



# Uranium Exploration Australia Limited

ABN 65 112 714 397

4 October 2010

## IMPORTANT MESSAGE Share Purchase Plan

Dear Shareholder,

### Invitation to Participate in the UXA Shareholder Share Purchase Plan

The Board of Directors of Uranium Exploration Australia Limited is pleased to extend an invitation to Shareholders of the Company to participate in its **Share Purchase Plan** ("SPP").

The SPP will enable each existing eligible Shareholder irrespective of the size of their shareholding, to purchase up to \$15,000 worth of Shares in UXA (ranking equally with existing fully paid ordinary Shares) at an attractive price, free of all brokerage and commissions.

Whilst the SPP will not be fully underwritten, Martin Place Securities Limited has agreed to underwrite up to \$1million of any shortfall under the proposed SPP.

Under the SPP, eligible Shareholders will be offered new Shares for subscription at 4 cents per share. The SPP price enables all existing Shareholders the opportunity to purchase Shares at the same price as that for the recent placement.

In formulating the SPP subscription price the Board has applied the same share price offered to Sophisticated Investors in its Placement announced 4 October 2010.

The trading range of the Company's Shares for the 5 trading days prior to the announcement of the SPP was between 4.5 cents and 5.0 cents with an average selling price for that period of 4.69 cents.

This letter sets out the terms and conditions of the offer to Shareholders on this occasion and how to apply for Shares should you wish to participate. Payment can be made by cheque, bank draft, money order or Bpay<sup>®</sup> and must be received by 5 pm (AEDT) on Friday 22 October 2010.

Funds raised under the SPP will be used to complete the acquisition of the assets of GeolInstruments Logging LLC (GIL) and enable UXA to push ahead with its exploration programs, assess capital acquisitions and fund exploration working capital.

The offer is non-renounceable, which means it cannot be transferred to anyone else.

Participation in the SPP is entirely voluntary. If you decide to participate, you may apply for a parcel of ordinary Shares valued up to \$15,000 or alternatively you may do nothing, thereby retaining your current shareholding.

The right to participate in the SPP is available only to Australian and New Zealand Shareholders who were registered as holders of fully paid ordinary Shares in UXA at 7.00pm (AEDT) on Friday, 1 October 2010.

Shares allotted under the SPP will be issued on Friday, 29 October 2010 (unless otherwise determined by the Board).

The Directors of UXA advise they intend to subscribe for Shares under the SPP with respect to their own direct or indirect shareholdings.

The terms and conditions of the SPP are set out in this letter as Annexure A. I urge you to read it in its entirety before you decide whether to participate. If you have any doubts as to what you should do, you should seek advice from your stockbroker, accountant, solicitor or other professional adviser.

Key dates\*

<b>Record Date</b>	7pm (AEDT) Friday, 1 October 2010	Date for determining Eligible Shareholders
<b>Opening Date</b>	Monday, 4 October 2010	Date the SPP opens.
<b>Closing Date</b>	Friday, 22 October 2010	Offer closes at 5:00pm (AEDT) on this date
<b>Issue Date</b>	Friday 29 October 2010	Shares to be issued under the Plan are allotted
<b>Despatch Date</b>	Tuesday, 2 November 2010	Confirmation of transaction despatched to shareholders

\*Dates are indicative only and UXA retains the right to vary each of these dates without advance notification to you. However, any alteration to these dates will be notified to the ASX.

While my fellow Directors and I have confidence in the future of UXA and the attractiveness of the shares being offered under the SPP, I must draw your attention to the fact that the future price of UXA's Shares can rise or fall depending upon the successful performance of GIL or results of UXA exploration programs, fluctuations in world metal prices and fluctuations of the stock market generally.


Also, Shareholders should be aware that there is a risk that the market price of the shares may change between the date of this Offer and the date when the new Shares are issued to you under the SPP.

Shareholders should also note that the offer is not made under a Prospectus or other disclosure document and does not require the type of disclosure required under the Corporations Act 2001 (Cth). Shareholders must rely on their own knowledge of the Company and previous disclosures made by the Company on the ASX. It is advisable to consult your professional adviser when deciding whether or not to accept the offer and participate in the SPP.

