



**UXA Resources  
Limited**

ABN 65 112 714 397

## **UXA RESOURCES LIMITED**

**A non-renounceable pro-rata rights issue to Eligible Shareholders of 10 new Shares for every 25 Shares held at 7.00pm (AEST) on 30 August 2011 at an issue price of \$0.015 per Share to raise approximately \$2,091,936 before costs of the Offer.**

The Issue is not underwritten.

---

### **SHARE RIGHTS OFFER DOCUMENT**

---

THE SECURITIES OFFERED BY THIS OFFER DOCUMENT ARE OF A SPECULATIVE NATURE.

**This Offer is important and requires your immediate attention.**

**This Offer Document should be read carefully. If you are in any doubt as to the contents of this Offer Document you should consult your stockbroker or other professional adviser without delay.**

## **IMPORTANT NOTICE**

As at the date of this Offer Document, the Company has complied with the provisions of Chapter 2M of the Corporations Act as they apply to the Company and section 674 of the Corporations Act.

A personalized Entitlement and Acceptance Form will accompany the copy of the Offer Document which will be mailed to all Eligible Shareholders.

Certain abbreviations and other defined terms are used throughout this Offer Document. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in Section 6 of this Offer Document.

No person is authorized to give any information or make any representation in connection with the Offer that is not contained in this Offer Document. Any information or representation not contained in this Offer Document may not be relied upon as having been authorized by the Company in connection with the Offer. Neither the Company nor any other person warrants the future performance of the Company or any return on any investment made under this Offer Document.

The information in this document includes statements containing forecasts and forward looking information. Although the Company believes that the statements, estimations, projections, beliefs and opinions reflected in such forward looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results and outcomes will be consistent with these forward looking statements.

Any forecast or any forward-looking statement contained in this Offer Document may involve significant elements of subjective judgement and assumption as to future events which may or may not be correct and there are usually differences between forecasts and actual results because events and actual circumstances frequently do not occur as forecasted and these differences may be material. Nothing contained in this Offer Document is, or may be relied upon as a promise or representation as to the future.

The information contained in this Offer Document does not purport to constitute all of the information that you may require to enable you to evaluate effectively and completely whether to take up additional Shares under the Offer. In preparing this Offer Document, the Company has not taken into account the investment objectives, financial situation or particular needs of any particular person. Accordingly, before acting on this Offer Document, you should assess whether a further investment in the Company would be appropriate in the light of your own financial circumstances.

Except to the extent prohibited by law, the Company, its officers, employees and advisers disclaim all liability that may otherwise arise due to any of the information in this Offer Document being inaccurate or incomplete.

## TABLE OF CONTENTS

1.	CORPORATE DIRECTORY.....	3
2.	CHAIRMAN'S LETTER.....	4
3.	TIMETABLE AND IMPORTANT DATES.....	5
4.	DETAILS OF THE ISSUE.....	6
5.	HOW TO ACCEPT THE OFFER.....	10
6.	DEFINITIONS.....	12

---

## 1. CORPORATE DIRECTORY

### **DIRECTORS**

Neill Arthur  
Russell Penney  
Stephen Gemell  
David Hawley  
Ian Mutton

### **SHARE REGISTRY**

Computershare Investor Services Pty Limited  
GPO Box 505 Melbourne  
Victoria 3001 Australia  
Telephone: 1300 657 476 (within Australia)  
+61 3 9415 4157 (outside Australia)

### **COMPANY SECRETARY**

Graham Seppelt

### **AUDITORS**

KPMG  
151 Pirie Street  
Adelaide SA 5000

### **REGISTERED OFFICE**

43a Fullarton Road  
Kent Town  
SA 5067

### **SOLICITORS**

Norman Waterhouse Lawyers  
45 Pirie Street  
ADELAIDE SA 5000

### **CONTACT DETAILS**

Phone: (08) 8363 7970  
Facsimile (08) 8363 7963  
Website: [www.uxa.com.au](http://www.uxa.com.au)  
Email: [info@uxa.com.au](mailto:info@uxa.com.au)



---

## 2. CHAIRMAN'S LETTER

17 August 2011

Dear Shareholder

### **NON RENOUNCEABLE PRO RATA RIGHTS ISSUE**

It is my pleasure to introduce this Non-Renounceable Rights Issue Offer and invite you to participate in the continued growth of your Company and take up your Entitlement to new Shares in UXA Resources Limited.

