



**Uranium Exploration  
Australia Limited**

ABN 65 112 714 397

**Quarterly  
Report**

**4<sup>th</sup>**

**Quarter  
June 2008**







## Quarterly Report

# 4<sup>th</sup>

## Quarter June 2008

ASX : UXA

UXA was established to explore for, locate and develop commercial grade uranium mineralisation and associated copper and gold.

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**31 July 2008**

## OVERVIEW

- UXA intercepts uranium mineralisation averaging 113 ppm  $U_3O_8$  across 14 metres on UXA-RILA JV, Playford Prospect, 60 km WNW of Olympic Dam in South Australia
- UXA acquires Prompt Fission Neutron Technology to be used in its ongoing uranium exploration program

## SUMMARY

### Uranium Mineralisation on Playford

Uranium Exploration Australia Limited (ASX: UXA) received assay results indicating an average of 113 ppm  $U_3O_8$  across a 15 metre interval (14 metres true thickness) from 616 metres in drillhole 08PD04C on EL 3430 – Playford on the Stuart Shelf in South Australia.

08PD04C was drilled by UXA on behalf of the joint venture between UXA and RIL (Australia), with drilling completed on 31 March 2008. Uranium is associated with a band of coarse pebble conglomerate within the Pandurra Formation.

### Acquisition of Prompt Fission Neutron Technology

UXA has completed the acquisition of a 3rd generation **prompt fission neutron tool** for use in its ongoing uranium exploration program. Prompt fission neutron (PFN) is a unique geophysical wire-line logging technology used for the direct measurement of uranium in boreholes.

By acquiring its own PFN tool, UXA becomes only the third company in Australia to own and use this unique technology, and the only grassroots exploration company in Australia to do so. UXA will begin utilising PFN technology on its upcoming drilling program at its Yeelirrie South East prospect in Western Australia and its Crystal Creek prospect in the Northern Territory.

### Drill Program Summary

UXA continued its aggressive exploration and drilling programme with a total of 9,275 of metres drilling in the 2008 financial year across its tenements in South Australia, Western Australia, Northern Territory and New South Wales (Figure 1).

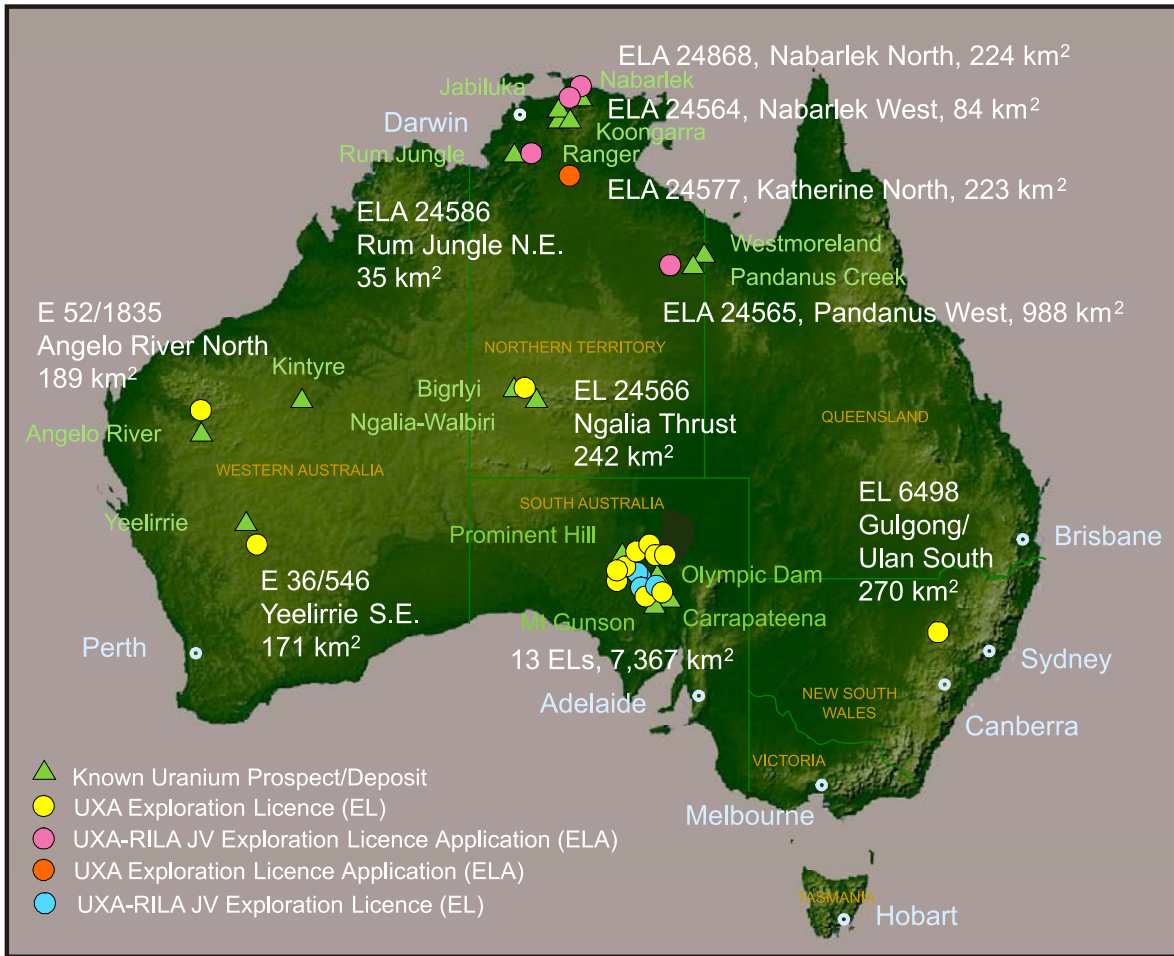


Figure 1. UXA tenement location map

## EXPLORATION

During the reporting period, UXA:

### SOUTH AUSTRALIA

- Received assay results indicating significant uranium mineralisation at Playford prospect
- Advanced drilling and evaluation of its Winjabbie copper prospect
- Completed the first drill hole at Glenside investigating fault hosted IOCGU mineralisation
- Completed additional ground-based gravity surveys on Mount Morgan and Porter Hill prospects

### NORTHERN TERRITORY

- Finalised exploration agreement with the Central Land Council with view to conduct heritage clearance surveys in advance of drilling in the next Quarter

### NEW SOUTH WALES

- Completed data processing and interpretation of ground-based electro-magnetic (EM) survey at Gulgong and identified EM anomaly with potential for gold and/or rare earth elements

### WESTERN AUSTRALIA

- Completed a review of historical uranium exploration activities conducted in and around the company's Yeelirrie project and prepared a drilling programme to be conducted in August 2008
- Commenced mapping and chip sampling at Angelo River North where a significant occurrence of banded iron formation has been recognised



### SOUTH AUSTRALIA

UXA continued to focus its principal exploration activities on 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 (Figure 2); and the State Government's open promotion and support for uranium exploration and mining.