On behalf of the Board, I invite you to consider this opportunity to increase your investment in UXA.

**If you have any questions on the proposed SPP, please call the offer information line on 1300 612 989 or +61 3 9938 4367 (outside Australia) at any time between 8.30am and 5.30pm (AEDT) Monday to Friday during the offer period**

We at UXA look forward to your continued support.



**Russell Penney**  
**Managing Director**  
**URANIUM EXPLORATION AUSTRALIA LIMITED**

## Annexure A

This document sets out the Terms and Conditions of the Uranium Exploration Australia Limited ('the Company') Share Purchase Plan ('SPP') (as contemplated by ASIC Policy Statement 125) and is binding on any Shareholder completing the application form attached hereto.

### 1. Definitions

In this SPP, unless the context otherwise indicates:

**Acceptance Period** means the period commencing on the date on which Offers under the SPP are sent to Eligible Shareholders and ceasing on the Closing Date.

**ASX** means the Australian Securities Exchange Ltd.

**Board** means the board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that the ASX declares is not a business day.

**Closing Date** means 5 pm on Friday, 22 October 2010 or such later date as may be determined by the Board.

**UXA or Company** means Uranium Exploration Australia Limited ACN 112 714 392.

**Eligible Shareholders** means Shareholders of the Company eligible to participate in the Offer as determined under clause 2.

**Offer** means the non-renounceable offer of Shares to Eligible Shareholders under the SPP.

**Purchase Price** means the subscription price of \$0.04 per Share.

**Record Date** means 7pm (AEDT) Friday 1 October 2010.

**SPP** means the Uranium Exploration Australia Limited Share Purchase Plan approved by the Board from time to time.

**Shares** means fully paid ordinary Shares in the Company.

**Terms** means the terms of the SPP, as amended and modified from time to time.

### 2. Eligibility to participate

2.1 The Shareholders of the Company who will be eligible to apply for Shares under an Offer (the "**Eligible Shareholders**") are those:

- (a) who are recorded in the Company's register of Shareholders at 7 pm (AEDT) on the Record Date; and
- (b) who have an address (as recorded in the Company's register of Shareholders) in Australia or New Zealand.

2.2 For the purposes of the SPP:

- (a) if two or more persons are recorded in the Company's register as jointly holding Shares they are taken to be a single registered holder and a certification by any of them is taken to be a certification by all of them; and

- (b) if a trustee or nominee is expressly noted on the register of Shareholders as holding Shares on account of another person (a "**Beneficiary**"):
  - (i) the Beneficiary is taken to be the registered holder in regard to those Shares; and
  - (ii) any application for the issue of Shares or certification by, and any issue of Shares to, the trustee or nominee, is taken to be an application or certification by, or an issue to, the Beneficiary.

### **3. Application forms**

3.1 The Company will not accept an application form unless:

- (a) it is received during the Acceptance Period; and
- (b) the Eligible Shareholder provides the appropriate application monies to accompany the application form.

3.2 In response to the Offer, Eligible Shareholders:

- (a) must apply for a minimum value of Shares (based on the Purchase Price for that Offer) as determined by the Board;
- (b) may only apply for Shares in parcels determined by the Board (based on the Purchase Price for that Offer); and
- (c) may only apply for such number of Shares that will result in the total Purchase Price for that Offer when aggregated with the total Purchase Price paid in response to all other Offers in the 12 month period prior to the date of that Offer not exceeding \$15,000 worth of Shares (based on the Purchase Price of the relevant Offer).

### **4. Operation of the SPP**

4.1 All Offers made under the SPP are non-renounceable.

4.2 Participation in the SPP by Eligible Shareholders is entirely optional and is subject to these terms.

4.3 Each Eligible Shareholder is solely responsible for obtaining any government or regulatory approvals and consents necessary for that Eligible Shareholder to be eligible to participate in the SPP.

### **5. Purchase Price and acceptance of risk factors**

5.1 The Purchase Price of Shares under this Offer is \$0.04 per Share

5.2 By accepting the Offer and applying for Shares under the SPP, each Eligible Shareholder will be acknowledging that although the Purchase Price is at a discount to the Market Price as at the date on which the Purchase price was determined, shares are a speculative investment and the price of Shares on ASX may change between the date of the Company announcing its intention to make the Offer and the date of issue of Shares under that Offer and that the price and/or value of the Shares received under the SPP may rise or fall accordingly.