Your Directors wish to provide the opportunity for Eligible Shareholders to invest in new Shares under an entitlement offer. The Offer is a non-renounceable rights issue of 10 new Shares at \$0.015 per Share for every 25 Shares held at the Record Date, to raise up to \$2,091,936 before costs of the Offer (**Offer**).

The issue price represents a discount of:

- **25%** to the closing market price of the Company's Shares on 16 August 2011 (being the last trading day prior to the preliminary announcement in relation to the rights issue on 17 August 2011 of A\$**0.02** per Share); and
- **22.3%** to the volume weighted average market price of the Company's Shares for the 5 trading days up to close of trade on 16 August 2011 of A\$**0.019** per Share.

The proceeds of the new Shares issued pursuant to Offer together with existing cash reserves will be used to advance exploration on the Company's copper, uranium and base metals projects in South Australia, New South Wales and Western Australia as well as other corporate and offer costs and working capital requirements. Foremost is ongoing exploration of:

- **Dome 5 Lead-Zinc-Silver prospect** (Mundi Plains/Junction Dam Option Agreement),
- **Polygonum-Mammoth Cu-Au prospects** (Mundi Plains/Junction Dam Option Agreement), and
- **Canning Basin** uranium (Western Australia).

This Offer is not underwritten.

All Eligible Shareholders registered as at 7.00 pm (AEST) on 30 August 2011 are entitled to participate in the entitlement issue of Shares, on the basis of 10 new Shares for every 25 Shares held. The Closing Date for acceptances of applications from Eligible Shareholders is 5.00 pm (AEST) on 14 September 2011 (unless the Offer to Eligible Shareholders is extended).

The Company has applied to ASX for Official Quotation of the new Shares.

The Board takes this opportunity to thank Shareholders for their support and looks forward to your continued support in the future.

Yours faithfully

**Neill Arthur**  
Chairman

### 3. TIMETABLE AND IMPORTANT DATES

EVENT	DATE
Announcement Date	17 August 2011
Offer Document lodged with ASX	17 August 2011
Notice in relation to the Issue dispatched to Shareholders	23 August 2011
"Ex" date	24 August 2011
Record date for determining Entitlements to participate in the Rights Issue	7.00pm (AEST) 30 August 2011
Dispatch of Offer Document and Entitlement and Acceptance Forms	31 August 2011
Rights Issue opens	31 August 2011
Closing Date for Rights Issue	5.00pm (AEST) 14 September 2011
Securities quoted on a deferred settlement basis	15 September 2011
Company to notify ASX of under-subscriptions	19 September 2011
Dispatch of transaction confirmation statements	22 September 2011
Normal trading commences*	23 September 2011

\*The Directors may extend the Closing Date by giving at least 6 Business Days notice to ASX prior to the Closing Date. As such, the date the Shares are expected to commence trading on ASX may vary with any change to the Closing Date.

The dates set out in this table are indicative only. Subject to the ASX Listing Rules, the Company reserves the right to alter this timetable at any time.

---

## 4. DETAILS OF THE OFFER

### 4.1 The Issue

The Directors have approved a pro-rata non-renounceable entitlement issue to Eligible Shareholders who are registered as at 7.00 pm (AEST) on 30 August 2011 (Record Date) of 10 new Shares for every 25 Shares held at an issue price of \$0.015 each new Share, to raise approximately \$2,091,936 (before costs of the Issue).

This Offer is made on a non-renounceable basis such that Shareholders who are registered as at the Record Date may not sell or transfer all or part of their Entitlement.

When fractions arise in the calculation of Entitlements, they will be rounded up to the nearest whole number of new Shares.

UXA Resources has applied to ASX for Official Quotation of the new Shares.

