

Tom Phillips AM (*Director since May 2006*)

Tom Phillips is a Non-Executive Director of UraniumSA Limited and is also a Director of Archer Exploration Limited (ASX listed). In addition he holds Board positions with several not-for-profit organisations and manufacturing companies, is the Chair of Safework Australia, and also chairs the Southern Adelaide Development Board and Flinders Partners Pty Ltd. He is a Non-Executive Director of Intercast & Forge Pty Ltd.

Tom's extensive experience in successfully building Australian manufacturing to international competitiveness and his knowledge of international business is a significant asset to the Company.

Directors' Recommendation

The Directors (other than Director Phillips, who makes no recommendation) recommend that shareholders approve Resolution 2 for the re-election of Tom Phillips AM as a Director of the Company.

3. Ordinary Resolution 3: Approval to Re-issue Share Options to Director

The Company proposes to re-issue 5,000,000 Share Options to Russel Bluck, Executive Chairman and Managing Director of the Company, or his nominee(s). The options will be granted at no cost to the Director, but will, if exercised, require the payment of the exercise price of the higher of \$0.20 or \$0.03 above the volume weighted average price (**VWAP**) of the shares in the five ASX trading days prior to grant of the options. That is if the average price of the Company's shares is \$0.16 prior to the grant of the options, the exercise price applicable will be \$0.20 (being the higher of \$0.20 and \$0.03 above the average share price). If however the average price of the Company's shares is \$0.19 prior to the grant of the options, the exercise price applicable will be \$0.22 (being \$0.19 plus \$0.03).

Russel Bluck has been a Director prior to the Company's IPO and listing on the ASX in October 2006. He led the establishment of UraniumSA Limited as a public company and has responsibility for building the Company's operating capability, and designing and implementing its exploration programs. Russel Bluck is an exploration geologist with a broad range of geotechnical and corporate consulting experience. Mr Bluck had previously been granted 5,000,000 options at a \$0.20 exercise price in 2006, prior to the IPO. These options expired on 1 September 2011 and were not exercised for reasons which the Company believes were entirely outside the control of Mr Bluck and the Company. Following the earthquake in Japan in March 2011, the share price of the Company declined sharply from around \$0.55 to less than \$0.20, similarly to other uranium companies listed on the ASX. The options' exercise price was therefore greater than the share price at the expiry date. The options had unexpectedly gone "out of the money" even though the Company's progress before and since the earthquake event has been excellent, with the Company poised to become Australia's next operating uranium mine. The new options are intended to replace the expired options, and the exercise price will be at least as much as the exercise price of the original options (\$0.20), and will be no more favourable price to the optionholder. It is the Independent Director's strong view that it is in the Company's interests to grant these Share Options to Mr Bluck, to retain his services and also better align his interests with the interests of shareholders.

Resolution 3 seeks shareholder approval to the allotment and re-issue of these Share Options for the purpose of ASX Listing Rule 10.11.

ASX Listing Rule 10.11 provides that a Company must not issue or agree to issue securities to a related party, including a Director, without first obtaining the approval of members. ASX Listing Rule 10.13 provides that the following information must be provided to shareholders:

- the Share Options will be issued to Russel Bluck at an exercise price which is the higher of \$0.20 or \$0.03 cents above the VWAP of the shares in the five ASX trading days prior to grant of the Share Options;
- the total number of Share Options to be issued under Resolutions 3 is 5,000,000;
- the Share Options will be issued as soon as practicable after this meeting and in any event no later than one month after the date of the AGM, and will all vest immediately on grant;

- the Share Options will be granted for nil consideration and will be held and exercised in accordance with the terms and conditions as set out in Annexure A. Each share issued pursuant to the exercise of the Share Options will rank *pari passu* with all existing ordinary fully paid shares of the Company; and
- no funds will be raised by the issue of the Share Options, and no loans will be made in relation to the Share Options. The funds raised pursuant to any exercise of the Share Options will be used for the Company's working capital requirements.

The Board has reviewed the market standard of remuneration for the positions of Executive Chairman/ Managing Director of a publicly listed company, of a size comparable to the Company. Based on this, the Board considers it appropriate to issue 5,000,000 Share Options to the Chairman/Managing Director, in order to retain his services and ensure that his remuneration is in line with market standards.

