



\$3.3m rights issue launched

UraniumSA recently announced details of a non-renounceable rights issue which will raise funds to continue exploration and development of the Mullaquana Project.

The rights issue will be made available to shareholders to raise a total of up to approximately \$3,283,995.

UraniumSA company directors have determined that it is appropriate all share holders have the opportunity to participate in the company's growth and progress by raising capital through the rights issue.

Funds raised by the rights issue will be used to advance the Blackbush Prospect and continue the exploration and development of the Mullaquana Project area.

The company has sufficient funds to maintain its ongoing corporate activities.

Subject to shareholder approval at the 2010 annual general meeting, to be held on November 29, the 20,000,000 shares recently placed at 25 cents will participate in this rights issue.

Shareholders will be invited to subscribe for shares pursuant to the issue on the basis of one share for every 10 shares held at 5pm (CST) on the record date of December 13.

Investors who wish to take part in the rights issue but who are not currently shareholders may purchase shares prior to the ex-entitlement date.

Only shareholders whose registered address is in Australia or New Zealand will be eligible to participate.

Directors have confirmed there is currently no information to be disclosed which is excluded information.

This would reasonably be required for the purpose of making an informed assessment by investors and their professional advisors of the assets and liabilities, financial position and performance, profits and losses and prospects of the company or the rights and liabilities attaching to the relevant securities.

Capital raised through this rights issue will be used by UraniumSA to further develop the Mullaquana

Project, and to commence a field trial for the situ recovery mining at the Blackbush Prospect.

Any shortfall will be managed as a private placement to resources focused investors at a price of 25 cents within three months after the close of the offer by BGF Equities Pty LTD.

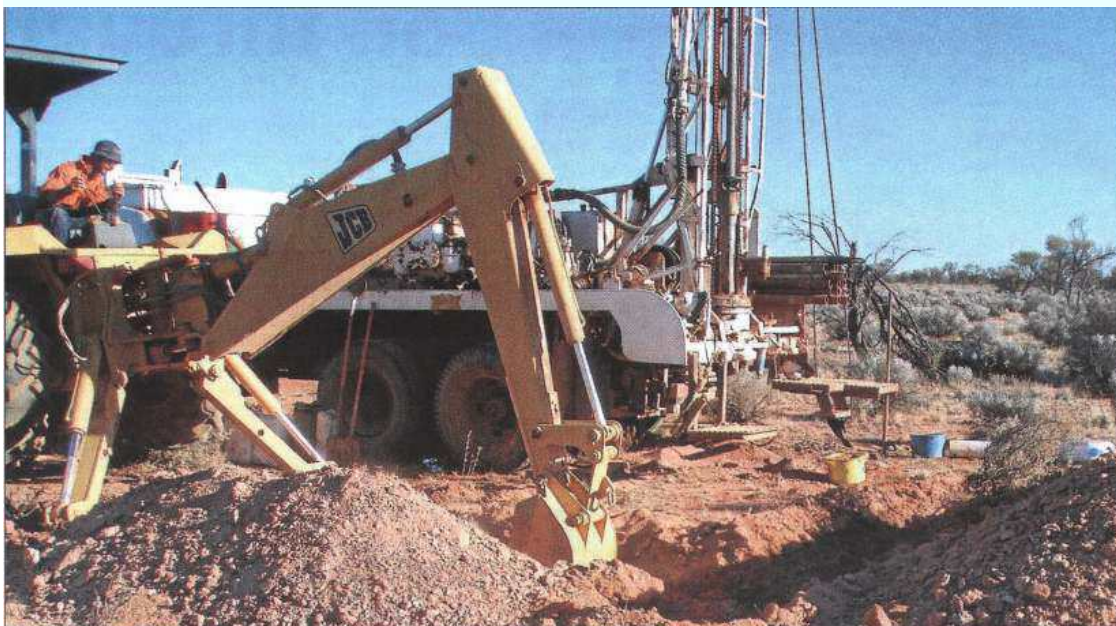
Directors, at their discretion, may also offer any shortfall to shareholders to whom offers were made under the rights issue for up to three months after the close of the offer.

Any shortfall placed by the directors will be at not less than the offer price of 25 cents per share.

Objects for the Mullaquana Project include the continuation of exploration across the entire project area to grow the resource base of uranium mineralisation across the entire project towards an exploration objective of 20,000 tonnes U308.

The company said it would focus its attention on the Mullaquana Project.

The other projects in the company's exploration portfolio will receive sufficient attention to maintain them in good standing.



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