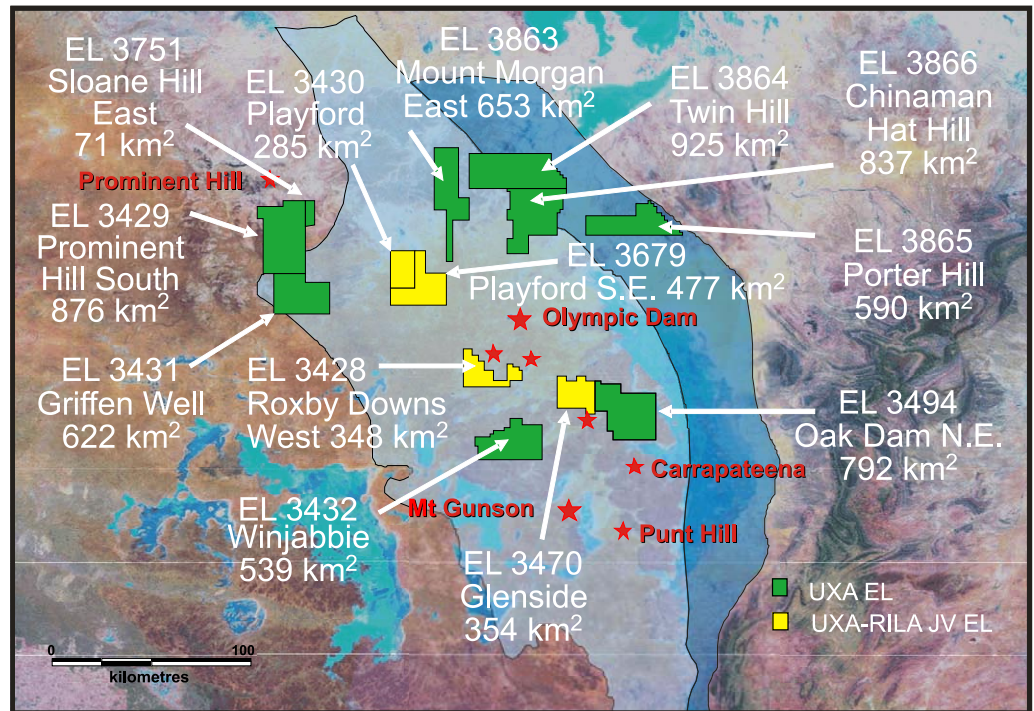


Figure 2. South Australian tenement location map

### Winjabbie (EL 3432)

The Winjabbie prospect is located approximately 69 km south of BHP Billiton's Olympic Dam copper-gold-uranium-silver mine, 57 km west of the Carrapateena copper-gold prospect and 45 km north-northwest of the Mount Gunson copper mine on the highly prospective Stuart Shelf in the Gawler Craton.

Drilling of the previously identified gravity targets on Winjabbie resumed with the return of drilling contractor Tom Browne Drilling Services and a larger capacity drill rig. Drilling resumed with drill hole 08WJ02 (Figure 3) on 21 April 2008 from 1093.5 metres and extended the hole to its completion of 1375m on 1 May 2008 (Table 1).

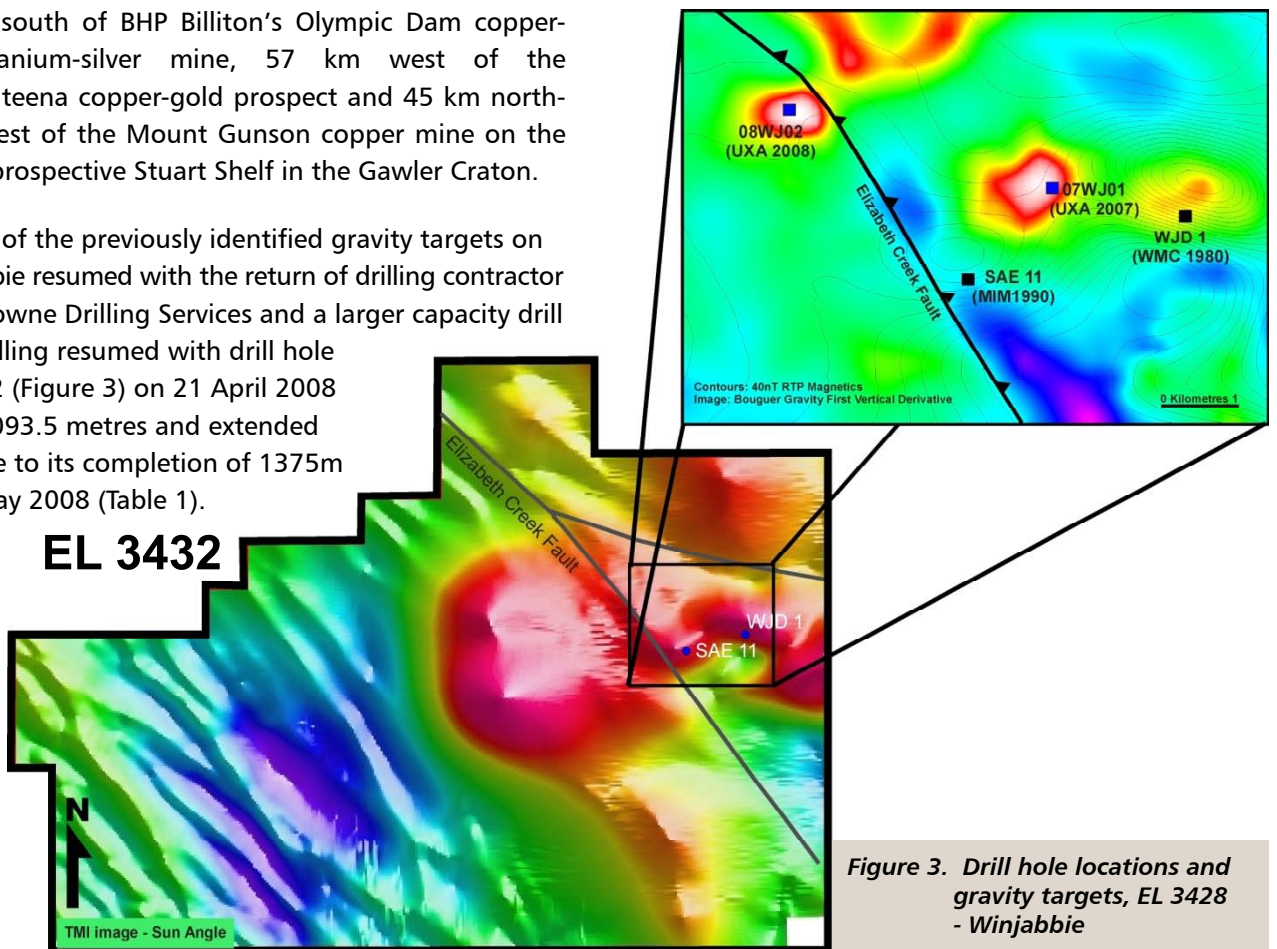


Figure 3. Drill hole locations and gravity targets, EL 3428 - Winjabbie



Drill hole ID	Start Date	Date Completed	Diamond Core HQ (m)	Diamond Core NQ2 (m)	Total Depth (m)
07WJ01	29 Nov 07	20 Feb 08	582.2	623.3	1205.5
08WJ02	9 Jan 08	1 May 08	499.5	875.5	1375