### 4.2 Purpose of the Offer

The funds raised by the Offer of approximately A\$2,091,936 will be used as follows:

- Expenditure associated with exploration programs on the Company's exploration leases in South Australia, New South Wales and Western Australia, including:
  - Dome 5 Lead-Zinc-Silver prospect (Mundi Plains/Junction Dam Option Agreement),
  - Polygonum-Mammoth Cu-Au prospects (Mundi Plains/Junction Dam Option Agreement),
  - Canning Basin uranium (Western Australia), and
- Other corporate and offer costs as well as working capital requirements.

### 4.3 Capital Structure

The capital structure of the Company following completion of the Offer is summarised below:

#### Share Numbers

Shares on issue at date of the Offer Document	348,655,962
Maximum number of Shares offered under the Offer (estimate)	<u>139,462,385</u>
Total Shares on issue at completion of the Issue (estimate)*	<u>488,118,347</u>

#### Options Number

Unlisted Options on issue at the date of the Offer	<u>16,655,000</u>
Unlisted Options on issue at the completion of the issue*	<u>16,655,000</u>

\* Assuming none of the unlisted Options are exercised before the Record Date. Further information about these unlisted Options is set out in Section 4.11 of this Offer Document.

#### **4.4 Non-Renounceable**

The Offer is made on a non-renounceable basis such that Eligible Shareholders may not transfer all or any part of their Entitlement to apply for new Shares. Any Entitlement not taken up by Shareholders will be dealt with in accordance with Section 4.7 of this Offer Document.

#### **4.5 Entitlement**

The number of Shares to which each Shareholder is entitled is shown on the enclosed Entitlement and Acceptance Form.

Only Eligible Shareholders are entitled to participate in the Offer.

In the calculation of Entitlements, fractions will be rounded up to the nearest whole number. Holdings in the same name are aggregated for calculation of Entitlements. If the Company considers that holdings have been split to take advantage of rounding, the Company reserves the right to aggregate holdings held by associated shareholders for the purpose of calculating Entitlements.

#### **4.6 Offer not made to Foreign Shareholders**

The Company has determined, in accordance with the Corporations Act and Listing Rule 7.7, that it would be unreasonable to make an Offer to Foreign Shareholders having regard to the number of Foreign Shareholders in each country other than Australia and New Zealand, the number and value of the Shares which would be offered to them and the cost of complying with the legal requirements of other countries. Foreign Shareholders should contact the offer information line if they have any queries.

Accordingly, the Offer does not constitute an offer to any Shareholders whose registered address is in a country other than Australia or New Zealand as at 7.00 pm (AEST) on the Record Date. This Offer Document is being sent to Foreign Shareholders for information purposes only. No Entitlement and Acceptance Form will be sent to Foreign Shareholders.

To make the Offer in any other jurisdiction may constitute a violation of applicable securities laws. This Offer Document and accompanying Entitlement and Acceptance Form do not constitute an offer for securities in any place in which, or to any person to whom, it would not be lawful to make such an offer. Shareholders holding Shares on behalf of persons who are resident outside of Australia or New Zealand are responsible for ensuring that subscribing for the New Shares under the Rights Issue does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will constitute a representation that there has been no breach of such regulations. Where the Offer Document has been dispatched to Shareholders domiciled in a country outside Australia or New Zealand and where that country's securities code or legislation prohibits or restricts in any way the making of the Offer, the Offer Document and accompanying Entitlement and Acceptance Form are provided for information purposes only.

#### **4.7 Shortfall Securities**

Any Entitlement not taken up pursuant to the Offer will form the Shortfall.

Eligible Shareholders may apply for Shortfall Shares if they want to top up their holdings with more than their Entitlement number of Shares as shown on the Entitlement and Acceptance Form attached to this Offer Document.

The issue price of new Shares pursuant to an application for Shortfall Shares will be \$0.015 per New Share, being the price at which the Entitlement has been offered to Shareholders pursuant to this Offer Document.

The Directors cannot guarantee that any application for Shortfall Shares will be successful and such applicants are not assured of receiving any Shortfall Shares.

In relation to the offer of Shortfall Shares, the Directors reserve the right to allot to an applicant a lesser number of Shortfall Shares than the number for which the application applies, or to reject an application or to not proceed with the placing of the Shortfall. If the number of Shortfall Shares allotted is fewer than the number applied for, surplus application monies will be refunded in full. Interest will not be paid on monies refunded.

