



ASX ANNOUNCEMENT

Monday 30 April 2007

March 2007 Quarterly Report

- **UXA appoints international uranium expert as Managing Director**
- **Expanded exploration plan and budget approved for 2007**
- **\$2.99 million additional funds raised**
- **UXA's head (and registered) office relocated to Adelaide South Australia**

Corporate

On 29 January 2007, the Board of Uranium Exploration Australia Limited (ASX:UXA) appointed Mr Patrick Mutz as Managing Director. Patrick has over 28 years' uranium exploration, mining and processing experience in the USA, Australia and Germany. Most recently, Patrick served as Managing Director of Operations in South Australia for Heathgate Resources which owns and operates Australia's only and one of the world's largest in situ leach uranium mines.

The Board also approved an expanded exploration plan and budget for the eighteen month program ending 30 June 2008. The program will be funded in part by a placement completed in March 2007 which raised \$2.99 million and a Shareholder Participation Plan (SPP) underwritten by Martin Place Securities Pty Ltd to \$6 million. The SPP announced to the ASX on 4 April 2007 is scheduled for completion June 2007.

UXA relocated its head (and registered) office from New South Wales to South Australia effective 1 March 2007. With South Australia rapidly becoming one of the most active centres for exploration and mining development in Australia and the South Australian State Government being openly supportive of uranium exploration and mining, UXA made the decision to relocate its head office to Adelaide. A South Australian location will facilitate UXA's access to scarce exploration, mining and laboratory services in the State where UXA has focused its initial exploration and holds the majority of its tenements.

Exploration

During the quarter, UXA completed a reassessment of its exploration tenements based on the 2006 drilling program results, in order to develop a more focused exploration program and budget for 2007. The new program includes an aggressive data-collection and technology-driven approach and involves considerable emphasis on additional geophysical surveys. It also includes updating the geological and geophysical models used to interpret the available information and select new drill sites. The new program includes plans for up to 20,000 metres of exploration drilling.

Negotiations were carried out during the period to secure access to Prompt Fission Neutron (PFN) technology to be used in UXA's 2007 exploration program. PFN technology is a geophysical wireline tool that can detect uranium in boreholes. Unlike conventional gamma tools which measure uranium indirectly by measuring the gamma energy from the daughter products of uranium 238 (mainly bismuth 214), PFN tools measure uranium directly. Consequently, PFN is not affected by disequilibrium between uranium and its daughters and is therefore more reliable. Under certain conditions, conducting uranium exploration with gamma tools alone could result in the explorer 'stepping over' a uranium deposit, or interpreting uranium where there none exists.

On 18 April 2007, UXA announced a strategic alliance with Geoscience Associates Australia that provides priority access to PFN technology for use in UXA's uranium exploration program. PFN technology will be used to test for uranium in UXA's search for uranium in targeted palaeochannels, as well as in the cover sequences overlying targeted IOCGU basement mineralisation.

South Australia

UXA's 2006 drilling program was restricted to its South Australian tenements. The reasons for this focus include the prospectivity of the Stuart Shelf where UXA's tenements are located; the proximity of UXA's tenements to known deposits at Olympic Dam, Prominent Hill, and Carrapateena; the assistance provided with native title and heritage clearance by local indigenous groups and the State Government's open promotion and support for uranium exploration and mining.

The new exploration program for 2007 has been expanded to include plans for drilling on UXA's tenements outside South Australia. However, the majority of UXA's 2007 exploration activities are scheduled to remain in South Australia.

Prominent Hill South (EL 3429)

UXA's was awarded a PACE Grant of \$50,000 in December 2006 for drilling in the Sloanes Hill area. UXA's drilling to date has demonstrated that previously inferred Archaean basement beneath Sloanes Hill is Gawler Range Volcanics (GRV). SH7 intersected patchy uranium to 68ppm within oxidised Pandurra Formation in sedimentary rocks reworked from the original GRV source below. Radiometrics anomalies at the surface are thought to have leaked from faults that pass through these lithologies at depth. Current field surveys and geophysical modelling are designed to develop targets to test for fault-related uranium deposits

Glenside (EL 3470)

UXA are closely monitoring the impending drilling of Copper Range Limited's (ASX:CRJ) "Jenny" copper-gold-uranium target sited 2km from Glenside's northern boundary on an arcuate magnetic trend that extends through the Glenside tenement. In the only previous drillhole in the licence area, WMC intersected anomalous copper in granitic basement. UXA is focussed on this magnetic anomaly but have additionally identified adjacent gravity and magnetic anomalies in the northwest of the tenement that constitute a prospective IOCGU target. Detailed gravity surveys are planned in these areas to enable better geophysical modelling and assessment of their potential as IOCGU targets and to select drilling targets.

Winjabbie (EL 3432)

Three areas of interest for IOCGU targets were identified on the Winjabbie tenement during the reassessment of the available geophysical information. Two of these are large magnetic anomalies and the third area was identified by Geoscience Australia as a hematite anomaly and potential IOCGU host. Most of the target areas have sparse gravity data and detailed gravity surveys and modelling will be used in all three areas to identify drilling targets for potential basement mineralisation. This tenement and the Roxby Downs West tenement are UXA's two favoured licences to test for the Tapley Hill Formation uranium play in the cover succession.

Oak Dam North East (EL 3494)

A very large area of interest has been identified on the Oak Dam North East tenement. A detailed analysis of the available geophysical data suggests that this area is crossed by an orthogonal fault network similar to those considered to be favourable conduits for mineralising fluids at Olympic Dam and Carrapateena. Detailed gravity surveys and modelling will be used to identify potential basement drilling targets.