**Table 1. Drilling progress - EL3428 - Winjabbie**

08WJ02 was designed to test for iron oxide-copper-gold-uranium (IOCGU) mineralisation west of the Elizabeth Creek Fault and was centred on a small gravity feature of similar size and amplitude as the geophysical signature associated with the mineralisation encountered in 07WJ01.

Elevated base metal values are clearly associated with the reduced Tapley Hill Formation siltstone from 435m to 519m depth. Assays for 1 metre lengths of half core sample collected every alternate metre indicate an 83m interval with average copper grade of 84ppm Cu (Table 2). A maximum copper grade of 1097ppm Cu for a 1 metre interval was intersected near the top of the unit from 436m to 437m.

A second possibly reduced zone is recognised within Pandurra Formation associated with pebble conglomerate and coarse "bleached" sandstone from 568m to 586m depth. Assays for 1 metre lengths of half core sample collected every alternate metre indicate an 18m interval with average copper grade of only 3.3ppm Cu and average uranium grade of 4.4ppm U<sub>3</sub>O<sub>8</sub>.

Basement lithology comprising Gawler Range Volcanics was intersected from 1080m to 1375m at end of hole (EOH). The volcanic sequence is depleted in Ag, Cu, Pb, U and Zn but slightly elevated in gold relative to all other lithological units with a maximum value of 0.04g/tonne.

Drill hole ID	lithology	From	To	Interval	Au (g/t)	Ag (g/t)	U <sub>3</sub> O <sub>8</sub> (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Mn (ppm)
08WJ02	Simmens Quartzite	7m	89m	82m	0.00	0.01	0.62	3.02	4.48	11.98	63.26
08WJ02	Corraberra Sandstone	90m	117m	27m	0.00	0.19	0.74	2.86	10.93	25.79	85.64
08WJ02	Tregolana Shale	118m	287m	169m	0.00	0.07	1.78	16.8	15.33	75.29	559.75
08WJ02	Whyalla Sandstone	288m	435m	147m	0.00	0.04	0.45	9.61	7.60	29.16	1225
08WJ02	Tapley Hill Formation	436m	519m	83m	0.00	0.67	0.75	84.83	178.79	563.50	2124
08WJ02	Pandurra Formation	519m	1079m	560m	0.00	0.05	2.43	7.36	8.32	20.78	815
08WJ02	Gawler Range Volcanics	1080m	1375m	295m	0.01	0.01	0.45	4.52	8.12	57.41	1077

**Table 2. Chemical Assay Summary - Winjabbie**

Note: Assays in Table were calculated as the average of 1- metre half-core samples collected every second metre, and should not be considered an average representative of the entire interval.



**Playford (EL 3430) and  
Playford South East (EL 3679)**

In November 2007 UXA announced the identification of a 2 mgal gravity anomaly located on the common boundary between the UXA-RILA JV tenements of Playford and Playford South East in South Australia (Figure4).

The anomaly was considered to be a prospective drill target for potential IOCGU mineralisation and was referred to as TPG8.