The Board believes that the grant of the Share Options is appropriate and reasonable in all the circumstances, as part of the remuneration for the respective roles of the Director. Therefore, the Company considers that the grant of the Share Options comes within one of the exceptions to Chapter 2E of the Corporations Act, which governs related party transactions and shareholder approval is not required for that specific purpose. However under the ASX Listing Rules shareholder approval is still required for the grant of the Share Options to the Chairman/Managing Director, as noted above.

Directors' Recommendations

The Directors (other than Director Bluck, who makes no recommendation) recommend that shareholders approve Resolution 3 for the re-issue of 5,000,000 Share Options to Russel Bluck.

4. Special Resolution 4: Adoption of a New Company Constitution

Resolution 4 seeks Shareholder approval to repeal the existing Constitution of the Company and replace it with a new Constitution.

Since the current Constitution was adopted by the Company on 31 May 2006, there have been substantial changes to the Corporations Act 2001, the ASX Listing Rules and other relevant statutes, regulations and policies.

The purpose of this Special Resolution is to adopt a New Constitution to ensure that the Constitution of the Company reflects current corporate practice and is consistent with the current legislative and regulatory requirements in Australia **(the New Constitution)**.

A copy of the New Constitution will be sent to any Shareholder upon request by contacting the Company Secretary on (08) 8132 0577 and will also be available for inspection at the Company's registered office at 32 Beulah Road, Norwood SA 5067 during normal business hours before the meeting and at the meeting and also on the Company's website at www.uraniumsa.com.au

Why is Shareholder approval required?

Section 136(2) of the Corporations Act requires that the adoption of a new Constitution must be approved by a special resolution of the Shareholders of the Company.

Resolution 4 is a special resolution and required approval of 75% of the votes cast by Shareholders.

If approved by Shareholders, the New Constitution will be adopted (and the current Constitution will be repealed) with effect from the close of this Annual General Meeting.

The key provisions of the New Constitution follows.

Below is a summary of the New Constitution

A summary of the key provisions of the proposed New Constitution is set out below. The summary is not intended to be exhaustive of all the changes effected by the adoption of the New Constitution.

The New Constitution is subject to the Listing Rules in all respects at any time that the Company is listed on ASX.

a) Voting rights

At a General Meeting each Shareholder present in person or as a proxy, representative or attorney has one vote on a show of hands and one vote for each fully paid share held on a poll.

Voting at any general meeting of Shareholders is by a show of hands unless a poll is effectively demanded (either before the vote is taken, or before or immediately after the declaration of the result of the show of hands) and that demand is not withdrawn.

The quorum required for a meeting of Shareholders is two members present in person or by proxy, attorney or representative of a Shareholder.

b) General meeting and notices

Each shareholder is entitled to received notice of, and to attend and vote at, General Meetings of the Company, and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, or the Corporations Act or the Listing Rules.

Under the Corporations Act, a notice must currently be provided to the shareholders of a listed entity at least 28 days in advance of a meeting.

c) Dividends

Subject to the Corporations Act and the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangements as to dividend, the dividend as declared shall be payable on all shares according to the proportion that the amount paid (not credited) is to the total amounts paid and payable (excluding the amounts credited) in respect of such shares.

d) Further issues of shares and options

Subject to any restrictions on the allotment of shares imposed by the Corporations Act, the Listing Rules or any special rights of the holders of shares or a class of shares, the allotment and issue of shares is under the control of the Directors, who may issue and cancel shares on such term and conditions as they see fit.

In addition, the Board has the power to grant to any person an option over unissued shares and during such time and for such consideration as it determines.

e) Transfer of Shares

Subject to the Listing Rules, Shares may be transferred electronically by a proper transfer effected in accordance with the ASTC Settlement Rules or by any other method of transfer that is required or permitted by the Corporations Act and the Listing Rules. The Company will not issue share certificates to Shareholders.

f) Holding locks

The Directors:

- may, if the Listing Rules permit the Company to do so; and
- must, if the Listing Rules require the Company to do so (or if the transfer is in breach of the Listing Rules or any restriction agreement between the Company and any shareholder under the Listing Rules),

request ASTC to apply a holding lock to prevent a transfer of shares through CHESS or decline to register any transfer of shares.

g) Winding up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for the purposes set a value as the liquidator considers fair upon the property to be so decided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

h) Small holdings

Subject to the Listing Rules, the Company may sell the shares of a shareholder who holds less than a marketable parcel of shares.

i) Directors – appointment and removal

The maximum number of Directors is reduced from 12 to 10 under the proposed New Constitution. Shareholders may increase the minimum number and vary the maximum number by resolution in a General Meeting.

