



## ASX ANNOUNCEMENT

Thursday 27 April 2006

### THIRD QUARTER 2006 ACTIVITY REPORT

#### HIGHLIGHTS

- Airborne Survey completed identifying a number of uranium targets in January
- Completed 4,500 line km field radiometric survey in February
- Prioritisation of seven major targets completed in February
- Maiden drilling programme commenced April.

#### SOUTH AUSTRALIA

During the March 2006 quarter, field exploration commenced on four of the company's seven tenements in South Australia.

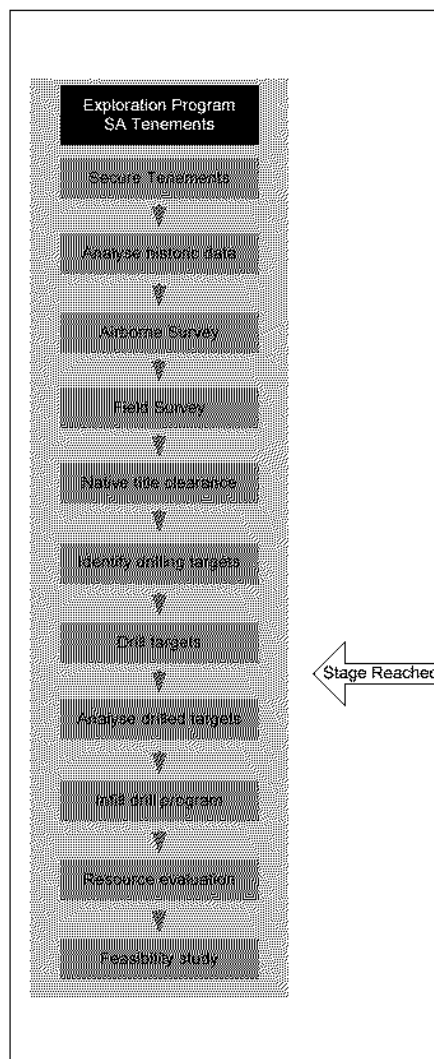
The seven tenements are all contained within the same 'mineralised corridor' that hosts major resource discoveries such as BHP Billiton's Olympic Dam, Oxiana's Prominent Hill, and recently discovered Carrapateena project. UXA holds title to approximately 15% of the 'mineralised corridor' and is approximately 30,000 sq km in area, located within South Australia's Gawler Craton region.

With respect to the South Australian tenements, key achievements during the quarter include:

- following a successful 4,500 line km field radiometric survey, analysis of the computer data was undertaken and verified by a comprehensive field sampling program
- analysis identified seven prioritized major targets
- Native Title Land clearances were initiated and finalised subsequent to quarter end on all but two of the seven tenements
- two exploration geologists were employed to assist with the drilling program
- an initial planned diamond drill hole was approved, and drilling subsequently commenced with a diamond drill hole to 400m depth in the Sloanes Hill prospect completed in April 2006.

In the first phase South Australian drilling program, UXA plans to drill a total of 3,400 metres in a program budgeted to cost \$520,000. Results will be reported separately and when appropriate.

Drilling of 20-30 percussion ("RC") holes in a total of ten prospects has commenced and is scheduled to be completed within the June 2006 quarter.



Encouraged by data derived from UXA's exploration program, including tenement and regional analysis, UXA applied for two additional tenements covering areas adjacent UXA's existing tenements. UXA has since decided not to proceed with one of those applications.

#### **NEW SOUTH WALES**

A preliminary field survey has commenced at EL 2499 near Gulgong including an orientation program for two newly appointed staff geologists.

#### **WEST AUSTRALIA**

UXA has completed collection of identified data and obtained an access agreement with the Traditional Land Owners at E36/546 Yeelirrie South East.

UXA has also completed collection of identified data at E52/1835 Angelo River North during the quarter.

#### **NORTHERN TERRITORY**

UXA has completed collection of identified data and obtained Ministerial approval to negotiate terms of an Aboriginal Land Rights Agreement in respect of each of five tenements with the Northern Land Council. A sixth tenement required no such consent.

The program that is in place will see field exploration on the latter tenement commence during the June 2006 quarter.

#### **GENERAL**

UXA has continued to build its capability with the engagement of two new honours graduates – a geologist and a geophysicist.

UXA has continued to receive approaches in connection with opportunities in Australia and overseas. While its priority will continue to be on Australian projects, as discussed in the Prospectus, it will review such opportunities on their merits and advise Shareholders when appropriate.

For further information, contact.



