

URANIUM EXPLORATION AUSTRALIA LIMITED

ABN 65 112 714 397

Notice of General Meeting and Explanatory Statement

**General Meeting to be held at the
Amora Hotel Jamison Sydney,
Conference Room, Level 2,
11 Jamison Street, Sydney,
on Monday, 14 September at 11.00 am.**

This Notice of General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

URANIUM EXPLORATION AUSTRALIA LIMITED

ABN 65 112 714 397

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of the shareholders of Uranium Exploration Australia Limited (**The Company**) will be convened at 11.00 a.m. on Monday 14 September 2009, at the Amora Hotel Jamison Sydney, Conference Room, Level 2, 11 Jamison Street, Sydney, NSW, 2000, to consider, and if thought fit, to pass the following resolutions.

If you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form. The completed Proxy Form must be received by the Company at least 48 hours before the commencement of the meeting.

An Explanatory Statement is attached. Shareholders should read this in full.

ORDINARY BUSINESS

RESOLUTION 1 – Acquisition of Assets of Geoscience Associates (Australia) Pty Ltd.

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purpose of Listing Rule 11.1 of the Listing Rules and for all other purposes, the Company approves the Proposed Acquisition of the assets and business of Geoscience Associates (Australia) Pty Ltd (GAA Assets)."

Short Explanation:

Approval is sought under Listing Rule 11.1 to allow the Company to increase the scale of its activities as a result of completing the Proposed Acquisition. Please refer to the Explanatory Statement for details.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 1 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and an associate related to that person, if the resolution is passed. However, the Company need not disregard a vote if:

- (i) the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (ii) the vote is cast by the person 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.*

RESOLUTION 2 – Approve Allotment and Issue of Shares – Placement.

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

" That for the purpose of Chapter 7 of the Listing Rules and for all other purposes, and subject to members of the Company passing Resolution 1, approval is given for the Company to issue Shares for up to \$3,700,000 in value by way of Placement to sophisticated investors and/or professional investors (being persons to whom a disclosure document is not required to be provided by virtue of sections 708 (8) or 708 (11) of the Act), at an issue price of \$0.10 per Share and otherwise on the terms and conditions set out in the explanatory statement to this notice"

Short Explanation:

Approval is sought under Listing Rule 7.1 to allow the Company to issue and allot these securities. Note the Shares will be issued no later than 3 months after the date of the General Meeting. Please refer to the Explanatory Statement for details

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 2 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and an associate related to that person, if the resolution is passed. However, the Company need not disregard a vote if:

- (i) the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (ii) the vote is cast by the person 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.*

RESOLUTION 3 – Approve Allotment and Issue of Shares to vendor GAA.

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.1 of the Listing Rules and for all other purposes, approval is given for the Company to be authorised to issue and allot 5,000,000 Shares, on the terms set out in the Explanatory Statement accompanying this Notice."

Short Explanation:

Approval is sought under Listing Rule 11.1 to allow the Company to increase the scale of its activities as a result of completing the Proposed Acquisition. Please refer to the Explanatory Statement for details.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 3 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and an associate related to that person, if the resolution is passed. However, the Company need not disregard a vote if:

- (i) the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (ii) the vote is cast by the person 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.*

RESOLUTION 4 – Authorise Director Participation.

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, subject to Resolutions 1 and 2 being passed, and in accordance with Listing Rule 10.11 and Chapter 2E of the Corporations Act and for all other purposes, shareholders authorise and approve Dr Russell Penney or his nominee to participate in the Placement on the terms and conditions in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 4 by Dr Penney or any associate of him. However, the Company need not disregard a vote if:

- (i) it is cast by the Dr Penney as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
- (ii) it is cast by the person 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.*

RESOLUTION 5 – Approval of the Future Issue of Share Purchase Plan Shortfall Shares.

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, shareholders approve and authorise the Directors to issue and allot up to 30,636,905 Shares at an issue price of not less than 10 cents each and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Short Explanation:

Approval is sought under Listing Rule 7.1 to allow the Company to increase the scale of its activities as a result of completing the Proposed Acquisition. Please refer to the Explanatory Statement for details.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 5 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and an associate related to that person, if the resolution is passed. However, the Company need not disregard a vote if:

- (i) the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (ii) the vote is cast by the person 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.*

RESOLUTION 6 – Approval of an Issue of Securities.

