

ASX Announcement (ASX: USA)

13 June, 2018

## **Nomad acquisition update – signing of final agreement, payment of deposit, and resolution to issue Tranche 1 Placement shares**

### **Highlights**

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- Nomad agreement has been signed
  - Deposits paid to Nomad shareholders, comprising cash and shares
  - Resolution to issue Tranche 1 of the placement, to raise \$280,000
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On 2 May 2018 UraniumSA Ltd (ASX: USA) announced that it had agreed to acquire 100% of the issued capital of Nomad Explorations Pty Ltd (Nomad), a company which holds six highly prospective cobalt exploration assets. USA also announced that it had received binding commitments to raise \$1.2 million from sophisticated investors, to explore these and other assets of the company.

UraniumSA is delighted to announce that it has:

- executed a Share Sale and Purchase Agreement with Nomad shareholders,
- paid a deposit of \$50,000 cash and resolved to issue 14,000,000 shares to Nomad shareholders; and
- resolved to issue Tranche 1 of the placement arranged by Taylor Collison, being 40,000,000 shares at \$0.007 to professional and sophisticated investors, raising \$280,000 for exploration and working capital. The issue will be made as soon as practicable this week.

### **Amendments to key terms of the Nomad acquisition**

Since our ASX announcement of 2 May 2018, some variations have been made to the agreement between the parties. For shareholder information, the material amendments are set out below.

#### ***Waiving of Condition Precedent***

The Nomad acquisition was previously announced to be subject to a condition precedent requiring the Perseus property (ELA 5624) to be granted as an Exploration Licence (Perseus EL) before the deposit became payable by USA. At the time, the granting of the Perseus EL was considered imminent.

While the EL has not yet been issued we have been able to confirm that:

- the Perseus EL has been formally offered to Nomad, and
- the application fees have been paid to the relevant regulator.

However, to date the Exploration Licence has not been formally granted, so the condition precedent has not been met. This caused an unexpected and prolonged delay in proceeding with the acquisition and calling an EGM for shareholders to vote on the transaction.

In light of this, and with the full expectation that the Perseus EL will in due course be granted, USA agreed to remove the condition precedent - whilst deferring part of the consideration as noted below.

### ***Adjusted consideration for the Nomad Acquisition***

Although the condition precedent has been waived, Perseus remains an important component of the tenement package offered by Nomad. Accordingly, some of the consideration for the acquisition is to be held back pending the Perseus EL being granted.

Specifically, Nomad shareholders have consented to have 120,000,000 shares (which were to have been issued immediately following shareholder approval) instead issued as Class C Performance Rights (also subject to shareholder approval). The Class C Performance Rights will be convertible on a one for one basis into fully paid ordinary shares in the capital of UraniumSA once the Perseus EL is granted. Each Class C Performance Right which has not converted to USA shares will automatically expire and terminate on the date that is 12 months from the date the Company's shareholders approve the issue of the Class C Performance Rights.

In addition, 16,000,000 shares which were to have been issued as a deposit to Nomad shareholders will now be issued following shareholder approval.

In all other respects the consideration payable to Nomad shareholders is the same as that outlined in our ASX release of 2 May 2018.

<b>Components of consideration payable to Nomad shareholders</b>		
	<b>2 May 2018 announcement</b>	<b>Today's announcement</b>
<b>Cash deposit</b>	<b>\$50,000</b>	<b>\$50,000</b>
Share deposit (issued under Listing Rule 7.1)	30,000,000	14,000,000
Shares subject to shareholder approval	300,000,000	196,000,000
Class A Performance Rights	140,000,000	140,000,000
Class B Performance Rights	140,000,000	140,000,000
Class C Performance Rights	-	120,000,000
<b>Total securities</b>	<b>610,000,000</b>	<b>610,000,000</b>

### ***Amended Placement Tranche amounts***

On 2 May 2018, USA announced that Taylor Collison had successfully received commitments from professional and sophisticated investors to raise approximately \$1,200,000 at \$0.007 (before costs) by way of a two tranche placement. The composition of the tranches has been amended, as set out in the table below.

<b>Components of Placement tranches</b>		
	2 May 2018 announcement	Today's announcement
Tranche 1 (issued under Listing Rule 7.1)	60,000,000	40,000,000
Tranche 2, subject to shareholder approval	111,500,000	131,500,000
<b>Total securities</b>	<b>171,500,000</b>	<b>171,500,000</b>

We welcome the Nomad and Placement shareholders to UraniumSA's share register, and thank them for the faith they have placed in the strategy we are pursuing.

### Updated Indicative Timetable

The indicative timetable outlined in our ASX release of 2 May 2018 has necessarily been delayed for the reasons set out above. Our updated indicative timetable for the completion of the Nomad acquisition is set out below:

<b>Event</b>	<b>Date</b>
Despatch of Notice of Extraordinary General Meeting	On or about 25 June 2018
Date of Extraordinary General Meeting	On or about 27 July 2018
Completion of Nomad acquisition and issue of Shares and Performance Rights	On or about 3 August 2018

As previously advised, a resolution to change the company's name is also expected to be considered by shareholders at the EGM.

### Operational update

UraniumSA has started geological investigations of the tenements owned by Nomad. The initial focus has been on the NSW projects, Perseus and Midas. These two tenements are highly prospective for cobalt and are located in the Broken Hill region. This area is increasingly emerging as a potential global cobalt supply chain hub, with a number of other explorers in the region significant cobalt discoveries.

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Chairman

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