ABN: 48 119 978 013

ASX Announcement (ASX: USA) 21 June 2018

MIDAS PROJECT COBALT PROSPECTIVITY

SUMMARY:

- **Extensive area of the highly prospective and underexplored Thackaringa Group rocks identified at the Midas project.**
- **Historic drilling primarily focussed on Broken Hill Style mineralisation without assaying for cobalt, leaving the Midas project virtually untested for cobalt mineralisation.**
- **Over 10km of prospective quartz magnetite horizon identified by previous explorers with historic Cu anomalies to follow-up for potential Co mineralisation.**
- **Six priority areas based on historic work outlined for initial Co exploration focus.**
- **Midas project is contiguous to Silver City Minerals tenure (ASX: SCI) which discovered a folded Co-Cu mineralised belt along a 25km strike [1].**

UraniumSA Limited (ASX: USA) ("USA" or "the Company") is pleased to announce that results of the Company's prospectivity review of the recently acquired Midas project, highlighted an extensive package of Thackaringa Group rocks virtually untested for cobalt mineralisation. The review has identified a number of lithological and geochemical anomalies for immediate follow-up.

The Midas project is 40km NE of Broken Hill and is one of six highly prospective cobalt-copper projects currently being acquired by the Company from Nomad Explorations Pty Ltd (Nomad)[2]. Midas is one of two Nomad cobalt-copper projects located in the Broken Hill region which is increasingly emerging as a potential global cobalt supply chain hub. The other NSW project is the Perseus project which is 20km west of Broken Hill, close to high-profile Cobalt Blue's (ASX: COB) Thackaringa project (Figure 1).

UraniumSA Non-Executive Chairman, Alice McCleary commented: *"The results of the Company's initial prospectivity review of the Midas project are very exciting. An extensive package of prospective Thackaringa Group rocks at the Midas project is virtually untested for cobalt mineralisation. With the discovery of cobalt mineralisation by other explorers adjacent to the Midas project we look forward to commencing field work in the near future" said Ms McCleary.*