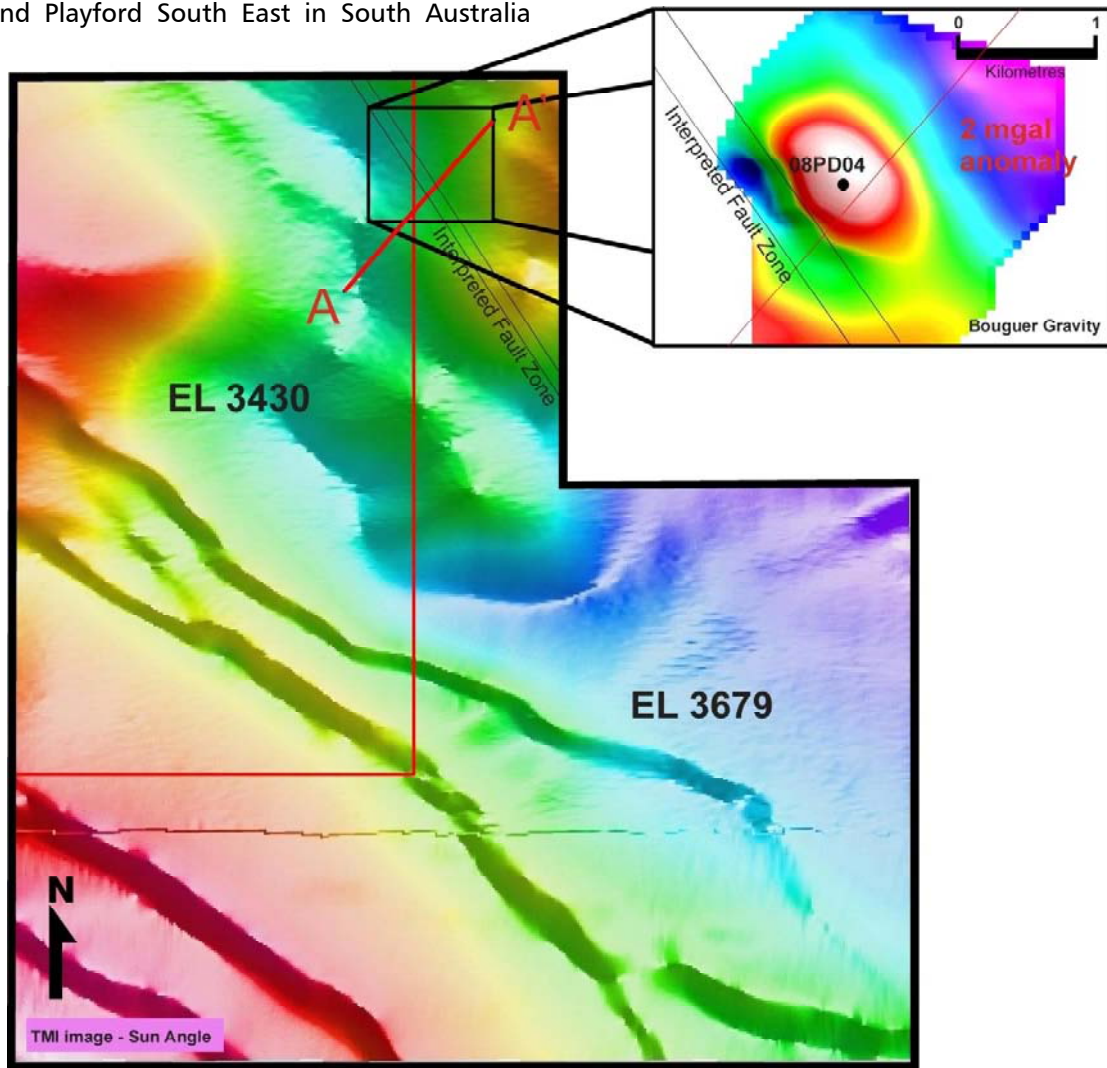


Figure 4. Location of High-Intensity Gravity Target TPG8

Drill hole 08PD04c targeting TPG8 was finalised 30 March 2008 by Tom Browne Drilling Services for a total depth of 1157m (Table 3). The hole was terminated in basement in what has been reinterpreted as Wandearah Formation meta-siltstone. Basement was intersected at 750 metres, approximately 150 metres shallower than originally modelled.

A reconciliation of the TPG8 geophysical model using data collected from 08PD04 shows that the modelled parameters produce a signature which closely correlates with the original surveyed geophysical signature. However, no IOCGU mineralisation was identified based on the physical examination of core.

Drill hole ID	Start Date	Date Completed	Diamond Core PQ(m)	Diamond Core HQ(m)	Diamond Core NQ(m)	Total Depth (m)
08PD04c	3 March 08	30 March 08	102.7m	417.3	637	1157

Table 3. Playford Drilling Summary



Geochemical analyses for 08PD04c were completed by AMDEL in 6 June 2008 and are summarised in Table 4.

### Uranium Mineralisation

A significant interval of uranium mineralisation associated with coarse pebble conglomerate was intersected from 616m to 631m depth (Plate 1). The average of uranium assays received for this interval was 113 ppm U<sub>3</sub>O<sub>8</sub> across a true width of approximately 14 metres. However, as noted below Table 4, assays were received for 1-metre half-core samples taken from every second metre of core. Consequently, the average of uranium assays received should not be considered representative of the entire interval.

The anomalous uranium values are hosted by an angular and poorly sorted conglomerate, possibly related to tectonics or faulted uplift and erosion of nearby high ground of late Meso-Proterozoic to early Neo-Proterozoic geological age. The company is committed to further drill core assay; petrology studies of the conglomeratic clasts (or pebbles) to determine the uranium minerals present and their association with other minerals and elements; an assessment of uranium content equilibrium via PFN technology;

sedimentological/tectonic studies; and interrogation of the company's comprehensive geophysical database in an attempt to identify a potential nearby, higher grade source of uranium within the Playford JV tenement.

Evidence of elevated uranium values over similar thicknesses occurring within Pandurra Formation coarse pebble conglomerate at similar depths has been noted in other UXA drill holes. Alternate 1-metre drill core samples from the 616m to 631m interval that were not previously assayed are currently being prepared for chemical assay and petrological evaluation in order to better understand the uranium mineralisation type and potential origin.



Plate 1. Pandurra Formation – uranium mineralised coarse pebble conglomerate

Drill hole ID	lithology	From	To	Interval	Au (g/t)	Ag (g/t)	U <sub>3</sub> O <sub>8</sub> (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Mn (ppm)
08PD04c	Andamooka Limestone.	120m	155m	35m	0.002	0.96	0.22	3.8	10.4	13.6	611
08PD04c	Simmens Quartzite	156m	213m	57m	0.004	0.28	0.2	10.2	4.8	12.7	90.5
08PD04c	Tregolana Shale	214m	437m	223m	0.003	0.004	6.7	22.3	11.8	56.8	459
08PD04c	Nuccaleena Dolomite	438m	446m	8m	0.01	0.8	2.4	11.0	6.8	14.6	4370
08PD04c	Pandurra Formation	448m	740m	292m	0.008	0.006	18.7	7.0	9.7	14.2	578
<b>Including 15m interval</b>		<b>616m</b>	<b>631m</b>	<b>15m</b>	<b>0.013</b>	<b>0</b>	<b>113</b>	<b>15.4</b>	<b>6.5</b>	<b>10.9</b>	<b>919</b>
08PD04c	Wandearah Formation	740m	1157m	417m	0.005	0	2.5	19.6	11.0	10.4	98

Table 4. Chemical Assay Summary – Playford

Note: Assays in Table were calculated as the average of 1- metre half-core samples collected every second metre, and should not be considered an average representative of the entire interval.



### Glenside (EL 3470)

The two largest gravity features identified on Glenside include 08GL14-1 and 08GL17, with gravity amplitudes of 0.6 to 0.7mgal respectively (Figure 5). GL17 was considered to be more conducive for uranium mineralisation around the periphery of Donington Suite granite, while GL14 was considered more prospective for copper mineralisation. On behalf of the UXA-RILA Joint Venture, UXA commenced drilling the GL17 gravity target 2 May 2008 and completed the hole on 15 May 2008.

Drillhole 08GL01 targeting GL17 gravity anomaly was drilled by Tom Browne Drilling Services for a total depth of 999.6m (Table 5). Basement was intersected at 550.9m and comprised Gawler Range Volcanics. The volcanic unit is highly fractured in discrete zones from 800-950m and fracture infill includes mostly haematite and carbonates.