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, pursuant to and in accordance with Listing Rule 7.1 of the Listing Rules and for all other purposes, the Company be authorised to allot and issue up to 26 million fully paid ordinary Shares of the capital of the Company at an issue price no less than 80% of the weighted average price for 5 trading days prior to the announcement of a placement on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 6 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and an associate related to that person, if the resolution is passed. However, the Company need not disregard a vote if:

- (i) the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (ii) the vote is cast by the person 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.*

RESOLUTION 7 – Section 195 Approval

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a “material personal interest” are being considered.

Some of the Directors may have a material personal interest in the outcome of Resolutions 4. In the absence of this Resolution, the Directors may not be able to form a quorum at directors meetings necessary to carry out the terms of Resolution 4.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to shareholders to resolve upon.

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purposes of section 195(4) of the Corporations Act and for all other purposes, shareholders approve and authorise the Directors to complete the transactions as contemplated in this Notice."

Dated this 10th day of August, 2009.

BY ORDER OF THE BOARD

Kevin Lynn
Company Secretary

NOTES

1. A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
2. In accordance with Regulation 7.11.37 of the Corporations Regulations, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is 11 a.m. on 11 September 2009.
3. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the proxy instructions on that form.
4. Terms used in this Notice have the meanings set out in the Glossary of the Explanatory Statement.
5. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person 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.

EXPLANATORY STATEMENT

This Explanatory Statement accompanies and forms part of the Notice of General Meeting dated 10 August (**Notice**) and has been prepared to provide shareholders with material information to enable them to make an informed decision on the business to be conducted at the General Meeting of the Company. Amongst other things, this Explanatory Statement provides shareholders with the information required to be provided to shareholders by the Corporations Act 2001 and the Official Listing Rules of ASX Limited (**Listing Rules**).

The Explanatory Statement sets out an explanation of each of the resolutions to be put to shareholders. Shareholders should read this Explanatory Statement carefully before determining how to vote in respect of the resolutions.

RESOLUTION 1 AND 3 - ACQUISITION OF ASSETS OF GEOSCIENCE ASSOCIATES (AUSTRALIA) PTY LTD

The Company has entered into an Agreement to acquire the Assets and Business of Geoscience Associates (Australia) Pty Ltd (GAA) (the Proposed Acquisition). GAA is located in Mount Barker, South Australia and provides borehole wire-line logging services to the uranium and coal industries throughout Australia and is the sole distributor for Prompt Fission Neutron (PFN) technology in Australia and the only provider of commercial PFN logging services in Australia.

UXA intends to complete the Proposed Acquisition no later than Thursday, 15 October 2009.

Completion of the Proposed Acquisition is conditional on, amongst other things, the shareholders of the Company passing all resolutions as are required under the *of the Listing Rules* and the Corporations Act to give effect to the Proposed Acquisition (i.e. the Resolutions 1, 2 & 3 that are set out in this Notice).

A summary of the Agreement is contained in Annexure A.

The Company's shareholders' approval is required for various aspects of the Proposed Acquisition under a range of regulatory provisions, including the:

- increase in the scale of its activities under Listing Rule 11.1.2; and
- placement of Shares to vendors under Listing Rule 7.1.

The purchase price payable at settlement under the Agreement for the Assets and Business of GAA will be an amount of \$5,000,000 and the issue of 5 million fully paid ordinary UXA Shares for the acquisition of GAA's Assets and Business as at 31 August 2009 (including goodwill). The purchase price payable, together with the proposed working capital of the company, will be funded by a combination of sources as follows:

- Cash - \$5,000,000, payable on settlement (funded by UXA)
- The issue of 5 million fully paid ordinary UXA Shares as contemplated by Resolution 3.
- An appropriate level of bank finance for GAA's new assets acquired after 1 July 2009; and if deemed necessary and appropriate
- The issue of Shares to Sophisticated Investors as contemplated by Resolution 2 and Eligible shareholders under the SPP as contemplated by Resolution 5.