### **6. Terms of issue of Shares**

6.1 The Board reserves the right to refuse an application (in whole or in part) if it considers that:

- (a) the applicant is not an Eligible Shareholder;
- (b) the issue of those Shares would contravene any law or the ASX Listing Rules; or
- (c) the applicant has not otherwise complied with the terms of the SPP.

If an application is refused in whole or in part, the application monies or the surplus application monies (as the case may be) will be refunded in full without interest.

6.2 From their date of issue, Shares allotted under the SPP will rank equally in all respects with the then existing fully paid ordinary shares in the Company and therefore will carry the same voting rights, dividend rights and other entitlements.

6.3 The Company will apply for quotation on the ASX of Shares issued under the SPP, within the period prescribed by the Listing Rules of the ASX.

6.4 No brokerage or commissions will be payable by Eligible Shareholders in respect of an application for, and an issue of, Shares under the SPP.

6.5 Subject to clause 6.1, Shares will be issued and holding statements despatched on Tuesday, 2 November 2010 in respect of the Offer.

## **7. General**

7.1 The SPP will be administered by the Board who will have an absolute discretion to:

- (a) determine appropriate procedures for administration of the SPP consistent with these Terms;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with the SPP or these Terms;
- (c) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of their powers or discretions under the SPP or these Terms; and
- (d) proportionally scale back Eligible Shareholder entitlements in accordance with the Company's funding needs.

7.2 The SPP and these Terms may be suspended, terminated or amended at any time by the Board.

7.3 The SPP will operate until terminated by the Board.

7.4 The Board may resolve any dispute concerning the SPP in such manner as they see fit or adopt any administrative procedures in relation to the SPP as they deem appropriate. The decision of the Board will be final and binding on the parties to the dispute or the Eligible Shareholders or both, as the case may be.

7.5 Any overpayment for shares which is less than \$10.00 will be donated to charity (ie the overpayments will not be refunded).

7.6 These Terms are governed by and construed in accordance with the laws for the time being in force in the State of New South Wales.

INTENTIONALLY BLANK



**Uranium Exploration  
Australia Limited**

ABN 65 112 714 397

**Computershare**

Please return completed form to:  
Computershare Investor Services Pty Limited  
GPO Box 253 Sydney  
NSW 2001 Australia  
Enquiries (within Australia) 1300 612 989  
(outside Australia) 61 3 9938 4367  
web.queries@computershare.com.au  
www.computershare.com

000001  
000  
SAM  
MR JOHN SMITH 1  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)

I 1 2 3 4 5 6 7 8 9 0

I 1234567890 I N D

For your security keep your SRN/HIN confidential.

Entitlement Number:  
Record Date: 01 October 2010  
Offer Closes: 5:00pm (AEDT) 22 October 2010

**SHARE PURCHASE PLAN APPLICATION FORM**

This personalised form can only be used in relation to the securityholding represented by the SRN or HIN printed above. This is an important document and requires your immediate attention. If you are in doubt about how to deal with this document, please consult your financial or other professional adviser.

Pursuant to the terms and conditions of the Uranium Exploration Australia Limited Share Purchase Plan (SPP) contained in the letter to Uranium Exploration Australia Limited securityholders dated 4 October 2010, Uranium Exploration Australia Limited is offering eligible securityholders the opportunity to purchase Shares up to a maximum value of A\$15,000.00 per eligible securityholder, subject to a minimum application of A\$1,000.00.

If you do not wish to purchase additional shares under this offer there is no need to take action.

By making your payment, you agree to be bound by the Constitution of Uranium Exploration Australia Limited and agree that the submission of this payment constitutes an irrevocable offer by you to Uranium Exploration Australia Limited to subscribe for Uranium Exploration Australia Limited Shares on the terms of the SPP. In addition, by submitting the slip below you certify that the aggregate of the application price paid by you for:

- the Shares the subject of the slip below; and
- any other shares and interests in the class applied for by you under the Share Purchase Plan or any similar arrangement in the 12 months prior to the date of submission of the slip below

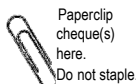
does not exceed A\$15,000.00.