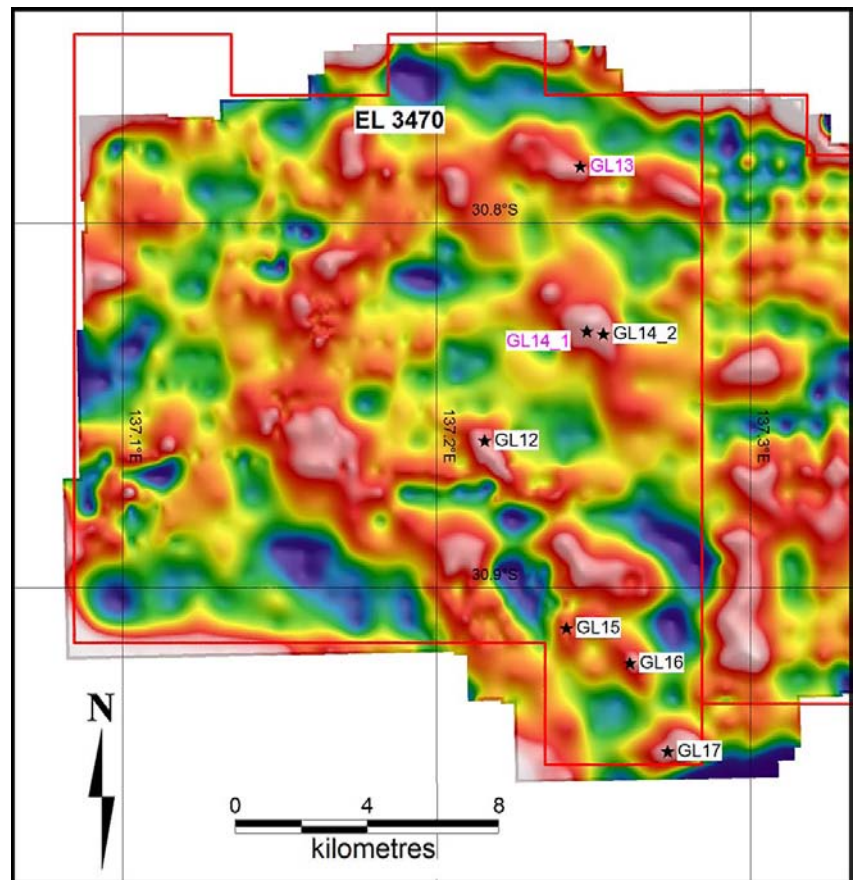


Figure 5. EL 3470 - Glenside. Detailed Gravity Image with Potential IOCGU Targets

Geochemical analyses for 08GL01 were completed by AMDEL on 16 June 2008. An initial set of assay results for 1-metre core samples collected every alternate metre is summarised in Table 6.

Drill hole ID	Start Date	Date Completed	Diamond Core HQ (m)	Diamond Core NQ2 (m)	Total Depth (m)
08GL01	2 May 08	15 May 08	473.6	526	999.6EOH

Table 5. Glenside Drilling Activities Summary

Drill hole ID	lithology	From	To	Interval	Au (g/t)	Ag (g/t)	U <sub>3</sub> O <sub>8</sub> (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Mn (ppm)
08GL01	Simmens Quartzite	32m	57m	25m	0.02	0.04	0.38	16.6	2.3	11.6	151
08GL01	Corraberia Sandstone	58m	77m	19m	0.03	0	1.00	3.5	2.8	11	339
08GL01	Tregolana Shale	78m	253m	175m	0.02	0.03	1.99	30.4	16.0	65.9	1177
08GL01	Pandurra Formation	254m	551m	297m	0.01	0.02	2.45	5.96	7.13	20.4	384
08GL01	Gawler Range Volcanics	552m	999.6m	447.6m	0.01	0.02	2.07	4.8	12.6	48.8	524

Table 6. Chemical Assay Summary – Glenside

Note: Assays in Table were calculated as the average of 1- metre half-core samples collected every second metre, and should not be considered an average representative of the entire interval.



### **Oak Dam North East (EL 3494)**

This EL was the subject of a joint venture (JV) between UXA and Newcrest Operations Limited (Newcrest) as of May 2007. Starting in July 2007, Newcrest embarked on an exploration strategy of collecting detailed gravity surveys to determine potential targets for IOCGU mineralisation. The surveys were conducted in two stages.

The first stage involved wide-spaced (1 kilometre) gravity surveys across the entire EL. The second stage involved detailed gravity surveys (500-800 metres spacing) across specific areas of interest identified in the first stage survey.

Newcrest completed its modelling and interpretation of the second stage gravity data in March 2008. However, due in part to the absence of suitable gravity anomalies, Newcrest elected to relinquish its interest in the tenement to focus on its advanced projects including a recently announced PNG joint venture with Harmony Gold.

The effective date of withdrawal from the Oak Dam NE Joint Venture Agreement with UXA was 22 April 2008.

UXA has been provided all of the gravity survey data collected by Newcrest and will begin its own modelling and interpretation in the next quarter.

### **Roxby Downs West (EL 3428)**

A total of 529 gravity stations were acquired by the end of March to complete the Roxby Downs West tenement coverage at 800m grid spacing. The survey has not revealed any strong anomalies.

Subtle gravity anomalies for the most part match the magnetic anomaly pattern due to the Gairdner Dyke Swarm. To the east, a gravity high traces a belt of Hutchison Group gneissic and schist units (identified from a single drill hole (HHD1) drilled on the anomaly). A possible granite body is located in the eastern limb of the tenement flanked by local gravity highs. Some small (<0.5 mgal) anomalies do exist on the tenement linked to faults and these may warrant further investigation.

### **Sloane Hill East (EL 3751)**

A total of 211 gravity stations were acquired by the end of March to complete the Sloane Hill East tenement coverage with station spacing of 800m. The gravity survey revealed only anomalies corresponding to the Gairdner Dyke Swarm. No other features of interest were noted and this tenement would appear to be un-prospective for a gravity coincident magnetic drilling target.

### **Porter Hill (EL 3865)**

A Native Title Mining Agreement for Exploration between UXA and the Arabunna People's Native Title Claim Group has been finalised.

The Porter Hill tenement is considered suitable for paleochannel hosted uranium mineralisation given the tenement is located along a NE structure that hosts the Roxby Downs Suite granite. Algebuckina sandstone is a potential target stratigraphy along with redox boundaries associated with the Yarloo Shale and Andamooka Limestone.

Porter Hill has little deep drill hole information in the area. The nearest drill hole is 15km from the tenement with a depth of 1450m. Basement was not intersected and the thickening of the cover stratigraphy indicates that the basement is very deep in this area. The drill hole did however intersect 0.24% Cu at a depth of 240m within Yarloo Shale.

A 1078 station gravity survey was completed by Daishat Surveys 20 June 2008. The survey was conducted mainly on 200m line spacing and designed to delineate an inferred paleochannel located on the eastern side of the tenement. The gravity data is currently being modelled and interpreted.

### **Twin Hill (EL 3864)**

Regional drill hole data was reviewed for the Twin Hill area. One drill hole (SR17/2) in this region was terminated at 1500m depth without intersecting basement lithologies. The thickness of the cover sequence in this region indicates a general deepening of the basin in this locality.

### **Griffen Well (EL 3431)**

No exploration activities were conducted on this exploration licence during this reporting period.



### Chinaman Hat Hill (EL 3866)

A Native Title Mining Agreement for Exploration between UXA and the Arabunna People's Native Title Claim Group has been finalised.