Working Capital

- An appropriate level of working capital will be funded by bank debt

The Proposed Acquisition, if completed:

- (a) will result in the Company becoming a significant provider of logging services and tools for the coal and uranium industries in Australia, through its interests in the assets and business of GAA, whilst continuing to maintain its central focus on exploration. This may provide a lower risk profile for the Company than is currently the case; and
- (b) offers a number of significant synergies and benefits for the Company's exploration strategy.

EXPLANATORY STATEMENT (Cont.)

The board believes that the Acquisition represents a significant step forward in the development of the Company, complementing its existing uranium exploration projects with a profitable service business. The benefits of the Acquisition include:

Increased scale:

Following acquisition UXA will have stronger balance sheet and access to an ongoing earnings stream.

Business Diversification

The Company will benefit from the addition of a complimentary and profitable business to its existing exploration business.

Enhanced Technical and Management Capability

As part of the Acquisition, GAA's current management team, will join the Company, significantly enhancing its technical and management capability.

Improved Access to Capital and Debt Markets

The Company should have improved access to capital markets due to the increased size and stability of the merged group. This could also assist in attracting greater investor interest in the Company and therefore promote better liquidity in the Company's shares.

EXPLANATORY STATEMENT (Cont.)

Risks of the Proposed Acquisition

Approval and completion of the Proposed Acquisition will carry some additional risks for shareholders, including:

- The acquisition and additional capital requirements will be financed by a mixture of cash and debt, resulting in the Company using significant cash reserves. The Company may be obliged to seek funds on the market to continue with its proposed/ budgeted exploration programme.
- From the date of completion of the Proposed Acquisition, the Company may assume some of the liabilities of GAA including legal, environmental, employee and other regulatory liabilities, for which it may not be adequately indemnified.
- Not all customers of GAA have entered into long-term contracts and there is a risk that some customers may not continue to use the services of GAA post settlement.
- GAA operates in a competitive environment which is subject to rapid change and it will need to continue to invest and adapt to remain competitive, including the technologies it employs.
- The success of the Company and GAA will depend upon the skills and efforts of a small group of management and technical personnel, particularly during the assimilation phase of the Proposed Acquisition. Factors critical to retaining present staff and attracting additional highly qualified personnel include the Company's ability to provide these individuals with competitive remuneration packages and other benefits.
- General economic, political and commercial risks apply to any business and such risks could adversely affect the performance of the Company and GAA. In particular they operate in a highly regulated environment which may change in a way that adversely impacts on performance.

Financial Effect of the Proposed Acquisition & Statement of Financial Position as at 31 December 2008

The financial information set out below comprises;

- the historical statement of financial position of the Company as at 31 December 2008; and
- the pro forma consolidated statement of financial position as at 31 December 2008 which assumes completion of the acquisition disclosed above (and therefore is the consolidation of entities including GAA).

The financial information has not been subject to audit.

The historical and the pro forma financial information has been prepared in accordance with the measurement requirements, but not all the disclosure requirements, of applicable Accounting Standards and other mandatory professional reporting requirements in Australia.

The pro forma statement of financial position has been prepared to reflect the financial position of the Company as if the Placement and Proposed Acquisition had occurred on 31 August 2009. This financial position may change, dependent upon the funding arrangements made and conclusive determination of the value of the assets acquired by GAA between 31 December 2008 and Completion date.

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EXPLANATORY STATEMENT (Cont.)

Historical and Pro-Forma Consolidated Balance Sheet

	UXA 31 Dec 2008	Transactions on Acquisition UXA	Transactions on Acquisition New GAA*	Pro- Forma Adjustments	Pro- Forma Consolidated Post Acquisition
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Assets					
Current Assets					
Cash & Cash Equivalents	4,069	(3,300)	386	0	1,155
Trade and Other Receivables	116	0	0	0	116
Total Current Assets	4,185	(3,300)	386	0	1,271
Non-Current Assets					
Trade and Other Receivables	27	0	0	0	27
Property, Plant & Equipment	269	0	5,828	0	6,097
Deferred Exploration	4,453	0	0	0	4,453
Goodwill (Est)	0	0	536	0	536
Loan - UXA to GAA	0	4,050	0	(4,050)	0
Total Non-Current Assets	4,749	4,050	6,364	(4,050)	11,113
Total Assets	8,934	750	6,750	(4,050)	12,384
Liabilities					
Current Liabilities					
Trade and Other Payables	176	0	0	0	176
Total Current Liabilities	176	0	0	0	176
Non-Current Liabilities					
Deferred Revenue	1,622				1,622
Loan - UXA to GAA	0	0	4,050	(4,050)	0
Loan - Bank	0	0	2,700	0	2,700
Total Non-Current Liabilities	1,622	0	6,750	(4,050)	4,322
Total Liabilities	1,798	0	6,750	(4,050)	4,498
Net Assets	7,136	750	0	0	7,886
Equity					
Share Capital	13,976	750	0	0	14,726
Reserves	321	0	0	0	321
Accumulated Losses	(7,161)	0	0	0	(7,161)
Total Equity	7,136	750	0	0	7,886