The Directors of the Company reserve the power of placement of any Shortfall Shares at their discretion within 3 months after the Closing Date at a price which is not less than the price at which the Shares are being offered under this Offer.

#### **4.8 Closing Date**

The Closing Date for the Issue is 5.00pm (AEST) on 14 September 2011. The Directors may extend the Closing Date by giving at least 6 Business Days notice to ASX prior to the Closing Date. As such, the date that new Shares are expected to commence trading on ASX may vary with any change to the Closing Date.

#### **4.9 Issue of New Shares**

New Shares will be issued and holding statements dispatched as soon as practicable after the Closing Date.

#### **4.10 Minimum Overall Subscription**

There is no minimum overall subscription.

#### **4.11 Terms and Conditions of New Shares**

Upon issue, the new Shares will rank equally in every respect with the existing Shares of the Company.

#### **4.12 Terms and Conditions of Existing Unlisted Options**

The Company has in existence 16,655,000 Unlisted Options on issue. These Unlisted options are exercisable at the following prices at any time on or before the following dates:

<u>Number of Options</u>	<u>Exercise Price</u>	<u>Exercise Date</u>
9,500,000 (Directors)	\$0.20	4 December 2014
2,730,000 (ESOP)	\$0.20	19 February 2013
1,350,000 (ESOP)	\$0.20	30 June 2013
3,075,000 (Contract)	\$0.04	7 October 2012

Holders of the existing Options may participate in this Offer by exercising any or all of their Options currently on issue (each entitling the holder to acquire 1 share). If all of these Options were exercised on or before the Record Date, an additional 16,655,000 new Shares would be issued upon the exercise of these Options. In the event that all of the Entitlements in respect of these additional Shares were taken up, an additional 6,662,000 new Shares would be issued under this Offer and a further \$99,930 raised.

#### **4.13 Not Underwritten**

The Offer has not been underwritten.

#### **4.14 Expenses of the Issue**

The total cash expenses of the Issue are estimated to be \$37,000 comprising the following:

Legal Fees	\$5,000
Printing	\$2,000
ASX Listing Fees	\$20,000
Other Expenses	\$10,000
<b>Total</b>	<b>\$37,000</b>

#### **4.15 ASX Quotation**

Application to ASX for admission of the new Shares and Shortfall Shares to Official Quotation has been made by the Company. If the new Shares are not admitted to Official Quotation on ASX within three (3) months after the date of this Offer Document, or such longer period as is permitted by the Corporations Act, none of the Securities offered by this Offer Document will be granted. In that circumstance, all applications will be dealt with in accordance with Section 724 of the Corporations Act.

#### **4.16 Taxation**

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers before investing in the new Shares. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the new Shares in the Company or dealing with an Entitlement in this Issue.

#### **4.17 Enquiries**

If you have any questions concerning your entitlement, please contact the offer information line on: 1300 657 476 (within Australia) or +61 3 9415 4157 (outside Australia), or contact your professional adviser.

#### **4.18 Privacy Statement**

If you complete an application for new Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your need as a shareholder and to facilitate distribution payments and corporate communications to you as a shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that is held about you. If you wish to do so please contact the Company's share registry at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if the information required on the application for new Shares is not provided, the Company may not be able to accept or process your application.

## **5.0 HOW TO ACCEPT THE OFFER**

### **5.1 Choices available to Eligible Shareholders**

Eligible Shareholders may take any of the following actions in respect of the Offer:

- Take up all or part of their Entitlement
- Take up all of their Entitlement and apply for Shortfall Shares
- Do nothing.

### **5.2 How to take up all or part of your Entitlement**

If you wish to take up all or part of your Entitlement, then complete the enclosed Entitlement and Acceptance Form in accordance with the instructions set out on the back of the form.

You must make payment for the appropriate application monies (at A\$0.015 per new Share subscribed) as provided in Section 5.5 below.

Acceptances will not be valid if they are received after the Closing Date.

Please note that all applications, once received, are irrevocable.