Chinaman Hat Hill area has three drill holes located 2 to 7km south of the tenement that show mineralisation along a NW striking fault. In one hole (BD1), Gawler Range Volcanics was intersected at 607m with one assay having 0.55% Cu. BD2 contained a sample with 0.45% Cu within the brecciated basement Hutchison Group metasediments (basement at 657m). FHD1 contained 300ppm Cu within the Tapley Hill Formation at 736m. Although this fault does not cross the tenement, the southern and western part of the Chinaman Hat Hill area may be prospective for IOCGU style deposits given the depth to basement and proximity to these holes with anomalous Cu, and general proximity to Olympic Dam. Infill gravity surveys will be conducted in this area on gravity anomalies identified by the state 2007 gravity survey.

The drillhole data also indicates instances of Tapley Hill Formation overlying basement. The strongly reducing Tapley Hill Formation would make a good target if found directly on top of a basement fault or near Hiltaba Suite granite.

### Mount Morgan East (EL 3863)

A total of 347 gravity stations were acquired by the end of March 2008 to complete the gravity survey coverage of the southern limb of the Mount Morgan East tenement. The station spacing was mainly 400m grid with some 800m extension and 200m infill.

Gridding of the Mount Morgan East gravity has revealed a string of moderate (0.5 -1 mGal) anomalies extending northwest from a larger gravity body to the west. These anomalies are bound and cut major north-northwest, northwest, and northeast shear zones. The northern most anomaly (08MM1-1) is also coincident with a magnetic anomaly (Figure 6).

Preliminary modelling indicates the geophysical body at P08MM1-1 to be oblate to elongated in shape, with a footprint of approximately 1km<sup>2</sup> and at a depth of 870m with a mean density of 3.2.

A heritage clearance survey was completed for 3 drill sites located along an interpreted northwest trending structure. All proposed drill sites were approved by Barnjarla Native Title Claimants. P08MM1-1 is located closest to a magnetic anomaly and consequently considered the most prospective for potential IOCGU mineralisation. However, due to access difficulties associated with these anomalies, it was necessary to map an access route and seek additional heritage approval prior to commencing drilling. UXA proposes to drill target P08MM1-1 in early 2009.

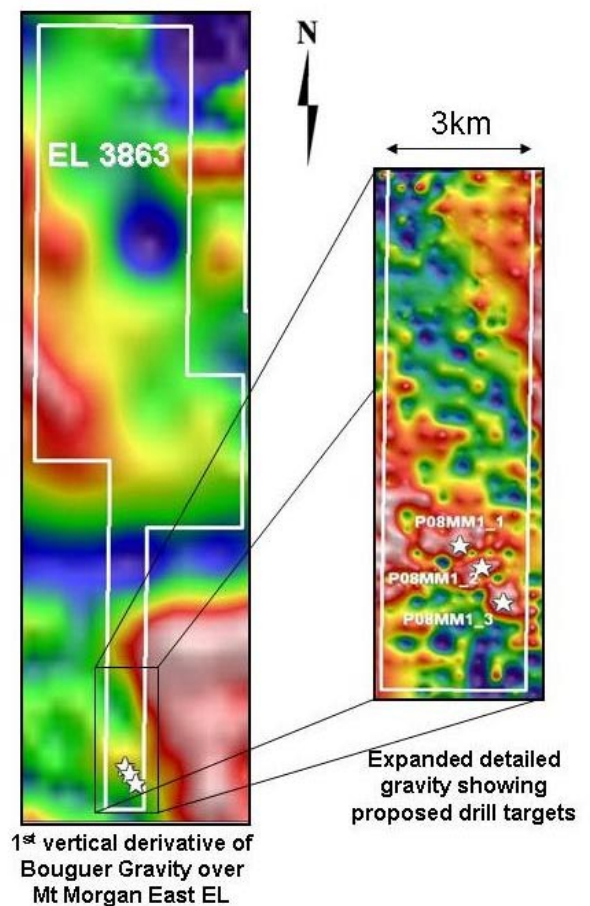


Figure 6. Mount Morgan East Gravity Image



### Prominent Hill South (EL 3429)

Tom Browne Drilling Services mobilised to Sloane Hill and re entered 06SH07 on 2 April 2008. Drilling continued from 1212.6m and advanced to 1467.5m where the hole was terminated (Table 7) in weakly oxidised and hematite altered granite basement.

Drill hole ID	Start Date	Completed Date	Rotary Mud (m)	Diamond Core NQ2 (m)	Total Depth (m)
06SH07	9 Nov 06	16 April 08	246.7	1220.8	1467.5EOH

Table 7. Prominent Hill South drilling summary for the reporting period

Geochemical analyses for 06SH07 extension were completed by AMDEL 11 June 2008. An initial set of assay results for 1 metre core samples collected every alternate metre is summarised in Table 8.

Drill hole ID	lithology	From	To	Interval	Au (g/t)	Ag (g/t)	U <sub>3</sub> O <sub>8</sub> (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Mn (ppm)
06SH07	Bulldog Shale	1m	22m	21m	0.013	0.121	1.40	21	11.5	90	75
06SH07	Cadnaowie Formation	22m	54m	32m	0.003	0.228	0.68	7.8	4.2	45	99
06SH07	Stuart Range Formation	55m	70m	15m	0	0.18	2.13	22.8	16	118	1050
06SH07	Boorthanna Formation	71m	176m	105m	0	0.161	1.06	11	9.9	94	489
06SH07	Tregolana Shale	177m	249.5m	72.5m	0.001	0.053	1.84	9.3	16.7	63	530
06SH07	Pandurra Formation	249.5	1426m	1176.5m	0.001	0.09	2.12	7.9	18.7	14.9	2109
06SH07	Hiltaba Suite	1427m	1466m	39m	0.027	0	0.88	4.5	9.4	35.3	511

Table 8. Chemical Assay Summary – Prominent Hill South

Note: Assays in Table were calculated as the average of 1- metre half-core samples collected every second metre, and should not be considered an average representative of the entire interval.

## NORTHERN TERRITORY

### Ngalia Thrust (EL 24566)

An agreement was finalised with the Central Land Council (CLC) regarding proposed exploration activities to be conducted over EL 24566. The CLC requires an exploration agreement in order to progress heritage clearance surveys for proposed surface-disturbing exploration activities such as drilling and/or trenching.

Heritage surveys are expected to be conducted in August 2008, followed closely by field exploration including mapping, geochemical sampling, geophysical surveying and drilling.

Pandanus West (ELA 24565), Rum Jungle NE (ELA 24586), Katherine North (ELA 24577, Nabarlek North (ELA 24868), and Nabarlek West (ELA 24564)

UXA continues to work with the Northern Land Council (NLC) to expedite the granting of these five licence applications in the Northern Territory to EL status.

An initial meeting was held on ELA 24565 in 2006. However, no clear decision was made by the Traditional Owners at the conclusion of that meeting. UXA continues to petition the NLC for a follow-on meeting.