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

Note 1: The purchase price payable for the assets and business of GAA includes customary duties and fees. The precise breakdown of the purchase price amongst the various assets purchased will occur once the assets of GAA have been valued.

EXPLANATORY STATEMENT (Cont.)

Implications if the Proposed Acquisition does not proceed

In assessing the Proposed Acquisition, shareholders should also assess the implications of a failure of the Proposed Acquisition. If the Proposed Acquisition is not approved by shareholders:

- The Company would be in a position to continue its operations only with the on-going support of its shareholders; and
- The Company's ability to raise capital would be subject to the sentiment of capital markets.

RESOLUTION 2 - APPROVE ALLOTMENT AND ISSUE OF SHARES - PLACEMENT

Part consideration payable for the Proposed Acquisition as discussed above is approximately \$3.7 million (plus costs associated with the Proposed Acquisition) payable in cash from the proceeds of the issue of ordinary Shares in the Company to GAA or its delegate, which will represent approximately 36% of the current issued Shares (as contemplated by this Resolution).

In compliance with the information requirements of Listing Rule 7.3, members are advised of the following particulars in relation to the proposed issue:

1. Maximum number of Shares to be issued – 37million Shares.
2. Date by which UXA will issue and allot Shares – No later than 3 months after the date of the meeting.
3. Price at which Shares are to be issued – 10 cents per Share.
4. Basis upon which allottees will be determined – Sophisticated Investors.
5. Terms of issue – The Shares will rank equally in all respects with the existing ordinary Shares on issue.
6. Intended use of funds raised – The issue be used as part of the acquisition contemplated in Resolution 1 and working capital for exploration.

RESOLUTION 3 - APPROVE ALLOTMENT AND ISSUE OF SHARES - VENDOR

The consideration payable for the Proposed Acquisition is approximately \$5 million (plus costs associated with the Proposed Acquisition) payable in cash from the proceeds of the issue of ordinary Shares in the Company (as contemplated by Resolution 2) to GAA or its delegate, which will represent approximately 4.9% of the current issued Shares (as contemplated by this Resolution).

In compliance with the information requirements of Listing Rule 7.3, members are advised of the following particulars in relation to the proposed issue:

1. Maximum number of Shares to be issued – 5 million Shares.
2. Date by which UXA will issue and allot Shares – No later than 3 months after the date of the meeting.
3. Price at which Shares are to be issued – Market price.
4. Basis upon which allottees will be determined – GAA or its delegate.
5. Terms of issue – The Shares will rank equally in all respects with the existing ordinary Shares on issue.
6. Intended use of funds raised – The issue be used as part of the acquisition contemplated in Resolution 1 and working capital for exploration.

RESOLUTION 4 – AUTHORISE DIRECTORS' PARTICIPATION

Dr Penney and/or their nominees, propose to subscribe for up to 250,000 Shares under the Placement contemplated in Resolution 2.

The terms and conditions upon which Dr Penney will subscribe for Shares under the Placement will be the same terms and conditions under which others will subscribe for Shares under the Placement.

EXPLANATORY STATEMENT (Cont.)

Introduction

Resolution 4 seeks shareholder approval pursuant to Listing Rule 10.11 and section 208 (contained in Chapter 2E) of the Corporations Act to allow a Dr Penney or his nominee to apply for 250,000 Shares under the Placement.

Reason for Resolution 4

Shareholder approval is required under Listing Rule 10.11 and Chapter 2E of the Corporations Act because Dr Penney is defined as a related party of the Company.