The Constitution provides that at each Annual General Meeting:

- One –third of the Directors or, if there number is not a multiple of three, then the number nearest to one-third (rounder to the nearest whole number) of the Directors;
- Any Director past the third Annual General Meeting following that Director's last appointment or election; or
- Any Director appointed by the Directors to fill a casual vacancy in the preceding year; or
- If none of the above apply, the Director who has served office the longest without re-election, must retire from office. The Managing Director is exempted from retirement by rotation and a retiring Director is eligible for re-election.

The proposed New Constitution includes provisions to the effect that only persons who are:

- A retiring Director seeking re-election; or
- Proposed as a candidate by at least 100 members or members holding at least 5% of the votes that may be cast at a General Meeting (the proposing member must leave a nomination notice at the Company's registered office not less than 35 business days before the relevant General Meeting), are eligible for election as a Director at a General Meeting.

j) Directors – voting

Questions arising at a meeting of Directors will be decided by a majority vote of Directors present and entitled to vote at the meeting. The chairman of the meeting has a casting vote in the event that there is an equality of votes unless only two Directors are present and entitled to vote on the question.

k) Directors – remuneration

The Directors are entitled to receive remuneration for the services they provide, as the Directors decide, but the total amount paid for such services to Non-Executive Directors must not exceed in aggregate the sum of \$500,000 per annum or such other maximum amount as determined by the Company in a General Meeting.

A Director is entitled to reimbursement for reasonable travelling, accommodation and other expenses in attending meetings and carrying out their duties.

l) Retirement Benefits for Directors

To bring the Constitution in line with the current provisions of the Corporations Act and ASX Listing Rules, the New Constitution allows the Directors to adopt a scheme or plan for providing retiring or superannuation benefits to non-executive Directors that the Directors

consider to be in the interests of the Company and are consistent with the ASX Listing Rules.

The amount of these benefits must not exceed those contemplated by section 200F of the Corporations Act or the ASX Listing Rules except with the approval of the Company in a General Meeting.

m) Proportional Takeovers

The proposed New Constitution includes provisions dealing with a proportional takeover bid. A proportional takeover bid is one in which the offeror offers to buy only a specified proportion of each shareholder's shares.

The Corporations Act permits a Company to include proportional takeover provisions in its Constitution, but requires these provisions to be renewed every three years by shareholder approval, otherwise they lapse.

The Corporations Act provides that when sending a notice to members on the intention to propose a resolution to insert proportional takeover provisions, the Company must provide certain regulatory information to shareholders, which is set out below.

The proposed proportional takeover provisions

The proportional takeover provisions in the proposed New Constitution enable the shareholder to decide by means of a majority vote, whether they approve or reject a partial takeover offer for the Company's shares.

A transfer of securities resulting from the acceptance of an offer made under a proportional takeover bid may only be registered if the members pass an approving resolution in relation to the proportional takeover bid. For a resolution approving a proportional takeover bid to pass, more than 50% of the votes cast on the resolution must be cast in favour of the resolution.

The provisions of the Constitution that apply to the holding of a General Meeting will also apply to the holding of a meeting to vote on a proportional takeover bid.

The reasons for proposing the proportional takeover provisions

As shares in listed companies are often held by a large number of persons, it is possible for a person to gain effective control of the Company while holding less than 50% of its issued voting shares. This can be facilitated by a partial takeover, which allows the offeror to specify the percentage shareholding it wishes to achieve. This can be disadvantageous to shareholders who may not have an opportunity to sell their shares, even if there is a risk that the takeover may cause a decrease in the Company's share price.

Shareholders may be pressured into selling their shares even if they did not want control of the Company to pass to an offeror because they do not want to take the risk, if the offer is successful, of being left with a minority interest in the Company, the value of their shares decreasing or their shareholding becoming less attractive and therefore more difficult to sell.