Initial meetings were also held on ELA 24577, ELA 24868 and ELA 24564 in 2007. At the conclusion of each of these meetings, UXA received approval to continue negotiations with Traditional Owners for the grant of exploration licences. However, no follow-on meetings have been scheduled by the NLC on any of these tenements. UXA has been presented with a draft exploration agreement by the NLC regarding ELA 24577 – Katherine North. Negotiations regarding the terms and conditions of this proposed agreement are ongoing.

An initial meeting was also held on ELA 24586 in 2007. At the conclusion of this meeting the Traditional Owners placed the exploration tenement on a maximum five year moratorium. During this period, UXA has no rights to continue to negotiate with Traditional Owners for the grant of an exploration licence. However, the NLC can, at the request of the Traditional Owners, resume negotiations at any time during this period. UXA will continue to seek relief from this moratorium.

No meetings were conducted with Traditional Owners during the reporting period.

## NEW SOUTH WALES

### Gulgong / Ulan South (EL 6498)

A ground-based, 12-line electro-magnetic (EM) moving loop “SmartEM” system survey finalised on 3 March 2008, yielded a total of 8 line-kilometres of EM survey data. The survey has yielded insightful information into the conductivity signature of the western part of the Gulgong tenement adjacent to historical gold works.

Analysis of the area covered by the EM survey from State magnetic, radiometric and geological data has verified that the survey location covered an area of shallow alluvial cover over likely Silurian to Ordovician basement sediments and volcanics. Historically the area has been a site of numerous alluvial gold deposits and lies in a copper-gold province influenced by Carboniferous granitic intrusions.

Preliminary modelling of the EM survey data has revealed a conductivity anomaly along one of the lines which lies directly over a magnetic anomaly. The EM anomaly lies adjacent to the historical Periwinkle Lead for gold workings (Figure 7). This is a positive indication of a potential basement Cu-Au-sulphide body that may be responsible for the presence of alluvial gold in this area. Additional modelling and investigation is planned.

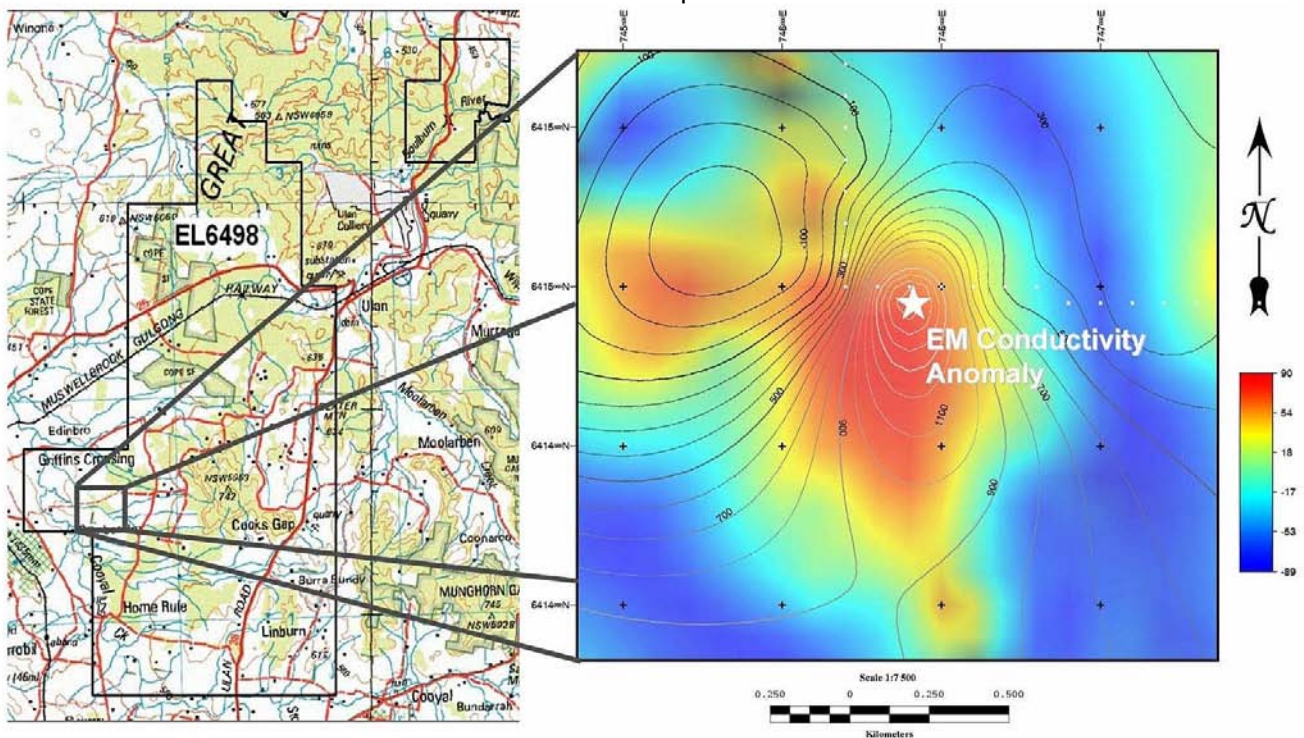


Figure 7. Gulgong EL 6498 Electro-Magnetic (EM) Field Contours (picoTeslas) with Filtered Magnetic Intensity Background



## WESTERN AUSTRALIA

### Yeelirrie South East (E36/546)

UXA will be launching a 1500m shallow hole rotary mud drilling campaign in August 2008 designed to investigate the potential for calcrete and subsurface soil hosted uranium mineralisation similar in style to BHP Billiton's world-class Yeelirrie uranium deposit.

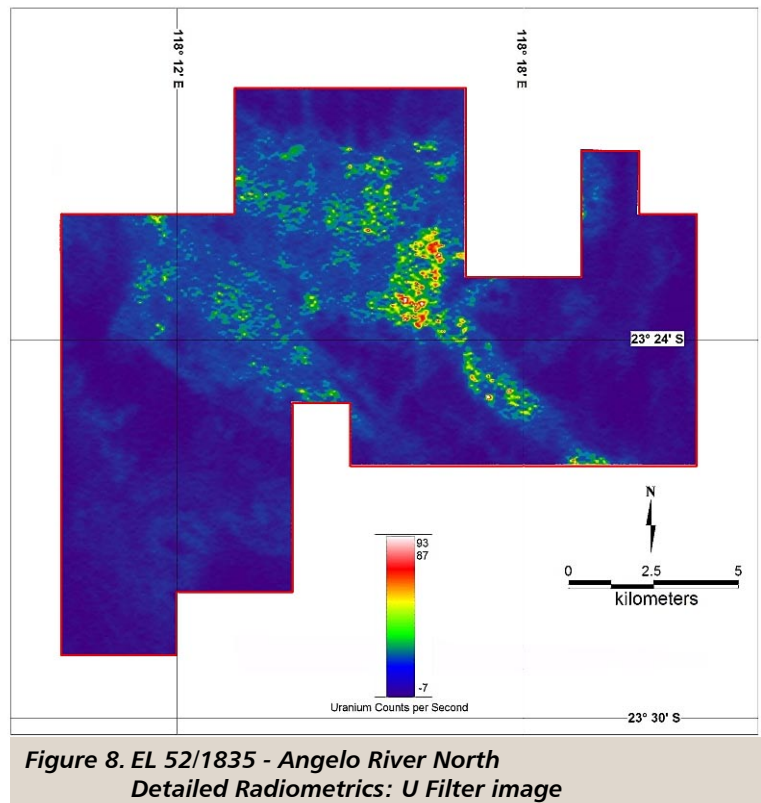
Revision of a paper written by Dickson et al 1980 "Radiometric Disequilibrium Analysis of the Carnotite Uranium Deposit at Yeelirrie Western Australia" suggests the uranium content of the resource has been over estimated by approximately 11% due to disequilibrium. UXA's drilling program will investigate the possibility of uranium migration "down stream" and potential deposition within E36/546.