Listing Rule 10.11 and Chapter 2E of the Corporations Act restrict the Company's ability to issue equity securities to Directors, unless approval is obtained from shareholders. The effect of passing Resolution 4 will be to allow a Director to apply for up to 250,000 Shares during the 3 months after the Meeting (or a longer period, if allowed by ASX) in compliance with Chapter 2E of the Corporations Act, without breaching Listing Rule 10.11 or using up the Company's 15% placement capacity under Listing Rule 7.1.

Specific Information required by section 219 of the Corporations Act

For the purposes of section 219 of the Corporations Act, information regarding the issue of Shares to the Director under the Placement is provided as follows:

- (a) the related parties to whom Resolution 4 would permit financial benefits to be given is a Director of the Company (or his nominees); Director – Russell Penney (Managing Director).
- (b) the nature of the financial benefits are 250,000 Shares to the Director;
- (c) Russell Penney has an interest in the outcome of Resolution 4 and do not propose to make a recommendation in relation to Resolution 4.
- (d) The following table demonstrates the dilution of all other shareholders' holdings in the Company, upon issue of the Shares under the Placement to Dr Penney in accordance with Resolution 4:
 - Shares on issue fully diluted at date of this Notice of Meeting 88,802,623
 - Maximum number of Shares allowed to be applied for in the Placement by Russell Penney – 250,000.
 - Dilution Effect of applying for all Shares allowed under this resolution (assuming all Shares are applied for 0.2%
- (e) The above Shares granted to the Director will raise \$25,000 which will be for the acquisition of assets and business of GAA and working capital for exploration.
- (f) The Directors' remuneration is as follows: Russell Penny - \$250,000 p.a.
- (g) The Directors' interests in the Company is as follows- Nil

EXPLANATORY STATEMENT (Cont.)

(h) The following is a summary of the Company's Share price over the three (3) month period immediately prior to the date of this Notice:

Event Date Share Price

High 3 August 2009 19 cents

Low 4 May 2009 8 cents

Last 31 July 2009 18 cents

- (i) The price of each Share is 17 cents. (7 August 2009)
- (j) Other than the information above and otherwise set out in this Explanatory Statement, the Company believes that there is no other information that would be reasonably required by shareholders to pass Resolution 4.

Specific Information Required by ASX Listing Rule 10.13

For the purposes of Listing Rule 10.13, information regarding the issue of Shares under the Placement to the Directors are provided as follows:

- (a) Russell Penney or his nominees will be allowed to apply for Shares or their nominees.
- (b) The maximum number of Shares the Director can apply for under Resolution 4 is 250,000 Shares
- (c) The Shares will be issued no later than three months after the Meeting (or such longer period of time as ASX may in its discretion allow).
- (d) The Shares price for each Share will be \$0.10 per Share.
- (e) If all Shares allowed under this resolution are applied for, the Company will raise \$25,000, which will be used as described in section 1 of the Explanatory Statement.
- (f) A voting exclusion statement is included in the Notice of Meeting.

RESOLUTION 5 – APPROVAL FOR FUTURE ISSUE OF SHARE PURCHASE PLAN SHORTFALL SHARES

(a) Background

On 10 August 2009, the Company announced its intention to make an offer to eligible shareholders pursuant to a Share Purchase Plan (**SPP**) under which **eligible shareholders** could apply for additional Shares in the Company at 10 cents per Share, up to a limit of \$15,000 per shareholder.

The offer is not underwritten. The Company may seek to place any Shares not taken up in the SPP, up to the maximum permissible under the SPP, being 30% of the issued capital (**SPP Shortfall Shares**).

The capital raised from the SPP in conjunction with the capital raised from the Placement Shares, the subject of Resolution 2, will be used to fund the acquisition of GAA.

(b) ASX Listing Rule 7.1

An explanation of Listing Rule 7.1 is contained in Resolution above.

ASIC has granted relief under Class Order CO 09/425 which enables security purchase plan offers to be made without the need to issue a disclosure document. An offer made pursuant to this relief would not need approval under Listing Rule 7.1 due to Exception 15 in Listing Rule 7.2.