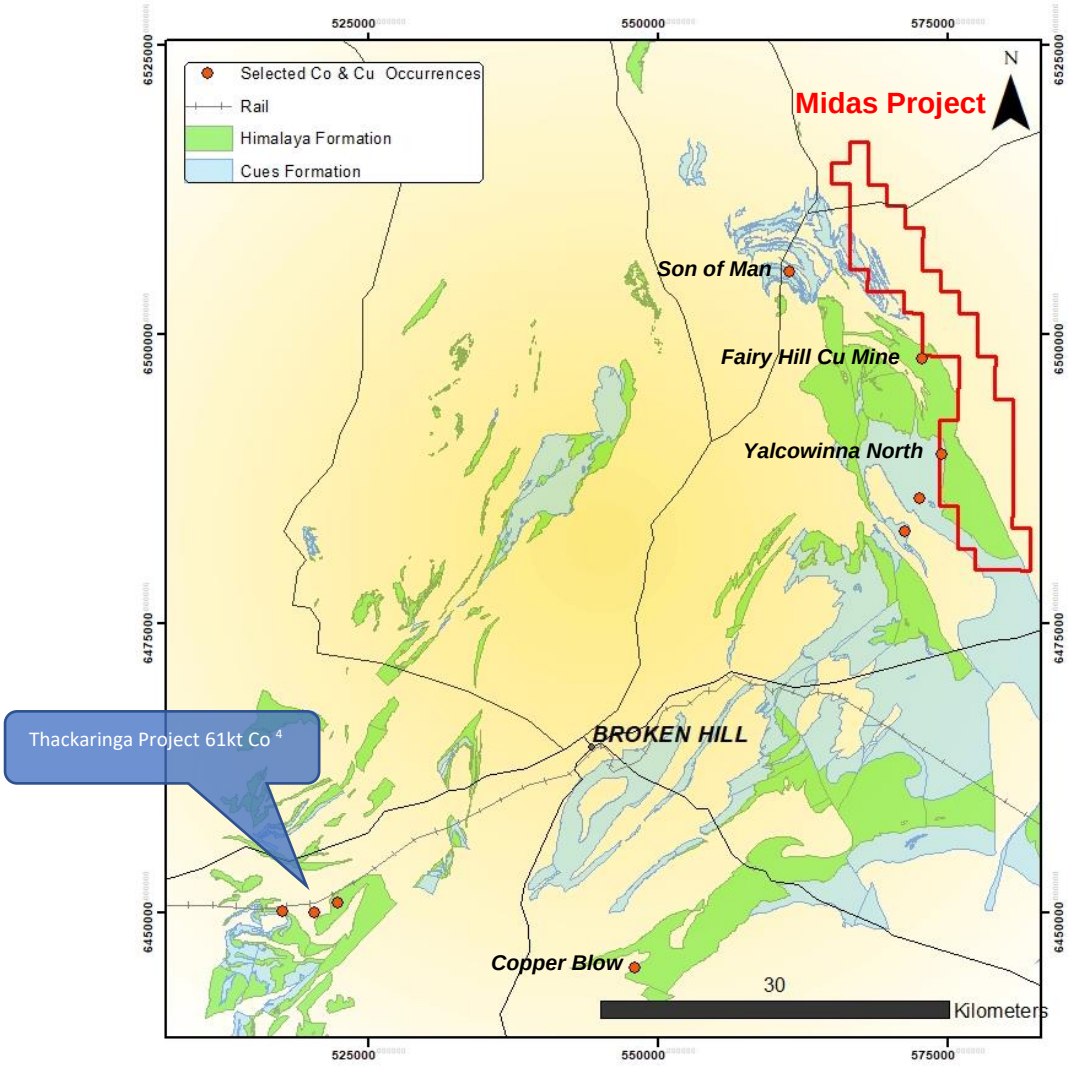

FIGURE 1: MIDAS Project Location Source: USA geology team

Midas Prospectivity Review

A closer review of the geology mapping by the Geological Survey of NSW and previous explorers has highlighted the presence of extensive Thackaringa Group rocks including the Himalaya Formation that hosts Cobalt Blue's (ASX:COB) Thackaringa Cobalt Project to the west of Broken Hill. Historic exploration focussed on Broken Hill Style, copper and copper-gold mineralisation, with virtually no attention to cobalt.

The company believes the Midas project area is prospective for at least 2 styles of cobalt mineralisation:

- The Himalaya style cobalt mineralisation where cobalt is associated with pyrite (i.e. Thackaringa Project COB).

- Sisters style mineralisation where cobalt is associated with iron formations such as quartz magnetite rock and often contain copper.

Both styles of mineralisation respond well to geophysics and a review of available geophysics is in progress. Previous explorers identified around 10km of quartz magnetite horizon containing anomalous Cu located along its length. This is encouraging because of the copper-cobalt mineralisation is in similar lithologies announced by Silver City Minerals on their adjacent Yalcowinna EL8078[3].

From our initial review, USA has identified six priority areas for immediate follow-up based on historical mapping, geochemistry and geophysics (Figure 2). All priority areas are within the prospective Thackaringa Group rocks and are listed below:

1. Yalcowinna North prospect: historic Cu anomalism up to 640ppm extending over 5km long mapped quartz magnetite horizon.

2. ~2km long linear aeromagnetic anomaly just north of Yalcowinna North, coincident with historic mapping of quartz magnetite horizon. No drilling recorded in area.

3. Coincident bulls eye aeromagnetic anomaly with historic RAB Cu anomaly in 3 holes > 100ppm Cu, up to 180ppm Cu.

4. Southern part of EL, historic mapped quartz magnetite horizon approximately 10km in length, coincident with magnetic anomaly and potentially along strike from SCI's Yalcowinna West prospect.

5. ~1km long aeromagnetic anomaly, coincident with Co anomalism (180ppm) in historic RAB drilling.

6. Northern area with ~6km strike length of Thackaringa Group rocks (Cues Formation), with a mapped hydrothermal quartz vein occurrence (MinView) and coincident magnetic anomalism.