### Angelo River North (E52/1835)

A geological field trip was undertaken 13 May 2008 to field-truth sources of elevated uranium signatures identified from airborne radiometric surveys conducted in 2007. One anomalous area appears to be related to an interpreted NW-trending fault with anomalous uranium along much of its length (Figure 8). The other main anomalies lie about 2 km to the NNE.

The field investigation concluded that the "anomalous" uranium signatures appear to be due to elevated and well exposed Woongarra volcanic tuff. No significant radiometric readings were recorded in the field. Several rock chip samples were collected for chemical assay (assays pending).

A significant occurrence of banded iron formation discovered within the tenement indicates potential and prospectivity for iron ore.





## CORPORATE ACTIVITIES

In June, UXA issued unlisted share options to employees under an approved employee share option plan (ESOP).

UXA continued its marketing efforts through attendance, participation and sponsorship in the AusIMM International Uranium Conference 2008 held in Adelaide on 18-19 June 2008. The Company hosted a marketing booth and sponsored the conference dinner and the MD presented a paper entitled "21-C Uranium Processing – Holistic Process Design Concepts for the 21st Century".

For further information contact:

A handwritten signature in blue ink, appearing to read "Patrick Mutz".

Patrick Mutz  
Managing Director

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## JORC COMPLIANCE STATEMENT

*Technical Information in this report is based on information compiled by Dr Rodney Boucher who is employed by Linex Pty Ltd and who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Dr Boucher has sufficient exploration experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he 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 2004"). Dr Boucher consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.*

*UXA listed on the ASX in November 2005 and was established to explore for, locate and develop commercial grade uranium mineralisation and associated copper and gold. UXA has 17 exploration licences (ELs) and 5 exploration licence applications (ELAs) located in South Australia, Western Australia, Northern Territory, and New South Wales. These exploration tenements cover approximately 9,800 km<sup>2</sup> and are predominantly located in areas of known mineral deposits.*



# MINING EXPLORATION ENTITY QUARTERLY REPORT

## Appendix 5B

Quarter Ended ("current quarter") 30 June 2008

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 mths to June 08) \$A'000
<b>Cash flows related to operating activities</b>		
1.1	-	-
1.2	-	-
(a) exploration and evaluation	(256)	(3,915)
(b) development	-	-
(c) production	-	-
(d) administration	(952)	(2,375)
1.3	-	-
1.4	112	451
1.5	-	-
1.6	-	-
1.7	63	177
<b>Net Operating Cash Flows</b>	<b>(1,033)</b>	<b>(5,662)</b>
<b>Cash flows related to investing activities</b>		
1.8	-	-
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(4)	(54)
1.9	-	-
(a) prospects (UXA-RILA JV)	-	3,450
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10	-	-
1.11	-	-
1.12	-	-
<b>Net Investing Cash Flows</b>	<b>(4)</b>	<b>3,396</b>
1.13	(1,037)	(2,266)
<b>Cash flows related to financing activities</b>		
1.14	-	2,319
1.15	-	-
1.16	-	-
1.17	-	-
1.18	-	-
1.19	-	(436)
<b>Net financing cash flows</b>	<b>-</b>	<b>1,883</b>
<b>Net increase (decrease) in cash held</b>	<b>(1,037)</b>	<b>(383)</b>
1.20	7,289	6,635
1.21	-	-
<b>1.22 Cash at end of quarter</b>	<b>6,252</b>	<b>6,252</b>



**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

*Current quarter \$A'000*

1.23	Aggregate amount of payments to the parties included in item 1.2		61
1.24	Aggregate amount of loans to the parties included in item 1.10		-
1.25	Explanation necessary for an understanding of the transactions	Non-Executive Directors' Fees	

**Non-cash financing and investing activities**

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows		N/A
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest		N/A

**Financing facilities available**

		<i>Amount available \$A'000</i>	<i>Amount used \$A'000</i>
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

**Estimated cash outflows for next quarter**

		<i>\$A'000</i>
4.1	Exploration and evaluation	1,300
4.2	Development	-
	<b>Total</b>	<b>1,300</b>

**Reconciliation of cash**

**Reconciliation of cash at the end of the quarter**  
**(as shown in the consolidated statement of cash flows)**  
**to the related items in the accounts is as follows.**

		<i>Current quarter \$A'000</i>	<i>Previous quarter \$A'000</i>
5.1	Cash on hand and at bank	67	324
5.2	Deposits at call	6,185	6,965
5.3	Bank overdraft	-	-
5.4	Other	-	-
	<b>Total: cash at end of quarter (item 1.22)</b>	<b>6,252</b>	<b>7,289</b>

**Changes in interests in mining tenements**

	<i>Tenement reference</i>	<i>Nature of interest (note (2))</i>	<i>Interest at beginning of quarter</i>	<i>Interest at end of quarter</i>
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-



### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		<i>Total number</i>	<i>Number quoted</i>	<i>Issue price per security (see note 3) (cents)</i>	<i>Amount paid up per security (see note 3) (cents)</i>
7.1	Preference + securities (description)	-	-	-	-
7.2	Changes during quarter				
	(a) Increases through issues				
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	Ordinary securities	88,802,623	88,802,623	-	-
7.4	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	Convertible debt securities (description)	-	-	-	-
7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	Options (description and conversion factor)	-	-	Exercise price	Expiry date
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		



## Compliance Statement

- 1 This statement has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~not~~ give a true and fair view of the matters disclosed.

Signed: ..... Date: 31 JULY 2008

(Company Secretary)

Print name: DAVID GODFREY

### Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.



Uranium Exploration  
Australia Limited