



Uranium Exploration Australia Limited

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The Manager
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ASX ANNOUNCEMENT

UXA COMPLETES ACQUISITION OF HIGH TECH PFN URANIUM LOGGING TECHNOLOGY

UXA now the global leader in direct uranium logging technology within growing specialised exploration services sector

Uranium Exploration Australia Limited (ASX: UXA) is pleased to announce that it has completed the transfer of all of the assets and intellectual property of the Prompt Fission Neutron (PFN) borehole logging tool manufacturing and service business previously agreed with GeolInstruments Inc (GII).

The purchase further strengthens UXA's fully-owned borehole logging business, Geoscience Associated Australia Pty Ltd (GAA), which prior to this agreement was the sole Australian licensed distributor and servicer of PFN technology.

PFN technology is becoming increasingly utilised within the uranium mining and exploration industries, and played a significant role in the discoveries of two of Australia's largest uranium deposits, the Beverley mine and Four Mile deposits in South Australia.

Commenting on the deal, UXA's Managing Director Dr Russell Penney said, "The acquisition of GII's business cements UXA's unique position in PFN logging services, expanding our customer base beyond Australia to incorporate North America and potentially other countries.

As agreed under the terms of the agreement signed in January, UXA has now paid a total cash consideration of US\$1,271,380 for the intellectual property, a number of completed and partially completed PFN tools and a fully equipped borehole logging truck. UXA has retained the services of Jim Turner on an ongoing basis, to provide technical consultancy and service to US clients of the PFN logging tools.

UXA has established PFN manufacturing and servicing at GAA's workshops in Mount Barker, South Australia under the direction of Dennis Stevens, CEO of GAA.

The PFN borehole logging tool is unique in that it directly measures the content of uranium in boreholes, overcoming the problem of dis-equilibrium which limits the interpretation of uranium

concentrations using gamma logging tools. PFN tools are being extensively used in Australia and the US to establish uranium grades at a number of uranium mines and exploration projects. The technology was originally developed in the US and has been extensively improved and streamlined for day to day borehole logging application by Jim Turner and Geolnstruments Inc in the US.

For further information, contact.



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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, with recent RC percussion drilling showing intercepts up to 3m @ 346ppm U3O8.

In February 2010 UXA announced the signing of an agreement with Rey Resources Ltd to explore for sandstone-hosted uranium at Myroodah in the Canning Basin, Western Australia.

UXA is also the owner of a complementary cash flow business, Geoscience Associates Australia Pty Ltd (GAA), a borehole geophysical logging company principally working in the uranium and coal sectors in Australia. The UXA Group owns the worldwide rights to the Prompt Fission Neutron uranium logging tool which has a unique role to play in uranium deposits with disequilibrium.

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