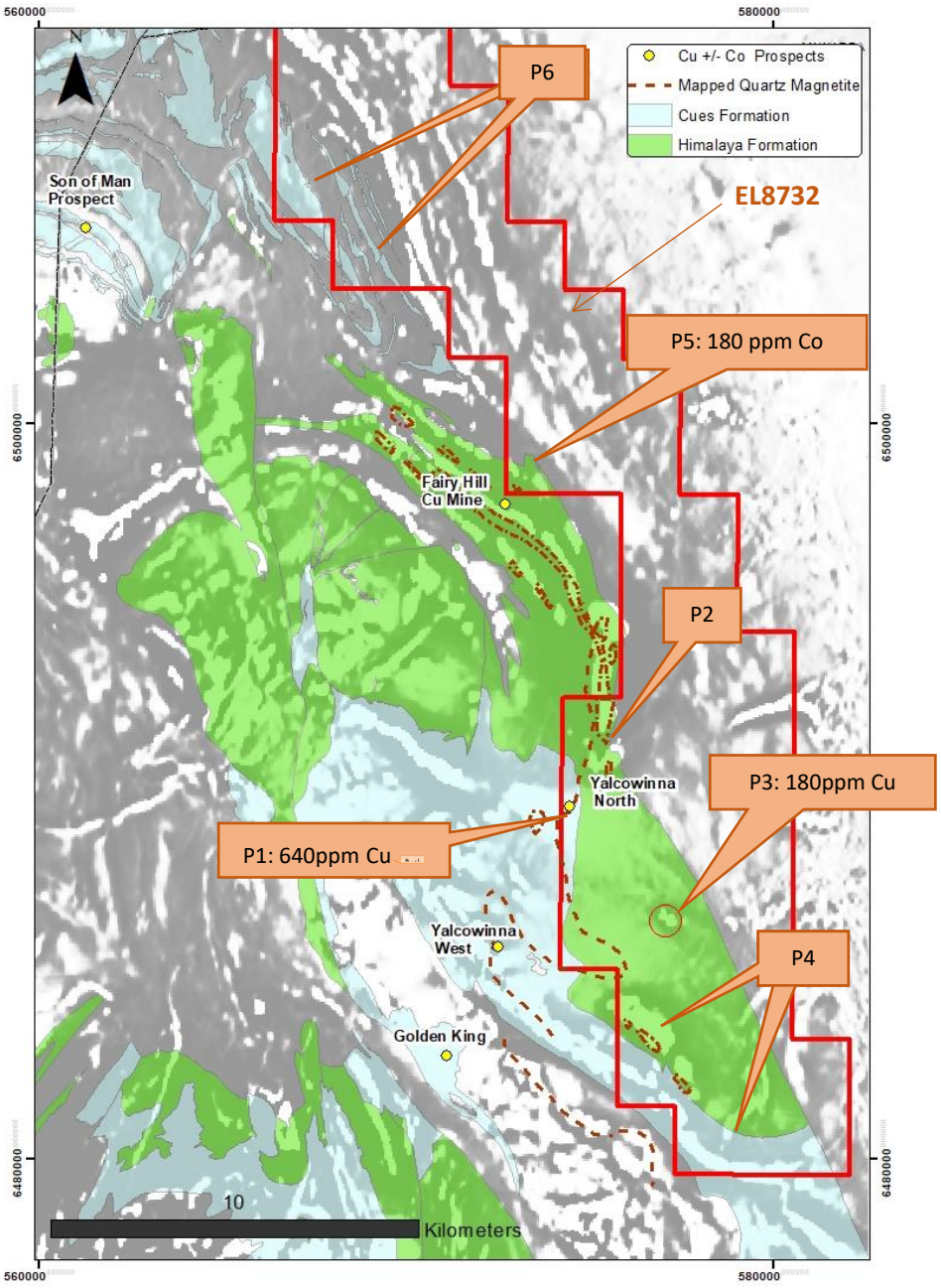

FIGURE 2: MIDAS PRIORITY AREAS FOR EXPLORATION

Source: USA geology team, Himalaya and Cues Formation over 1VD background aeromagnetic image.