The Company is seeking shareholder approval for the proposed maximum issue of 30,636,905 Shares so that this number of securities is not included in the 15% calculation set out in Listing Rule 7.1.

EXPLANATORY STATEMENT (Cont.)

(c) ASX Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided to shareholders:

- (i) the number of SPP Shortfall Shares which may be allotted is dependent upon the SPP take up from eligible shareholders.

The table below illustrates the relevant number of SPP Shortfall Shares for which approval is sought. The table illustrates the SPP shortfall which will be issued based upon a SPP take-up range of between 0 to 100%.

SPP Take Up (based upon minimum parcel)	Number of Shareholders (Assuming 1,800)	SPP Shares Issued (Number of Shares 102,123,018 - to a maximum of 30% of issued capital)	SPP Shortfall to be Issued (Number of Shares)
100%	1800	30,636,905	-
75%	1,350	30,636,905	-
50%	900	22,500,000	8,136,905
25%	450	11,250,000	19,386,905
0%	0	0	30,636,905

Note that the SPP take-up proportions are based upon the number of eligible shareholders at the date of this Notice. It is also assumed that each eligible shareholder will apply for a minimum entitlement of \$2,500 (or 25,000 Shares) under the SPP.

- (ii) the SPP Shortfall Shares will be issued and allotted no later than three (3) months after the date of this Meeting or such later date as approved by ASX;
- (iii) the issue price of the SPP Shortfall Shares proposed to be allotted and issued will be 10 cents each;
- (iv) the allottees of the SPP Shortfall Shares will not be related parties or associates of the Company;
- (v) the SPP Shortfall Shares will rank pari-passu on allotment and issue with the existing Shares of the Company;
- (vi) the SPP Shortfall Shares will be allotted progressively as allottees are identified, however no Shares will be issued or allotted after the date which is three (3) months after the date of the Meeting (or later to the extent permitted by any ASX waiver of the Listing Rules);
- (vii) up to \$3,063,690 can be raised from the issue of the SPP Shortfall Shares; and
- (viii) the Company intends to use the funds raised by the issue of the SPP Shortfall Shares to fund the proposed acquisition of GAA and exploration working capital.

(d) General

If Resolutions 2, 3, 4 and 5 are approved and the proposed acquisition of Shares, Placement Shares and SPP Shortfall Shares are issued, the Company could have 187,759,923 Shares on issue:

The following is a summary of the Company's Share price over the three (3) month period immediately prior to the date of this Notice:

Event Date Share Price

High 3 August 2009 19 cents

Low 4 May 2009 8 cents

Last 31 July 2009 18 cents

EXPLANATORY STATEMENT (Cont.)

RESOLUTION 6 – APPROVAL OF AN ISSUE OF SECURITIES BY DIRECTORS

Resolution 6 of the Notice of Meeting proposes the issue and allotment of up to 26 million fully paid ordinary Shares in the capital of UXA per the Listing Rules.

In compliance with the information requirements of Listing Rule 7.3, members are advised of the following particulars in relation to the proposed issue:

1. Maximum number of Shares to be issued – Up to 26 million Shares.
2. Date by which UXA will issue and allot Shares – No later than 3 months after the date of the meeting.
3. Price at which Shares are to be issued – Minimum being no less than 80% of the average market price calculated in accordance with Listing Rule 7.3.3.
4. Basis upon which allottees will be determined – The allottees will be determined by the Board having regard to a number of issues, including:
 - (i) the level of demand for placement Shares;
 - (ii) the identification of shareholders with a long term commitment to UXA; and,
 - (iii) other issues which the board may consider appropriate from time to time.
5. Terms of issue – The Shares will rank equally in all respects with the existing ordinary Shares on issue.
6. Intended use of funds raised – The issue of Shares will provide additional funding required by UXA for the following purposes:
 - (i) exploration programmes on UXA's highly prospective tenements, primarily within South Australia's Gawler Craton region and Northern Territory;
 - (ii) assessment of capital acquisitions; and
 - (iii) general working capital.
7. Dates of allotment – Allotment will occur progressively.

Pursuant to the placement proposed under Resolution 6, no single shareholder/placee will be permitted to exceed 20% of the issued capital of UXA and therefore no change in control of UXA is anticipated. This prohibition will be included in the placement Information Statement.

