



UXA Resources Limited

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The Manager
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ASX ANNOUNCEMENT UXA EXPLORATION UPDATE – URANIUM JV PROJECTS NORTHERN TERRITORY

Extensive 4,000m drilling program planned at Nabarlek North

Drill targets located 280m north of recent high grade discovery and in world class uranium province

Pandanus West exploration licence granted

UXA Resources Limited (ASX:UXA) is pleased to announce plans for the company's largest uranium exploration and drilling program yet to be undertaken at the Nabarlek Joint Venture project, with RIL Australia Pty Ltd, located in Northern Territory.

UXA has secured a drill rig and acquired all necessary heritage clearances allowing further exploration and drilling to commence at Nabarlek in mid August 2011.

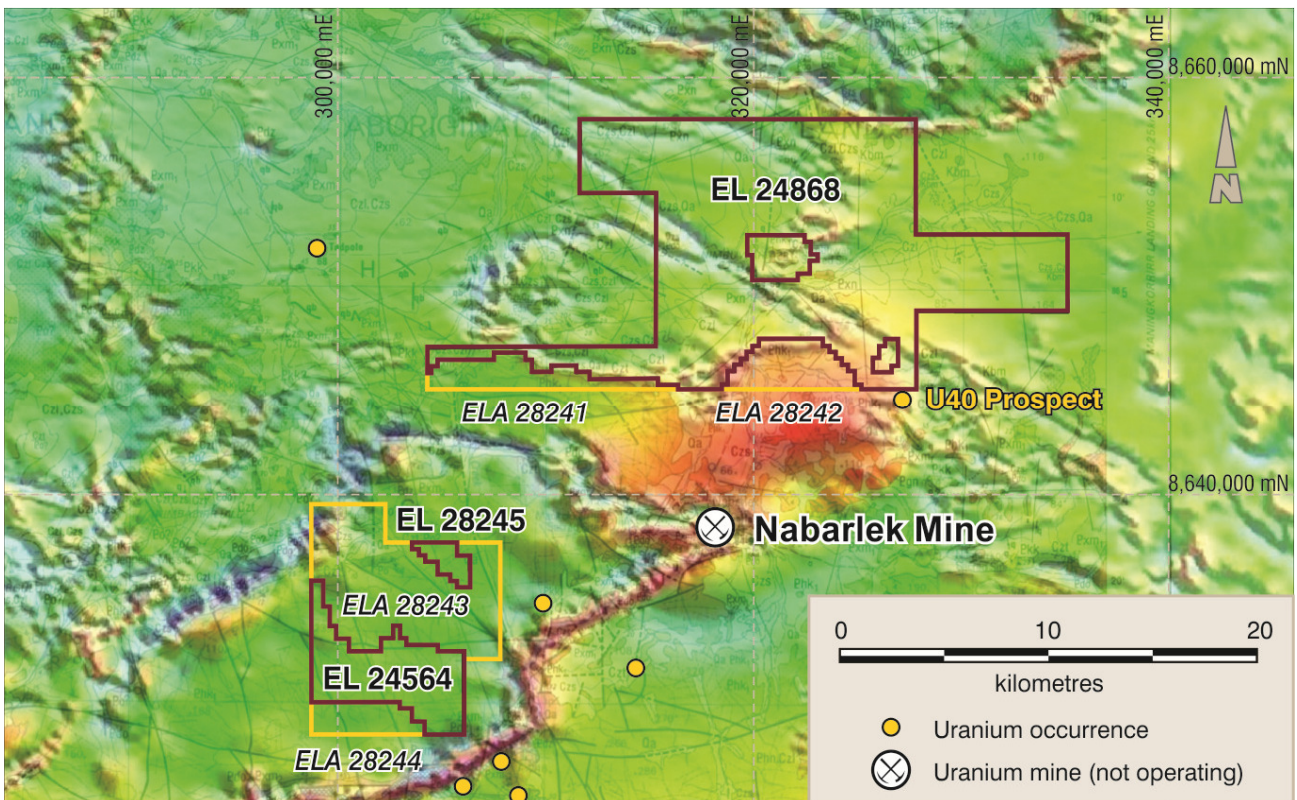
Highlights

- Nabarlek North and Nabarlek West licences (EL 24564, 24868 and 28245) cover 221km² and are highly prospective for unconformity style uranium deposits and share similar geological features with the former Nabarlek open cut (located 7km south) and the operating Ranger uranium mine in the Northern Territory. Additionally, EL 24564 lies 280 metres immediately north of a recent high grade mineralisation discovery (U40 area) which reported high grade uranium intercepts up to 6.80m @ 6.71% U₃O₈¹.
- Following analysis of two airborne geophysical surveys and a Hymap hyperspectral mineral mapping survey during the 2010 field season, a series of a high priority exploration targets at Nabarlek have been identified and exploration follow up includes:
 - A 1,500m drilling program along two lines in the south east corner of the Nabarlek North tenement (EL 24564) will target the strike length extension of the U40 uranium prospect and test elevated surface radiometric values identified by UXA's field work in late 2010.
 - A secondary 2,500m drill program at targeting previously defined anomalies in the southern and central regions of the tenement.

¹ UEL ASX Release 16 December 2010

- A radon sampling program covering 20km² mostly in the south and south eastern part of the Nabarlek North tenement following up on magnetic and EM signatures suggesting the presence of structures and dolerite intrusions which are known to be associated with uranium mineralisation in the area. This method has the ability to “see” radiometric anomalies through cover rocks by detecting radon gas escaping from radioactive decay of uranium.
- Geological mapping and ground checking of geophysical anomalies in the southern and central regions of the tenement.
- All Nabarlek licences form part of UXA’s joint venture with RIL Australia Pty Ltd (“RILA”), a subsidiary of Reliance Industries Limited, a Fortune Global 500 company and India’s largest company by market value.
- RILA holds 49% interest in the licences and is contributing 49% of exploration funding.

Further details of the Nabarlek exploration rationale and geophysical results can be found in a technical presentation made at the AusIMM international Uranium Conference in June 2011 on the Company’s website (ASX release 8 June 2011).



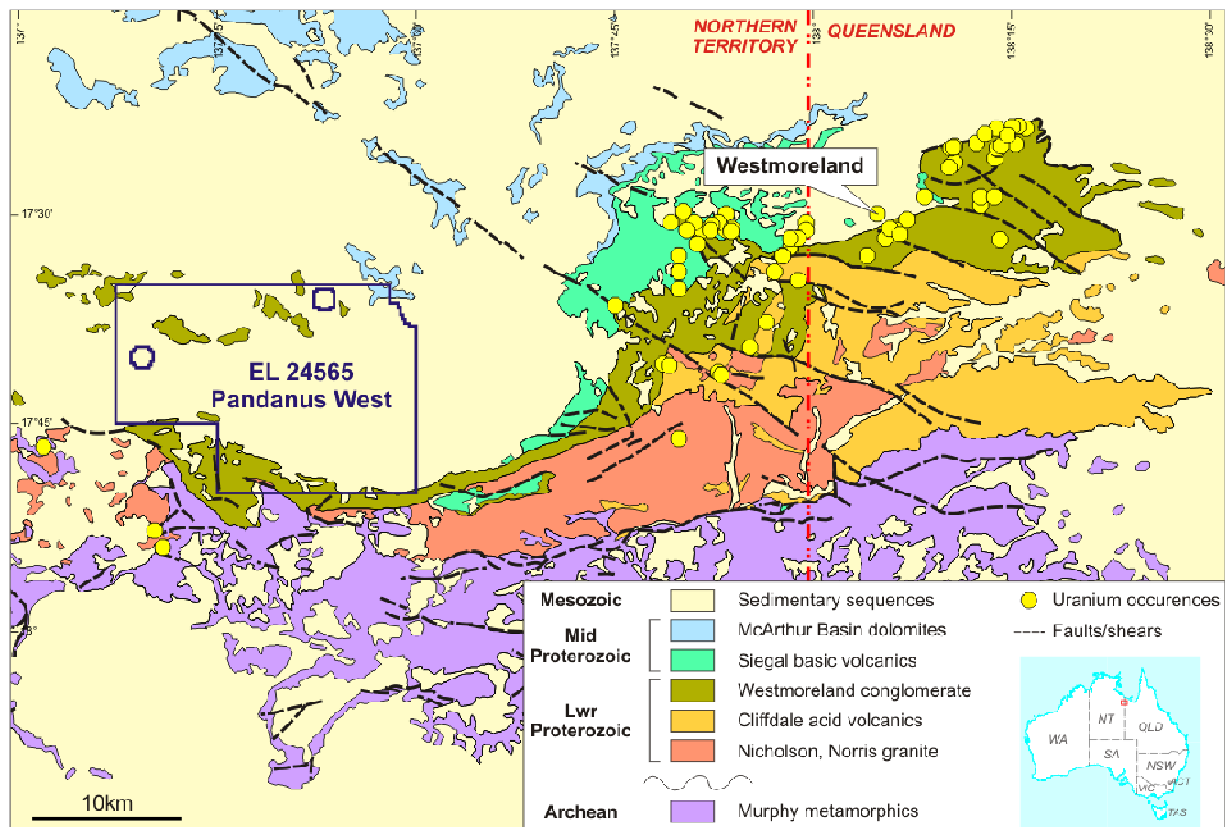
Pandanus West (EL 24565)

The licence was granted to UXA in June and a country meeting to approve the 2011 work program is expected to be held later this month.

