



Uranium Exploration Australia Limited

ABN 65 112 714 397

16 November 2009

The Manager
Company Announcements Office
Australian Stock Exchange
20 Bridge Street
SYDNEY NSW 2000

ASX ANNOUNCEMENT

EXPLORATION UPDATE

- **Drilling program has commenced at Crystal Creek, NT**
- **Consent of Traditional Owners received to explore two licence areas at Nabarlek, NT**

The Directors of Uranium Exploration Australia Limited ('UXA') are pleased to provide an update on its exploration projects in the Northern Territory.

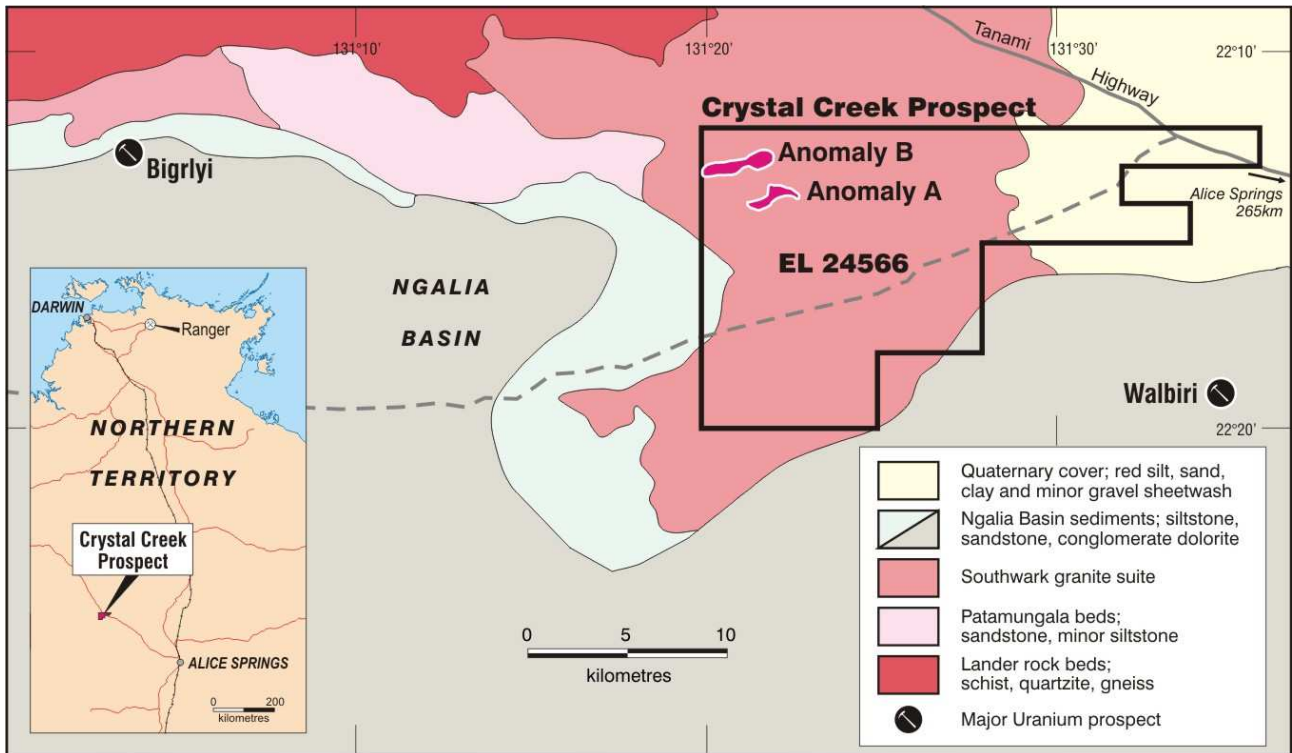
Crystal Creek Drilling

An RC percussion drilling program has commenced at the Crystal Creek uranium prospect. It is planned to drill approximately 40 holes for 2,400m. Most of the holes will be inclined, to intersect the steeply dipping uranium mineralised structure, and will vary in depth from 40m to 90m. The drilling program will test the most anomalous portions of the 3,000m long outcrop of the mineralisation, and additional targets identified by the airborne geophysical survey and soil geochemical surveys recently completed (ASX announcement 27 October 2009).

The Crystal Creek Prospect is located on Exploration Licence (EL) 24566, Ngalia Thrust, approximately 320km northwest of Alice Springs, and near to Energy Metals' Bigrlyi uranium deposit.

In July 2009, the Company announced the discovery of a zone of uranium mineralisation which crops out intermittently over a strike distance in excess of 3,000m. Early field sampling with a portable XRF machine indicated excellent U₃O₈ point concentrations of up to 4,120 ppm (ASX announcement 16th July 2009) and this range of values was confirmed by laboratory XRF analyses on rock chip samples (ASX announcement 27th August 2009).

Figure 1. Crystal Creek location map



Nabarlek Exploration Licences

Formal consent has been received from the Northern Land Council, on behalf of the Traditional Owners, for UXA to conduct exploration activities on the Company's Nabarlek North (ELA 24868) and Nabarlek West (ELA 24564) exploration licence applications in Arnhem Land in the Northern Territory. These applications will now go through the normal licence granting processes with the Commonwealth Government (for Ministerial consent) and the Northern Territory Government. Grant of the tenements is expected in early 2010, which will allow UXA to commence field activities at the start of the 2010 field season.

The Company's two Nabarlek licences are located close to the old Nabarlek high grade uranium mine and are underlain by similar geology. The licences form part of UXA's joint venture with RIL Australia Pty Ltd (RILA), a subsidiary of the major Indian corporation, Reliance Industries Limited. UXA has a 51% interest in the tenements and RILA a contributing 49% interest.

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Technical Information in this report is based on information compiled by Mr Simon Powell who is employed by Uranium Exploration Australia Limited and who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Powell has sufficient exploration experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC 2004"). Mr Powell consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

About UXA

Uranium Exploration Australia Limited was formed to explore for and develop uranium and associated base and precious metal deposits, focusing principally on its ground holdings in the world class uranium provinces in South Australia and Northern Territory. UXA has an exploration joint venture with RIL Australia Pty Ltd, a subsidiary of Reliance Industries Limited, the largest private sector company in India.

In July 2009 UXA announced the discovery of uranium mineralisation in a 3,000m long structure within granite at Crystal Creek, on its Ngalia Thrust exploration licence in the Northern Territory. UXA is vigorously following up this discovery with field work.

In October 2009 UXA announced the completion of the purchase of a borehole logging business, Geoscience Associates (Australia) Pty Ltd (GAA). GAA is continuing to operate as a separate business and provide cash flow for UXA's exploration activities. GAA has the sole distribution rights in Australia to the Prompt Fission Neutron device, a specialised tool for directly measuring the content of uranium in boreholes, thereby overcoming the problem of disequilibrium. GAA provides logging services to the coal and uranium industries (both gamma and PFN logging) throughout Australia.

More information on UXA can be found on our website at www.uxa.com.au