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## **ABOUT UXA**

*UXA's focus is on securing and exploring tenements in Australia that have the potential to yield commercial deposits of uranium, gold and copper.*

*UXA lodged 17 Exploration Licence Applications (ELAs) in areas prospective for uranium and associated gold and/or copper mineralisation in South Australia, Western Australia, the Northern Territory and New South Wales. Of these ELAs,*

- Seven ELs have already been granted pursuant to the relevant ELAs in South Australia. An 8<sup>th</sup> area is the subject of a recent ELA.*
- The eight South Australian awarded tenements and ELA are proximate to the world's largest known uranium, copper and gold deposit at Olympic Dam, South Australia.*
- Four of the eight South Australian tenements are close to the recent gold/copper discoveries at Prominent Hill and Carrapateena, South Australia.*
- Two ELAs contain previously drilled uranium mineralisation.*
- Five ELAs and one EL are in the Northern Territory. The EL is on land in which Native Title may still exist, although no objections were lodged by any Native Title Claimant under the Native Title Act 1993 (Cth) to the grant of the EL.*
- An EL has been offered pursuant to the New South Wales ELA; this area is prospective for gold, copper and rare earths.*

*Previous drilling by other parties has revealed uranium mineralisation at UXA's ELAs of Yeelirree, WA, and Katherine North, NT. UXA plans to conduct further exploration to better define this mineralisation at the earliest possible date consistent with UXA's geologists being able to access the ground once ELs are issued and other access agreements are implemented.*

### *JORC Compliance Statement*

*Technical information in this report is based on information compiled by Mr. David Hawley who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hawley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which the Company is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC"). Mr. Hawley consents to the inclusion in this release of the information developed by him in the form and context in which it appears.*

## Details of All Tenements Currently Held URANIUM EXPLORATION AUSTRALIA LTD ("UXA")

Tenement	Project Code	Appl'cn	Granted	Expiry	Status	Type	Area Km2
<b>New South Wales (NSW)</b>							
EL 6498	GULGONG/ULAN SOUTH	21/03/2005	04/01/2006	3/01/2008	GRANTED	NSW-EL	270.00
<b>State Total:</b>	<b>1</b>						<b>270.00</b>
<b>Northern Territory (NT)</b>							
EL 24564	NABARLEK WEST	02/02/2005			APPL	NT-ELA	83.88
EL 24565	PANDANUS WEST	02/02/2005			APPL	NT-ELA	988.00
EL 24566	NGALIA THRUST	02/02/2005	21/10/2005	20/10/2011	GRANTED	NT-EL	241.50
EL 24577	KATHERINE NORTH	02/02/2005			APPL	NT-ELA	222.70
EL 24586	RUM JUNGLE NORTH EAST	02/02/2005			APPL	NT-ELA	35.00
EL 24868	NABARLEK NORTH	19/08/2005			APPL	NT-ELA	224.40
<b>Territory Total:</b>	<b>6</b>						<b>1,795.48</b>
<b>South Australia (SA)</b>							
EL 113/05	OAK DAM NORTH EAST	02/03/2005			APPL	SA-EL	792.00
EL 3428	ROXBY DOWNS WEST	21/02/2005	20/10/2005	19/10/2006	GRANTED	SA-EL	348.00
EL 3429	PROMINENT HILL SOUTH	14/04/2005	20/10/2005	19/10/2006	GRANTED	SA-EL	876.00
EL 3430	PLAYFORD	14/04/2005	20/10/2005	19/10/2006	GRANTED	SA-EL	285.00
EL 3431	GRIFFEN WELL	19/04/2005	20/10/2005	19/10/2006	GRANTED	SA-EL	622.00
EL 3432	WINJABBIE	19/04/2005	20/10/2005	19/10/2006	GRANTED	SA-EL	539.00
EL 3470	GLENSIDE	23/06/2005	05/12/2005	04/12/2006	GRANTED	SA-EL	354.00
ELA 123/06	PLAYFORD SOUTH EAST	15/03/2006			APPL	SA-ELA	477.00
ELA 168/06	N/A	31/03/2006			APPL	SA-EL	1,289.00
<b>State Total:</b>	<b>8</b>						<b>5,109.77</b>
<b>Western Australia (WA)</b>							
E36/546	YEELIRRIE SOUTH EAST	04/02/2005			APPL	WA-E	170.55
E52/1835	ANGELO RIVER NORTH	16/02/2005			APPL	WA-E	188.60
<b>State Total:</b>	<b>2</b>						<b>359.15</b>