



# Uranium Exploration Australia Limited

ABN 65 112 714 397

12 August 2010

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

## ASX ANNOUNCEMENT

### **UXA SIGNS AGREEMENT TO PURCHASE U.S. HIGH TECH PFN LOGGING COMPANY**

**Transaction completes UXA's worldwide ownership of the PFN business  
and provides UXA with a borehole logging business, to service the  
lucrative U.S. uranium industry**

Uranium Exploration Australia Limited (ASX: UXA) is pleased to announce that it has signed a heads of agreement for the purchase of 100% of the business and assets of the specialised Prompt Fission Neutron (PFN) borehole logging business from Geolnstruments Logging LLC (GIL) situated in Texas, USA.

The purchase will complete UXA's ownership of PFN technology and logging worldwide and provides the Company with a fully operational borehole logging business in the United States, which is currently providing PFN logging services to a number of clients, complementing UXA's Australian PFN business.

PFN technology is becoming increasingly utilised within the North American and Australian 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 acquisition, Dr Russell Penney, Managing Director of UXA said, "The purchase of a US based logging business represents a significant growth step for UXA enabling it to extend its PFN logging and service business to the expanding uranium mining and exploration industry in the western United States and beyond."

Under the terms of the agreement signed with GIL's owner John Turner, Geoscience Services USA Inc (a wholly owned subsidiary of UXA) will pay the total cash price, subject to due diligence, of up to US\$1,875,000 for the assets and business, which includes three fully equipped and operational PFN borehole logging trucks, a number of other service vehicles, assignable operating licences, staff, logging contracts, 13 gamma and PFN logging tools. UXA has paid a non-refundable deposit of US\$25,000 (part of the total consideration) and has ninety days to complete its due diligence and


financing, gain any approvals required and prepare a mutually acceptable fully termed agreement. US\$400,000 of the consideration, attributable to PFN logging tools, will be paid in 12 equal monthly instalments from the completion date.

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 and may even mislead the interpretation of uranium concentrations using only 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.

In January 2010 UXA completed the purchase of the worldwide PFN intellectual property and manufacturing business from Jim Turner and Geolnstruments Inc in the U.S.

In Australia, UXA provides a full range of commercial wire-line logging services to the mining and exploration sectors, principally focused on uranium, coal and coal seam gas, through its wholly owned subsidiary Geoscience Associates Australia Pty Ltd (GAA).

***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 Northern Territory, Western Australia and South Australia. UXA has an exploration joint venture with RIL Australia Pty Ltd, a subsidiary of Reliance Industries Limited, the largest private sector company in India.

During 2010 UXA has signed a number of agreements to explore for sandstone-hosted uranium at Myroodah and Mudjalla 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](http://www.uxa.com.au)