Advantages

The advantages of including proportional takeover provisions in the proposed New Constitution are that such provisions:

- enable the directors to formally ascertain the views of the shareholders in respect of the proportional takeover offer;
- give the shareholders the opportunity to study the offer and then vote on the offer;
- permit a majority of shareholders to prevent a partial takeover if they believe control of the Company should not pass to the offeror; and
- if an offer is rejected by the majority of shareholders, it might encourage any further takeover offers to be on terms attractive to a majority of shareholders.

Disadvantages

The potential disadvantages of the proportional takeover provisions are that:

- it may discourage proportional takeovers by making them more difficult to proceed and may reduce any takeover speculation element in the price of the Company's shares on ASX;
- shareholders who would otherwise accept the offer to sell a portion of their shares will be denied the opportunity where a majority reject the offer;
- the proposed procedure introduces an additional formal mechanism to the existing statutory takeover requirements; and
- the provisions are inconsistent with the principle that a share in a public company should be transferable without the consent of the other shareholders.

As at the date of the Notice, none of the Directors are aware of a proposal by a person to acquire or to increase the extent of a substantial interest in the Company.

n) Other provisions

The other provisions of the proposed New Constitution include changes to the current Constitution that are largely administrative, rather than substantive, in nature and give regard to changes in the Corporations Act, the ASX Listing Rules and current market practice.

Directors' Recommendation

The Directors unanimously recommend that members approve Resolution 4 approving the New Constitution as outlined above.

5. Ordinary Resolution 5: Approval of Securities issued

The Board seeks shareholder approval to ratify previous issues of options, under the ASX Listing Rules. This will provide the Company with greater flexibility, should it wish to issue additional capital.

ASX Listing Rule 7.1 requires the Company to obtain shareholder approval if it issues, or agrees to issue, securities in the capital of the Company in any 12 month period that aggregate more than 15% in number of the existing ordinary shares in the capital of the Company (**15% Rule**).

ASX Listing Rule 7.4 further provides that an issue of securities that did not breach Listing Rule 7.1 at the time of issue, and was made without shareholder approval, is treated as having been made with approval if the Company's shareholders subsequently approve the issue. This has the effect of allowing securities issued without shareholder approval, but subsequently approved, not to be counted when calculating the number of securities issued in the 12 month period for the purpose of the 15% Rule.

The Company seeks the approval of shareholders pursuant to ASX Listing Rule 7.4 for the issue of the share options over unissued shares, as set out in the table below, in order to renew the Company's capacity to issue up to 15% of the securities of the Company on issue in a 12 month period. The Company intends to use any funds raised by the exercise of these new options for drilling and development of the Mullaqana uranium project, and exploration elsewhere within the project area, and payment of overheads and other non-operating costs, including the share issue expenses. Any funds raised pursuant to the exercise of these options will be used for the Company's working capital requirements.

The share options all have a three year term with one third vesting on issue, one third vesting 12 months after issue and the balance vesting 24 months after issue.

Type of securities issued	Person(s) to whom securities issued	Date of Issue – ASX Announcement Date	Number of	Additional Terms
Share Options	Issue of unlisted share options to employees	14 October 2010	250,000	Options issued to employees under the UraniumSA Ltd Employee Share Option Plan at an exercise price of \$0.30
Share Options	Issue of unlisted share options to employees	24 & 25 November 2010	500,000	Options issued to employees under the UraniumSA Ltd Employee Share Option Plan at an exercise price of \$0.30
Share Options	Issue of unlisted share options to employees	19 January 2011	543,000	Options issued to employees under the UraniumSA Ltd Employee Share Option Plan at an exercise price of \$0.68
Share Options	Issue of unlisted share options to employees	24 February 2011	150,000	Options issued to employees under the UraniumSA Ltd Employee Share Option Plan at an exercise price of \$0.68
Share Options	Issue of unlisted share options to employees	3 May 2011	250,000	Options issued to employees under the UraniumSA Ltd Employee Share Option Plan at an exercise price of \$0.42
Share Options	Issue of unlisted share options to employees	6 July 2011	150,000	Options issued to employees under the UraniumSA Ltd Employee Share Option Plan at an exercise price of \$0.2923
TOTAL			1,843,000	

Directors' Recommendation

The Directors unanimously recommend that members approve Resolution 5 approving the previous issues of options as outlined above.