It is proposed that the placement be made to selected allottees pursuant to a placement Information Statement.

FURTHER INFORMATION

There is no other information known to the Company that is material to a shareholder's decision on how to vote on the resolutions set out in the Notice. However, should any shareholder be in doubt as to how they should vote on any resolution and/or as to how a resolution may affect them, they should seek advice from their accountant, solicitor or other professional adviser as soon as possible.

Queries as to the lodgment of proxies and other formalities in relation to the Meeting should be directed to the Company Secretary (Telephone: (08) 8363 7970).

ACTION TO BE TAKEN BY SHAREHOLDERS

Attached to the Notice of Meeting accompanying this Explanatory Statement is a proxy form for use by shareholders. All shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person and are eligible to vote, to complete, sign and return the proxy form to the Company in accordance with the instructions contained on the proxy form and the Notice of Meeting. Lodgment of a proxy form will not preclude a shareholder from attending and voting at the Meeting in person.

ANNEXURE A

SUMMARY OF AGREEMENT

The material terms of the Agreement are as follows:

1. It is subject to conditions precedent.
 - i. approval of shareholders of UXA;
 - ii. UXA obtaining the necessary funding.
 - a. The purchase price is the amount of \$5,000,000 and 5,000,000 fully paid ordinary shares in the capital of UXA.
 - b. A deposit of \$50,000 is payable to GAA's solicitors in trust on signing the Agreement. If settlement takes place the deposit will be part of the purchase price. If settlement does not take place because the conditions precedent are not fulfilled the deposit will be forfeited to GAA.
 - c. Settlement is due to take place on 1 September 2009 (or earlier by agreement) but if settlement has not taken place by 15 September either party may terminate the Agreement. After Settlement GAA will be entitled to any outstanding amounts due by debtors before the Settlement Date. It will also have the obligation to pay the debts of the business up to that time.
2. The Agreement provides for an employment agreement with Dennis Stevens, commencing on settlement.
3. Call Option

The Agreement provides for STD Trading Pty Ltd, the landlord of the Mt Barker premises, to provide a call option to purchase the business premises to UXA the basic terms of which are:

 - i. 5 year option period from settlement.
 - ii. Option Exercise Price to be fair market value at the time of exercise plus a premium of 10%.
4. Voluntary Restriction Deed

In relation to the shares issued to the Vendor or its nominee that shareholder will enter into a Voluntary Restriction Deed which provides that the shareholder will not sell any of his shares in the first six months. After that he can sell 25%, a further 25% after 12 months, a further 25% after 18 months and the rest after 24 months.

GLOSSARY

Agreement means agreement entered into between the Purchaser and Geoscience Associates (Australia) Pty Ltd and others, in relation to the Proposed Acquisition.

ASX means ASX Limited.

Listing Rules means the Listing Rules of ASX.

GAA Assets means the Assets of GAA.

GAA Business means the business of providing logging processing.

GAA means Geoscience Associates (Australia) Pty Ltd (ACN 007 734 705).

Business means the GAA Business.

Board means the board of directors of the Company.

Company means Uranium Exploration Australia Limited (ACN 112 714 397).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the current directors of the Company.

Explanatory Statement means the explanatory statement to the Notice.

Meeting means the general meeting convened by the Notice.

Notice means the notice of meeting accompanying this Statement.

Placement means shares issued to **Sophisticated Investors**.

Proposed Acquisition means the proposed acquisition of the GAA Assets.

Purchaser means Uranium Exploration Australia Limited (ACN 112 714 397).

South Australian Site means the property located at 20 Oborn Road, Mt Barker, South Australia upon which part of the Business is conducted.

Share means a fully paid ordinary share in the capital of the Company.

Sophisticated Investors & Institutional Investors means investors to whom offers of Shares can be made without the need for a prospectus or other disclosure under Chapter 6D of the Corporations Act.

Vendors mean the current owners of the GAA Assets.