Griffen Well (EL 3431)

Two areas of interest have been identified on the Griffen Well tenement. UXA's primary focus is a northeasterly-oriented fault identified from gravity, magnetic and drilling data. The second area of interest is a northwesterly-trending magnetic anomaly. There is a 6km spacing between existing gravity stations at Griffen Well and UXA's first gravity survey will begin as soon as possible to delineate basement-related IOCGU or gold-only targets.

Playford (EL 3430) and Playford Southeast (EL 3679)

The available geophysical data on these adjoining tenements are very sparse. Two large detailed gravity surveys are planned across the tenements. Detailed data should shed light on a gravity ridge occupying the north-central section of the tenements and provide potential basement drilling targets.

Roxby Downs West (EL 3428)

Two areas of interest were identified on the Roxby Downs West tenement during the reassessment of the available geophysical information. Both areas show adjacent gravity and magnetic anomalies. As with the other South Australian tenements, detailed gravity surveys and modelling will be used to identify potential basement drilling targets.

Northern Territory

Ngalia Thrust (EL 24566)

There were no field activities on this tenement during the reporting period. Additional field work is scheduled following the completion of final heritage clearance surveys, expected in June. The field work is likely to include geophysical surveys as a precursor to the selection of drill targets..

UXA awaits the granting of five other ELs in the Northern Territory, conditional upon successful negotiations with the Traditional Owners and the Northern Land Council. The first such meeting regarding ELA 24577 – Katherine North is scheduled for late April.

New South Wales

Gulgong / Ulan South (EL 6498)

A field trip was conducted on this tenement in early March. Radiogenic granite outcrops had previously been identified by UXA based on interpretation of data from regional airborne surveys. Young sedimentary deposits were identified at the base of these granite outcrops. These sediments could potentially host Rare Earth Elements (REE) or other metals that may have been leached from the granites and redeposited. A final independent review of the available geophysical, geological and previous exploration data and drilling results is underway.

Western Australia

Angelo River North (E52/1835) and Yeelirrie South East (E36/546)

No field work was conducted on these tenements during this reporting period. UXA is finalising a review of available geophysical and previous drilling data and this will be followed by appropriate geophysical surveys.

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ABOUT UXA Strategy and Focus

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

UXA lodged 22 Exploration Licence Applications (ELAs) in areas prospective for uranium and/or associated precious and base metals in South Australia, Western Australia, the Northern Territory and New South Wales. Of these ELAs:

- All thirteen South Australian tenements (eight ELs and five ELA's) are proximate to the world's largest known uranium, copper and gold deposit at Olympic Dam, South Australia.*
- Three of the South Australian tenements are close to the recent gold/copper discoveries at Prominent Hill and Carrapateena.*
- The EL granted in New South Wales (EL 6498) is in an area which is prospective for gold, copper and rare earths.*
- Previous drilling by other parties has revealed uranium mineralisation at UXA's ELAs of Yeelirree South East (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 granted 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.

UXA TENEMENT SCHEDULE

Tenement			Status	Date			Area	
Number	State	Name		Application	Granted	Expiry	Hectares	Blocks
EL 6498	New South Wales	Gulgong / Ulan South	Granted	21/03/2005	4/01/2006	3/01/2008	26910	93
EL 24564	Northern Territory	Nabarlek West	Application	2/02/2005	-	-	8388	25
EL 24565	Northern Territory	Pandanus West	Application	2/02/2005	-	-	98800	305
EL 24566	Northern Territory	Ngalia Thrust	Granted	2/02/2005	21/10/2005	20/10/2011	24150	76
EL 24577	Northern Territory	Katherine North	Application	2/02/2005	-	-	22270	75
EL 24586	Northern Territory	Rum Jungle North East	Application	14/02/2005	-	-	3500	13
EL 24868	Northern Territory	Nabarlek North	Application	19/08/2005	-	-	22440	73
EL 3428	South Australia	Roxby Downs West	Granted	21/02/2005	20/10/2005	19/10/2007	34800	118
EL 3429	South Australia	Prominent Hill South	Granted	14/04/2005	20/10/2005	19/10/2008	87600	295
EL 3430	South Australia	Playford	Granted	14/04/2005	20/10/2005	19/10/2008	28500	96
EL 3431	South Australia	Griffen Well	Granted	19/04/2005	20/10/2005	19/10/2007	62200	210
EL 3432	South Australia	Winjabbe	Granted	19/04/2005	20/10/2005	19/10/2008	53900	204
EL 3470	South Australia	Glenside	Renewal Applied for and Pending	23/06/2005	5/12/2005	4/12/2006	35400	120
EL 3494	South Australia	Oak Dam North East	Renewal applied for and Pending	2/03/2005	18/01/2006	17/01/2007	79200	269
EL 3679	South Australia	Playford South East	Granted	15/03/2006	18/12/2006	17/12/2007	47700	161
ELA 320/06	South Australia	Sloane's Hill East	Application	28/06/2006	-	-	7200	24
ELA 430/06	South Australia	Mount Morgan East	Application	11/09/2006	-	-	65290	219
ELA 431/06	South Australia	Twin Hill	Application	11/09/2006	-	-	92490	310
ELA 432/06	South Australia	Porter Hill	Application	11/09/2006	-	-	59010	198
ELA 433/06	South Australia	Chinaman Hat Hill	Application	11/09/2006	-	-	83650	281
E36/546	Western Australia	Yeelirrie South East	Granted	4/02/2005	8/10/2006	7/10/2011	17055	56
E52/1835	Western Australia	Angelo River North	Granted	16/02/2005	2/08/2006	1/08/2011	18860	60