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AUSTRALIAN SECURITIES EXCHANGE LIMITED

COMPANY ANNOUNCEMENTS PLATFORM

ASX CODE USA

ACTIVITY REPORT
QUARTER ENDING 30 SEPTEMBER 2007

Please refer to the map at the end of this release for the locations of the projects being reported on.

Exploration overview

1. **Kingoonya Palaeodrainage System** project – Tarcoola, Kingoonya and Muckanippie
   Muckanippie, anomalous uranium was intersected in two of nineteen aircore holes drilled into a previously unrecognised palaeodrainage identified by the AEM survey. The holes were drilled within an area some 11 km by 6 km – the prospective area is approximately 15km by 7km.
2. at **Kingoonya**, anomalous uranium was intersected in one of the nine holes drilled to examine the AEM signatures within an area of previously untested palaeodrainage some 27 km long and 11 km wide.
3. the intersection of anomalous uranium in geologically favourable setting at both Muckanippie and Bon Bon is a very significant development. It establishes for the first time that uranium is mobile over extensive areas of the Kingoonya Palaeodrainage Systems, and is not confined to the previously known Warrior and Ealbara uranium prospects (held by Toro Exploration Limited). The intersections are in separate parts of the systems and some 137km apart.

   The anomalous material is associated with contacts with carbonaceous and pyritic reducing rocks, and is of the "redox" or "roll-front" style. Interpretation of the AEM data indicates that similar permissive rock types are present throughout very extensive areas of our tenement holding over the Kingoonya Palaeodrainage System.
4. the aircore drilling program was suspended following an accident on site. Drilling is scheduled to recommence in late November to early December using the Company's own Mayhew rig.

Eastern Eyre Peninsula project – Cleve, Tumby Bay and Mullaquana tenements.

1. at **Cleve,** in the southern portion of the tenement in the area of the Blue Range Beds, systematic calcrete sampling has been completed over coincident IP and bedrock geochemical anomalies (July 2007 Quarterly Report). The objective of the calcrete sampling is to map out the surface footprint of mineralisation associated with the IP anomaly to define targets for aircore drill testing.

   Surface exploration across basement rocks in the central and eastern parts of the tenement has identified several zones of anomalous count rates (background 50-75 cps, threshold 200cps,

maximum of 750cps). These are very early results but are considered to be highly encouraging. The anomalous zones have been reconnaissance mapped and sampled, and further work will be planned on the basis of the assay results.

2. at **Tumby Bay,** previously reported uranium anomalies in bedrock identified by aircore drilling are being followed up with a program of systematic calcrete sampling. The alteration and geochemistry of the aircore intersections (July 2007 Quarterly Report) suggests proximity to uranium mineralisation of the Hospital Prospect style (refer to the Prospectus, page 16). The objective of the calcrete sampling is to map out the surface footprint of mineralisation to define targets for aircore drill testing.
3. at **Mullaquana**, interrogation of the results of the aircore drilling is continuing and targets for follow-up have been identified.

Projected activity to 31 December 2007

Kingoonya Palaeodrainage System project – Tarcoola, Kingoonya and Muckanippie.

Negotiations with the five Native Tile Claimant Groups that have interests in the area have commenced. It is anticipated that negotiations will have progressed sufficiently to enable drilling to commence in parts of the Tarcoola, Kingoonya and Muckanippi project area in late November to early December. Negotiations for access to the full area of the projects will continue for several months.

Eastern Eyre Peninsula project – Cleve, Tumby Bay and Mullaquana tenements.

Cleve. The results of the recently completed calcrete sampling program will be received and integrated with the existing IP and bedrock geochemical data. This will be sufficient to design a drill program to explore the sub-unconformity uranium mineralisation prospect which is evident from the IP and bedrock data at the Boothby Prospect.

Assay results will be received for the recently completed fieldwork which identified and sampled several moderate-order radiometric anomalies within the bedrock sequences. Further fieldwork will be carried out across similar bedrock targets.

Tumby Bay. Calcrete sampling and geological mapping to follow up uranium anomalies obtained in the aircore drilling will be completed.

Mullaquana. Exploration rotary drilling of the Kanaka Beds of the Pirie Basin for uranium mineralised redox cells (refer to the Prospectus, page 12) will commence in mid November. Twenty six holes for an estimated 2,600m have been planned.

Drilling.

Refurbishment of the Companies Mayhew 1000 rotary mud drill rig and associated plant will be completed and the rig moved into the field for commissioning. It is anticipated that by mid November the rig will be on site at Mullaquana to drill out the Kanaka Beds prospect. On completion of this program at Mullaquana, and subject to completion of Native Title clearances, the rig will move to Tarcoola to commence work on the Kingoonya Palaeodrainage System.

Forward planning is based on the assumption that the rig will deliver approximately 2,500m of radiometrically and electronically logged hole per month on a sustainable and continuous basis.

About UraniumSA Ltd

UraniumSA is an Adelaide-based uranium-only explorer specialising in palaeochannel or rollfront and unconformity styles of uranium mineralisation within a substantial portfolio of properties in South Australia's Gawler Craton. The focus of the rollfront uranium search is within its substantial tenement holding over the highly regarded Kingoonya Palaeodrainage System which hosts the Warrior and Ealbara uranium prospects in adjoining tenements.

On the eastern seaboard of Eyre Peninsula, UraniumSA's acreage features altered and potentially uranium mineralised unconformities of the style which host the majority of current world uranium production.

Russel Bluck
Managing Director
UraniumSA Limited

The exploration results reported herein, insofar as they relate to mineralisation, are based on information complied by Mr. Russel Bluck a Member of the Australian Institute of Geoscience and an employee of UraniumSA Limited. Mr Bluck has sufficient experience relevant to the style of mineralisation and type of deposits being considered and to the activity which he is undertaking 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). 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.