The Pandanus West tenement also forms part of UXA’s joint venture with RILA and is situated in the Murphy uranium province near Queensland border and is prospective for world class Westmorland or unconformity style uranium deposits.

The area is underlain by the same geology which hosts uranium mineralisation along strike at the Westmorland uranium deposit, which contains a NI 43-101 indicated and inferred resource totalling 51.9 million pounds of $U_3O_8^2$.

Pandanus West has been subjected to very little past exploration as much of the area is covered with a veneer of younger sediments. The 2011 exploration program will include airborne magnetic and radiometric surveys to be followed up by field mapping and geochemical sampling to generate drill targets.



Yambla and Harts Range

Following a field examination and review of the results of exploration to date it is concluded that those results are not sufficient to warrant further exploration. UXA has withdrawn from the farm in agreement with Cullen Exploration over Yambla EL 26142 and has ceased all exploration on the 100% owned Harts Range tenements. This decision allows UXA to focus on the upcoming uranium exploration program on the highly prospective RILA JV projects.

² Laramide Resources Ltd, www.laramide.com/index.php/home

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Technical Information in this report is based on information compiled by Dr Russell Penney who is employed by UXA Resources Limited and who is a Fellow of The Australasian Institute of Mining and Metallurgy. Dr Penney 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)”. Dr Penney 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 Resources Limited

UXA Resources Limited (ASX:UXA) is a diversified explorer that has assembled a pipeline of highly prospective tenements throughout Australia, targeting the discovery of base metals (copper, gold, lead-zinc-silver) coal and uranium deposits, all located within world class mining provinces and close to existing infrastructure. UXA has formed strategic joint venture agreements with significant partners which provide additional capital and scope to accelerate the company’s major exploration programs.

UXA is also the 100% owner of GAA Wireline, a cash generating borehole logging business that provides UXA with another revenue stream channelled towards exploration. GAA have several long term USA and Australian based service contracts covering the coal, coal seam gas, iron ore and uranium sectors. GAA owns the exclusive rights of PFN technology, a unique borehole logging tool that provides immediate uranium analysis in the field and was used in the Beverly and the Four Mile uranium discoveries in South Australia.

In New South Wales and South Australia, UXA has signed an option agreement with Teck Australia Pty Ltd (a wholly owned subsidiary the major Canadian mining company Teck Resources Ltd) and has completed 2,650m infill and step out drilling at the Dome 5 zinc-silver-lead prospect, located 50km from Broken Hill and in close proximity to the main railway corridor. In addition to the original 5 hole discovery made in 2007 by Teck and PlatSearch, UXA’s drilling has identified a significant zone of Mississippi Valley Type (MVT) mineralisation.

In South Australia, UXA’s Joint Venture with Straits Resources Limited allows Straits to explore nine of UXA’s Stuart Shelf tenements for IOCG(U) deposits, a region that host the world class Olympic Dam, Prominent Hill and Carrapateena deposits. Straits has the right to earn a 70% interest in the tenements by spending \$10 million on exploration over seven years.

In the Northern Territory, UXA is the operator of the Nabarlek and Pandanus West joint venture with RIL Australia, a subsidiary of Reliance Industries Limited, one of India’s largest private sector companies. Following successful airborne and aeromagnetic surveys and the recent U40 uranium discovery located within 280m of UXA’s Nabarlek North tenement, a major drilling program has been planned for the 2011 field season targeting unconformity style uranium.

In Western Australia, UXA has assembled five tenements and formed agreements with Rey Resources Ltd to explore for coal and sandstone hosted uranium and P. Askins to explore for coal and uranium. The

project area is located immediately east to the Canning coal field basin, south east of Derby and close to a major sealed highway. Two of the licences cover major radiometric anomalies and UXA was awarded a grant of \$100,000 by the WA Government to co-fund exploration for uranium.

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