ANNEXURE A – TERMS AND CONDITIONS OF SHARE OPTIONS TO BE ISSUED TO MR RUSSEL BLUCK OR HIS NOMINEE(S)**Terms And Conditions Of Issue Of Options**

1. Each Option will entitle the holder (**'Optionholder'**) to subscribe for one fully paid ordinary share in the Company (**'Share'**) (subject to possible adjustments referred to in paragraphs, and 12).
2. Each Share Option is exercisable from the time the Company grants the Option until 5:00 pm Adelaide, South Australia time on the day before the fifth anniversary of the date of the grant (**'Expiry Date'**) (inclusive of both dates). Options not exercised before the Expiry Date will lapse.
3. The exercise price of each Option is the higher of \$0.20 or \$0.03 above the volume weighted average price (**'VWAP'**) of the shares in the five ASX trading days prior to grant of the Options (**'Exercise Price'**).
4. Options are exercisable by notice in writing to the Company, delivered to the registered address of the Company and accompanied by the full payment of the Exercise Price in cleared funds.
5. Some or all of the Options may be exercised at any one time or times after the date of grant as per paragraph 2 and prior to the Expiry Date provided that no less than 100,000 Options are exercised at any one time.
6. Shares issued pursuant to the exercise of any of the Options will rank in all respects on equal terms with the existing Shares in the Company.
7. The Company will not seek to have the Options admitted to the official list of ASX Limited (**'ASX'**) and the Options will not be listed on ASX. The Company will make application for new Shares allotted on exercise of the Options to be admitted to the official list of ASX.
8. Each Option will be freely transferable at any time before the Expiry Date, in accordance with the Constitution of the Company.
9. Options will not entitle the Optionholder to participate in any new issue of securities by the Company unless the Option has been duly exercised prior to the relevant record date. The Company will ensure that for the purposes of determining entitlements to participate in any new issues of securities to holders of Shares, that the record date will be at least seven business days after the date the issue is announced.
10. If there is a bonus issue to the holders of Shares:
 - a) the number of Shares over which the Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue; and
 - b) no change will be made to the Exercise Price.
11. If the Company makes a rights issue (other than a bonus issue), the Exercise Price of Options on issue will be reduced in accordance with the following formula:

$$\text{New Option Exercise Price} = O - \frac{E(P - (S + D))}{(N + 1)}$$

Where:

 - O = the old Exercise Price of the Option;
 - E = the number of underlying Shares into which one Option is exercisable;
 - P = the volume weighted average price per Share recorded on the stock market of ASX during the 5 trading days immediately preceding the ex-rights date or ex-entitlements date;
 - S = the subscription price for a Share under the pro rata issue;
 - D = the dividend due but not yet paid on existing underlying Shares (except those to be issued under the pro rata issue); and
 - N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.
12. If, prior to the Expiry Date the issued capital of the Company is reorganised, the rights of the Optionholders may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.



Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 652 178
(outside Australia) +61 3 9415 4358

Proxy Form

 For your vote to be effective it must be received by 10:30am (Adelaide time) Tuesday 4 October 2011

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View the annual report or update your securityholding, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of UraniumSA Limited hereby appoint

the Chairman of the meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of UraniumSA Limited to be held at Enterprise House, 136 Greenhill Road, Unley, SA 5061 on Thursday, 6 October 2011 at 10:30am (Adelaide time) and at any adjournment of that meeting.

Important for Items 1 & 3 - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default

By marking this box, you are directing the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Items 1 & 3 as set out below and in the Notice of Meeting. If you do not mark this box, and you have not directed your proxy how to vote on Items 1 & 3, the Chairman of the Meeting will not cast your votes on Items 1 & 3 and your votes will not be counted in computing the required majority if a poll is called on this item. If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote by either marking the boxes in Step 2 below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case the Chairman of the Meeting will vote in favour of Items 1 & 3).

The Chairman of the Meeting intends to vote all available proxies in favour of Items 1 & 3 of business.

I/We direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Items 1 & 3 (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Items 1 & 3 are connected directly or indirectly with the remuneration of a member of key management personnel **and/or even if the Chairman of the Meeting has an interest in the outcome of these items and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.**

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

	For	Against	Abstain
Item 1 Approval of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2 Re-election of Tom Phillips AM as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Approval of Re-issue of Share Options to Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Adoption of New Company Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5 Approval of Securities Issued	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____