Next Steps

The company is planning a regional surface geochemistry program to rapidly identify cobalt anomalies within the Midas Project Area. The six identified priority areas will be the company's initial focus of exploration, however the whole prospective sequence of Thackaringa Group rocks will be actively explored. Results will be reported as they become available.

For and on behalf of the Board

Alice McCleary
Non-Executive Chairman
UraniumSA Limited

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Geological Interpretation and Historical Exploration Results is based on information compiled by Ian Warland, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Warland is employed by Nile Exploration Pty Ltd. Mr Warland has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Warland consents to the inclusion in the report of the matters based on his information and the form and context in which it appears.

References

1) SCI ASX Release 22 February 2018
2) USA ASX Release 13 June 2018
3) SCI ASX Release 17 October 2017
4) COB ASX Release 19 March 2018

For further information, please contact:

Martin Janes, Non-Executive Director

UraniumSA Limited

Ph: +618 132 0577

1. JORC CODE, 2012 EDITION – TABLE 1 REPORT TEMPLATE

1.1 Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	The sampling reported in this release relates to historic RAB drilling conducted from the 1970's to the 1990's. As such not all the details of the sampling are recorded or known, however the competent person considers the information on sampling sufficient for this level of exploration reporting. Where details are known they are reported below under the relevant company. • Newmont RAB Drilling ("Rotary Percussion") Regional exploration drilling conducted between 1975 and 1978 on historic EL770 and EL 772. RAB samples were taken from bedrock, ~ 1m below alluvium/bedrock interface. Samples sieved -80 mesh and analysed for Cu, Pb and Zn by A.C.S Laboratories Pty Ltd in Adelaide using AAS following a perchloric acid leach. • CRA Exploration (CRAE) RAB Drilling conducted between 1980 and 1984 on historic EL1407. Samples were collected in weathered bedrock at the bottom of each hole and analysed for Pb, Zn, Cu, Mn with an acid digestion and AAS analysis and W with XRF analysis. • Aberfoyle Resources Ltd (Aberfoyle) conducted RAB drilling between 1990 and 1993 on historic EL3152. Regional drilling of prospects. Samples were taken from bedrock at the bottom of the hole. Sample was sent to Analabs in Adelaide and Assayed for Cu, Pb, Zn, Ag, Cd, Co, Ni, Mn, Fe (sample method: GA140), As (Sample Method GA114)

Criteria	JORC Code explanation	Commentary
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drilling results reported are from RAB ("Rotary Percussion") drilling, results are historic and drilling details are unknown.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RAB Drilling results are historic and recovery details are unknown and not considered pertinent for the use in this release.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Newmont: geological logging of historic results was qualitative, basic description of lithology. • CRAE geology logging details are historic and not fully known. • Aberfoyle geological logging is qualitative with a basic lithological description. The Competent Person considers the level of geology description sufficient for this level of regional exploration.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Diamond Drilling not reported in this release. • RAB drilling results are historic and sampling and QAQC techniques are not fully known or considered pertinent for use of the data in this release. • Newmont: samples from RAB drilling were -80mesh grain size and considered appropriate for reporting of exploration results.
Quality of assay data and	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc,*	• Historic drill assays, laboratory techniques and procedures are not fully known, however its considered to be completed by large exploration companies and the Competent Person has found no information to suggest it was not done to acceptable industry standard at the time.

Criteria	JORC Code explanation	Commentary
laboratory tests		• Newmont and CRAE both used AAS techniques for base metals after an acid digest. • Aberfoyle listed the laboratory method for Cu, Pb, Zn, Ag, Cd, Co, Ni, Mn, Fe (sample method: GA140), As (Sample Method GA114) • No geophysics reported in this release.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Data verification, data security, due care and data custody are expected to have followed leading practice at the time of each drilling campaign, in the review of the available historical open source information the CP has encountered no reason to have questioned this assumption.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The drill hole information for the historical exploration results is sourced from historical tenure reports available on the relevant state government mineral exploration databases and/or their respective GIS systems (NSW): ➢ NSW: http://digsopen.minerals.nsw.gov.au/ • The Competent Person considers the level of error associated with the borehole collar survey methods and the historical borehole spacing to be appropriate for the reporting of exploration results and as an indication of the mineralization prospectivity for the mineral tenements.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Review of previous reports for Newmont, CRAE and Aberfoyle indicates historic drilling was generally widely spaced lines of around 400m to 1600m apart with drill holes spaced around 25 to 200m along each drill line. • No mineral resources or reserves have been estimated. • The competent person considers the level of error associated with the borehole collar survey methods and the historical borehole spacing to be appropriate for the reporting of exploration results and as an indication of mineralization prospectivity for the mineral tenements.
Orientation of data in	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering*	• Historic drilling was typically conducted in lines perpendicular to the strike of the main geological units which is considered appropriate for