### **5.3 How to apply for Shortfall Shares**

On your Entitlement and Acceptance Form there is an option where you can request that Shortfall Shares be allocated to you in addition to your Entitlement stated on the Entitlement and Acceptance Form. If you wish to apply for additional Shortfall Shares then please enter the number of Shares in Item C on the Entitlement and Acceptance Form. You must include payment for these additional Shortfall Shares with the payment for your stated Entitlement.

You are not assured of receiving any Shortfall Shares applied for in excess of your Entitlement and any amount by which applications from Eligible Shareholders exceeds their Entitlements may be scaled back at the Company's discretion, in such manner as the Company considers is reasonable in the circumstances.

If some or all of the additional Shortfall Shares are unable to be allocated to you, you will be notified and your payment for the unallocated Shortfall Shares will be refunded.

Your choice to purchase additional Shortfall Shares does not impact your stated Entitlement in any way.

You must make payment for the appropriate application monies (at A\$0.015 per new Share subscribed) as provided in Section 5.5 below.

Acceptances will not be valid if they are received after the Closing Date.

Please note that all applications, once received, are irrevocable.

#### **5.4 Lapse of rights**

If you decide not to accept all or part of your Entitlement or fail to do so by the Closing Date, then your Entitlement will lapse and form part of the Shortfall.

#### **5.5 Payment**

Payments must be made no later than 5.00pm (AEST) on the Closing Date and can be made by cheque, bank draft drawn or payable at any Australian bank or Bpay®.

Cheques and drafts (drawn on and payable at any Australian bank) should be made payable to "UXA Resources Limited – Rights Issue" and crossed "Not Negotiable".

Payment can also be made by Bpay® - as shown on the attached Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms and payments must be received by the Closing Date at:

Computershare Investor Services Pty Limited  
UXA Resources Limited Rights Issue  
GPO Box 505 Melbourne  
Victoria 3001 Australia

No brokerage or stamp duty is payable by Eligible Shareholders on the issue of the Shares.

---

---

---

## 6. DEFINITIONS

**AEST** means Australian Eastern Standard Time, Melbourne Victoria.

**Application Price** means \$0.015 per new Share.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691).

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** has the meaning given to that term in the ASX Listing Rules.

**CHES** means ASX Clearing House Electronic Subregistry System.

**Closing Date** means 5.00 pm (AEST) on 14 September 2011 or such other date determined by the Board.

**Company** means UXA Resources Limited (ACN 112 714 397).

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** means the directors of the Company.

**Dollars** or **\$** means Australian dollars unless otherwise stated.

**Eligible Shareholder** means all shareholders as at the Record Date and whose registered addresses are in Australia or New Zealand.

**Entitlement** means the maximum number of new Shares you are entitled to apply for under the Offer as noted on the Entitlement and Acceptance Form.

**Entitlement and Acceptance Form** means the personalized entitlement and acceptance form enclosed with this Offer Document.

**Foreign Shareholder** means a person registered as a Shareholder as at the Record Date whose registered address is outside Australia or New Zealand.

**Issue** means the issue of new Shares pursuant to this Offer Document.

**Offer** means the offer of new Shares pursuant to this Offer Document.

**Offer Document** means this document under which the Offer is made.

**Offer Period** means the period commencing on the Opening Date and ending on the Closing Date.

**Official List** means the Official List of ASX.

**Official Quotation** means official quotation by ASX in accordance with the Listing Rules.

**Opening Date** means 31 August 2011 or such other date determined by the Board.

**Record Date** means the record date for determining entitlements to new Shares and offered under this Offer, which is 7.00 pm (AEST) on 30 August 2011.

**Securities** means Shares.

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

**Shareholder** means a registered holder of a Share.

**Shortfall** means the number of new Shares for which valid applications in response to Entitlements under this Offer Document have not been received by the Closing Date.

**Shortfall Shares** means, subject to any Shortfall, the number of Shares for which persons other than Foreign Shareholders may apply for in addition to the Entitlement.

To meet the requirements of the Corporations Act, this Application Form must not be handed on unless attached to the Offer Document.

This page is intentionally blank