

\$4 million for uranium exploration

Exploration works at Mullaquana will receive a financial boost of \$4 million after Uranium SA arranged to sell shares and raise the capital.

In a statement issued on Friday last week, company managing director Russel Bluck said the funds will be used to sustain the pace of regional exploration and the drill out of resources within the Mullaquana project tenement.

He said the cash will also see the commencement of exploration drilling in the joint venture ground to the south of the Mullaquana tenement.

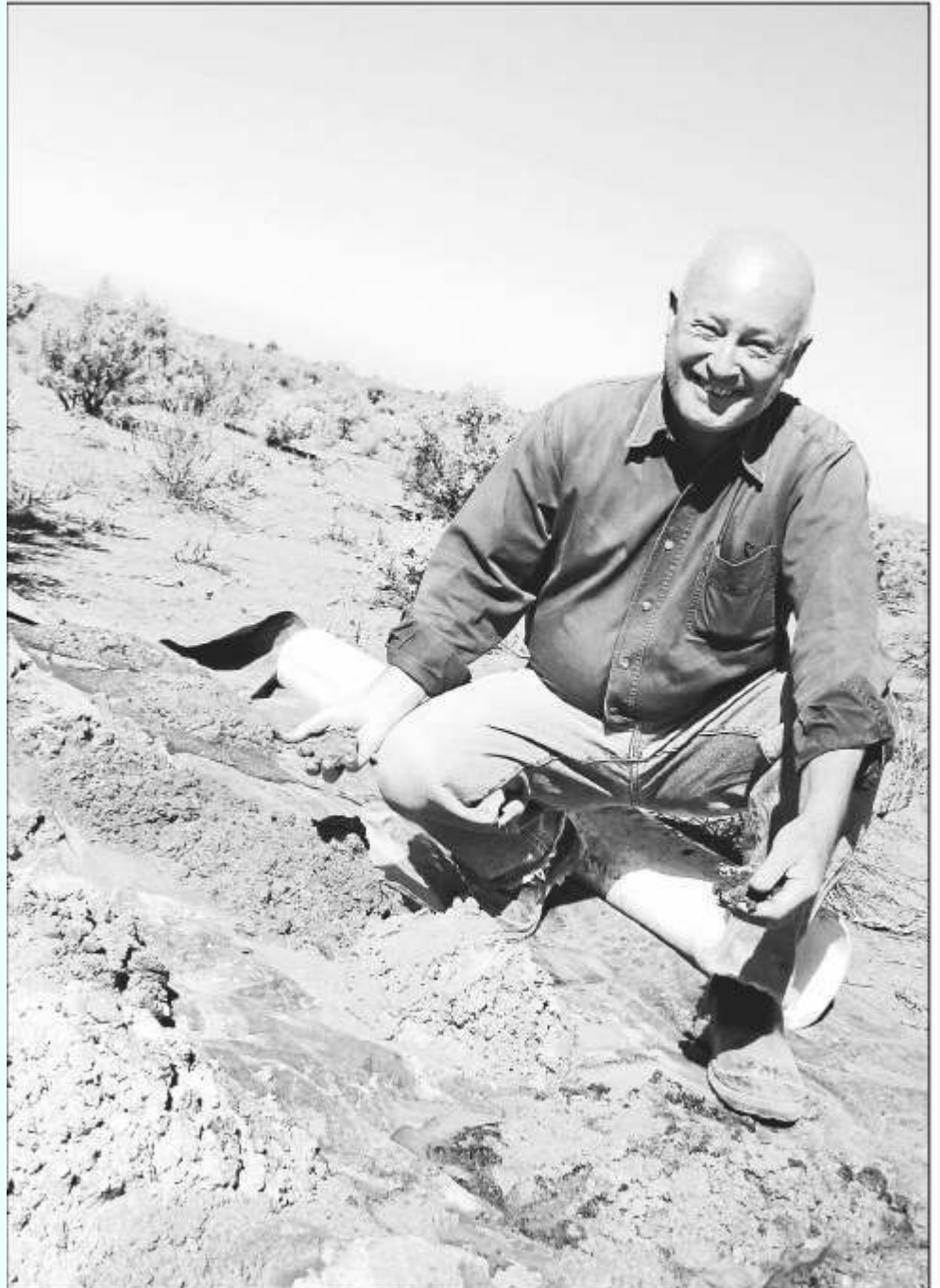
"UraniumSA is pleased to announce it has successfully arranged to raise \$4,000,000 before costs through the placement of 20,000,000 fully paid ordinary shares at 20 cents each," Mr Bluck said.

"BGF Equities Pty Ltd has managed the placement, which has been made to institutional and sophisticated investors.

"The company will also be seeking shareholder approval at the annual general meeting to ratify the 5,000,000 shares that are being issued in the first tranche."

Mr Bluck said UraniumSA is continuing its active exploration program at Mullaquana, scheduling work at the Blackbush prospect to move portions of its estimated Inferred Mineral Resource of U3O8 into more advanced JORC classifications, and to follow up recently announced intersection to the south of Blackbush with pattern drilling.

He said the funds raised by the placement will enable the company to move forward strongly and with confidence in planning these works, in letting contracts for jobs which require specialised equipment or expertise, and in continuing to expand its own operating capacity.



Uranium SA managing director Russell Bluck at the exploration site in Mullaquana earlier this year.