



UXA Resources Limited

ABN 65 112 714 397

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ASX ANNOUNCEMENT

UXA GAINS GLOBAL MONOPOLY OF PFN TECHNOLOGY VIA 100% ACQUISITION OF THE BUSINESS AND ASSETS OF GEOINSTRUMENTS LOGGING LLC

U.S. based logging contracts in place for 2011

UXA Resources Limited (ASX: UXA) has finalised the 100% acquisition of the business and assets of GeoInstruments Logging LLC (GIL), the sole U.S. based Prompt Fission Neutron (PFN) borehole logging business specialising in uranium exploration.

The US\$1.875m purchase of GIL completes UXA's global ownership of PFN technology and provides the company with a fully operational borehole logging business in the lucrative United States market. The acquisition complements UXA's Australian PFN business, operated by GAA Wireline ("GAA") (formerly Geoscience Associates Australia Pty Ltd), a wholly owned subsidiary of UXA.

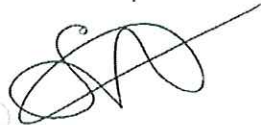
PFN technology directly measures the uranium content in boreholes by overcoming the problem of disequilibrium, unlike existing gamma logging tools which may limit or even mislead the interpretations of uranium concentrations. This technology is ideally suited to the growing low cost in-situ uranium exploration and mining sectors.

The major uranium regions in the Western United States, including the Colorado Plateau and Rocky Mountain & Intermontane Basin uranium provinces, contain a large number of operating uranium mines and prospective sandstone hosted uranium deposits which may suffer from disequilibrium issues that the PFN tool is designed to overcome. PFN also has the operational advantage of providing immediate uranium results, in the field, without having to wait for laboratory geochemical assay results. PFN technology is also used in mining development ahead of mining operations in Australia and the USA.

In Australia, PFN technology 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.

Dr Russell Penney, Managing Director of UXA said, "the company now has immediate access to a number of contracts in the Western United States and we are also in advanced discussions with a major North American company for extensive use of this unique technology throughout its operations and projects. This purchase will also provide a new revenue stream of additional funds that will be channelled to further our uranium and base metal exploration programs throughout Australia".

For further information, contact.



Russell Penney
Managing Director.

Tel: +61 8 8363 7970

Email: info@uxa.com.au

Website: www.uxa.com.au

Media: Farrington National +612 9332 4448

About UXA Resources Limited

UXA Resources Limited is actively exploring for uranium and associated base and precious metal deposits in the world class provinces of Northern Territory, Western Australia and South Australia. UXA has also secured strategic joint venture partners which include RIL Australia Pty Ltd, a subsidiary of Reliance Industries Limited, the largest private sector company in India and Straits Resources Limited, to advance a pipeline of exploration assets.

During 2010 UXA has successfully commenced exploration on its Nabarlek exploration licences in the Northern Territory and signed an agreement with Teck Australia Pty Ltd to explore the Dome 5 zinc-lead-silver discovery in New South Wales.

In West Australia, UXA has signed a number of agreements to explore for uranium at Myroodah and Mudjalla in the Canning Basin in Western Australia.

UXA's joint venture agreement with Straits Resources Ltd allows Straits to explore nine of UXA's Stuart Shelf tenements (South Australia) for iron oxide copper gold (uranium) deposits. Straits have the right to earn a 70% interest in the tenements by spending \$10 million on exploration over seven years.

UXA owns an Australian wire-line logging service, GAA Wireline and has also completed the purchase of an operating borehole logging business in the USA, from Geolnstruments Logging LLC. 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 discovery by overcoming disequilibrium problems through direct measurement of uranium content in boreholes.

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

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