URANIUM EXPLORATION AUSTRALIA LIMITED

ABN 65 112 714 397

PROXY FORM

The Secretary

Uranium Exploration Australia Limited
313 Payneham Road,
Royston Park,
South Australia 5070

SHAREHOLDER DETAILS

Name of shareholder:

Address of shareholder:

I/We being a member(s) of Uranium Exploration Australia Limited, hereby appoint the following person or failing him/her the Chairman of the Meeting as my/our Proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at 11 am on Monday, 14 September 2009, at the Amora Hotel Jamison Sydney, Conference Room, Level 2, 11 Jamison Street, Sydney NSW 2000 (and at any adjournment thereof) in the manner indicated below or as he/she thinks fit.

PROXY'S DETAILS:

Name of Proxy:
(Surname) (Given Names)

Address of Proxy:

INSTRUCTIONS AS TO VOTING – Refer attached Notes to the Proxy Form

If you wish to direct your proxy how to vote with respect to the proposed resolutions, please indicate the manner in which your proxy is to vote by placing a "X" in the appropriate box below, otherwise your proxy will vote or abstain from voting as he/she thinks fit.

If the Chairman of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box.

By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by the Chairman of the meeting for those resolutions other than as proxy holder will be disregarded of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, The Chairman will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

PROXY'S VOTING INSTRUCTIONS (OPTIONAL) ⇒	FOR	AGAINST	ABSTAIN
Ordinary Resolutions			
1. Acquisition of Assets of Geoscience Associates (Australia) Pty Ltd			
2. Approval of Allotment and Issue of Shares - Placement			
3. Approval of Allotment and Issue of Shares - vendor			
4. Authorise Director Participation			
5. Approval for future issue of share purchase plan shortfall shares			
6. Approval of Issue of Securities			
7. Section 195 Approval			

It is the Chairman's intention to vote in favour of all resolutions in relation to undirected proxies.

FOR INDIVIDUALS OR JOINT HOLDERS

.....
Signature of shareholder Name (Please Print) Date

.....
Signature of shareholder Name (Please Print) Date
(Joint shareholder)

IF THE MEMBER IS A COMPANY. **The COMMON SEAL of the company was herewith affixed in accordance with the Constitution in the presence of:**

..... Director Director/Secretary Date

IF THE MEMBER IS A COMPANY HAVING ONE PERSON AS ITS SOLE DIRECTOR AND SOLE COMPANY SECRETARY. The COMMON SEAL of the company was herewith affixed in accordance with the Constitution in the presence of:

..... Sole Director/Company Secretary Date

NOTES TO THE PROXY FORM

Pursuant to the Company's Constitution and the Corporations Act 2001, any person registered in the Register of Shareholders as a holder of one or more Shares 48 hours prior to the time of commencement of the Meeting is entitled to attend and vote at the Meeting.

Shareholders are entitled to appoint up to two individuals to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights.

The Proxy Form and the Power of Attorney (if any) or the instrument appointing the proxy and power of attorney (if any) under which it is signed (or an office copy or notarially certified copy thereof) must be deposited at the Registered Office of the Company (**313 Payneham Road, Royston Park, South Australia SA 5070**) at least 48 hours prior to the time of holding of the Meeting (and at any adjournment thereof), at which the individual named in the Proxy Form proposes to vote.

A proxy must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, under its common seal or under the hand of an authorised officer or attorney.

A person authorised (pursuant to the provisions of the Corporations Act 2001) by a corporation which is a shareholder of the Company to act as its representative at the Meeting is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual shareholder of the Company.

A legible facsimile transmission copy of the instrument and the power of attorney or other authority is acceptable. The facsimile number to which a Proxy Form may be sent is +61 8 8363 7963. The proxy may, but need not be, a shareholder of the Company.

Corporate Representation

A company may only vote by proxy, power of attorney or by appointment of a corporate representative. The instrument appointing a proxy is not valid unless the original instrument and the power of attorney or other authority (if any) under which the instrument is signed (duly stamped where necessary) or a copy or facsimile which appears on its face to be an authentic copy of that proxy, or power of attorney is submitted to the Registered Office within the time set out herein. A company must sign a proxy under common seal in accordance with its Constitution or under power of attorney, which must be produced, with the Proxy Form.

If the Shares are registered in the name of more than one person, all such holders must sign the Proxy Form.

To be valid a Proxy Form and the Power of Attorney under which it is signed or proof thereof must be to the satisfaction of the Directors.