**METHOD OF ACCEPTANCE**

You can apply for shares and make your payment utilising one of the payment options detailed overleaf.

Uranium Exploration Australia Limited may make determinations in any manner it thinks fit, in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant or application. Any determinations by Uranium Exploration Australia Limited will be conclusive and binding on all eligible securityholders and other persons to whom the determination relates. Uranium Exploration Australia Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all eligible securityholders even where Uranium Exploration Australia Limited does not notify you of that event.

**PLEASE DETACH HERE**



Please see overleaf for Payment Options



**Biller Code: 123456**

**Ref No: 1234 5678 9012 3456 78**

I/We wish to purchase:

A\$1,000.00 or  A\$2,000.00 or  A\$5,000.00 or  A\$10,000.00 or  A\$15,000.00

\* These share amounts may be subject to scale-back in accordance with the terms of the SPP.

**Payment Details – Please note that funds are unable to be directly debited from your bank account**

Drawer	Cheque number	BSB number	Account number	Cheque amount
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

Make your cheque or bank draft payable to "Uranium Exploration Aust Ltd - SPP"

**Contact Details**

Please provide your contact details in case we need to speak to you about this slip

**Name of contact person**

**Contact person's daytime telephone number**

1234567890123456+1234567890-1234+12

# How to accept the Share Purchase Plan

## Payment Details

You can apply for shares by utilising the payment options detailed below. There is no requirement to return the slip below if you are paying by electronic means.

By making your payment using either electronic means or by cheque, bank draft or money order, you confirm that you agree to all of the terms and conditions of the Share Purchase Plan as enclosed with this Application Form.

Make your cheque, bank draft or money order payable to "Uranium Exploration Aust Ltd - SPP" in Australian currency and cross it "Not Negotiable". Your cheque or bank draft must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Incorrect payments may result in your application being rejected. Complete cheque details in the boxes provided.

**Please note that funds are unable to be directly debited from your bank account.**

**If paying by cheque, return the slip below and Cheque, Bank Draft or money order in the envelope provided.**

**Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the slip below where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.**

## Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding the slip below.

## Lodgement of Application

If you are applying for shares and your payment is being made by BPAY®, you do not need to return the slip below. Your payment must be received by no later than 5:00pm (AEDT) on 22 October 2010. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Ensure you have read and accurately followed your banking institution's BPAY FAQ or other instructions prior to making payments under this offer. Neither CIS nor Uranium Exploration Australia Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order, the slip below must be received by Computershare Investor Services Pty Limited (CIS) by no later than 5:00pm (AEDT) on 22 October 2010. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for securityholders in Australia. Return the slip below with cheque, bank draft or money order attached.

**Neither CIS nor the Company accepts any responsibility if you lodge the slip below at any other address or by any other means.**

## Privacy Statement

Personal information is collected on this form by CIS, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail [privacy@computershare.com.au](mailto:privacy@computershare.com.au)

**If you have any enquiries concerning this form or your entitlement, please contact the SPP Shareholder Information Line at CIS on 1300 612 929 (within Australia) or +61 3 9938 4367 (outside Australia).**

This form may not be used to notify your change of address. For information, please contact CIS on 1300 850 505 or visit [www.computershare.com](http://www.computershare.com) (certificated/issuer sponsored holders only).

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## Payment Options:



**Biller Code:** 123456

**Ref No:** 1234 5678 9012 3456 78

Telephone & Internet Banking – BPAY

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: [www.bpay.com.au](http://www.bpay.com.au)



**By Mail**  
**Uranium Exploration Australia Limited**  
**Computershare Investor Services**  
**Pty Limited**  
**GPO Box 253**  
**Sydney NSW 2001**  
**AUSTRALIA**

I 1 2 3 4 5 6 7 8 9 0

Entitlement Number: <xxxxxxxxx>

**SAMPLE CUSTOMER**  
**SAMPLE STREET**  
**SAMPLE STREET**  
**SAMPLE STREET**  
**SAMPLE STREET**  
**SAMPLETOWN TAS 7000**