Criteria	JORC Code explanation	Commentary
relation to geological structure	*the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	regional exploration drilling. • Detail of the relationship of the drilling orientation and mineralisation is unknown.
Sample security	• *The measures taken to ensure sample security.*	• Historic drilling results sample security is not reported and unknown however due to drilling conducted by large companies the sample security, due care and chain of custody are expected to have followed leading practice at the time of each drilling campaign, in the review of the available historical open source information the Competent Person has encountered no reason to have questioned this assumption.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No Independent Third Party formal audits have been completed by the current tenure holder or statements of historical audits have been observed in the historical tenement documents.

1.2 Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The mineral project areas referred to in this announcement are held by Nomad Exploration Pty Ltd and are as follows: ➢ NSW – Midas Exploration License (EL8732) consisting of 62 units granted on 29/03/2018 and expiring on 29/03/2024
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The historical tenure reports are publicly available on GSNSW MinView website. There have been several explorers over the last 50 years whose tenure partially overlaps EL8732. Exploration was mostly for base metals and precious metals with very little assay work done for cobalt. The main explorers include; Newmont Pty Ltd, Aberfoyle Resources Ltd, CRA Exploration Pty Ltd, Minor Mining, PlatSearch, Silver City Mining, and Pmr3 Pty Ltd. The data relevant for this release is from Newmont Pty Ltd, CRAE and Aberfoyle. ➢ Aberfoyle Resources Ltd tenement EL3152: Conducted RAB drilling mostly to the west of EL8732. ➢ CRAE held tenements EL1407, EL1428 and EL1396, and explored for Broken Hill Style Deposits and conducted geochemical, geophysical surveys, mapping and RAB Drilling. ➢ Newmont Pty Ltd held tenements EL770 and EL772, and explored for Broken Hill Style Deposits and conducted geochemical, geophysical surveys, mapping and RAB Drilling. ➢ Pmr3 Pty Ltd held tenement EL8023 from 2012 to 2014 and completed a desktop review and geochemistry.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The historical tenure reports indicated that: ➢ The projects lie within the geological complex Curnamona Province, which contains a large variety and unusual suite of geological units as a result of complex geological history with multiple metamorphic and mineralizing fluid events. The projects are prospective for cobalt sulphide mineralisation, specifically

Criteria	JORC Code explanation	Commentary
		Thackaringa style or Great Eastern mineralisation. Cobalt is expected to be hosted with copper-iron formations, described as the "Great Eastern Type." The projects are located in the same region as the Cobalt Blue Holdings (COB) Thackaringa Project,

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• All drill hole locations are taken from the GSNSW GIS datasets available through GSNSW website "MinView". The drilling results are historic, and the details are not fully known. The data in the GIS datasets are considered by the Competent Person to be of sufficient standard for the purposes of regional exploration and for use in this release.
		• Historic RAB holes were all drilled vertically.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Drilling assay data is historic and sourced from GSNSW GIS datasets "MinView". Details of the data are not full known. That data is considered by the Competent Person as appropriate for use in this release. • No metal equivalents are used in this release.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• RAB drilling was conducted primarily to drill through cover sequence and obtain a sample from the bedrock. Drill sampling was exploratory in nature and appropriate for the exploration results reported in this release. • Samples were taken at the bottom of hole only at the intersection of bedrock which was appropriate sampling media for exploration purposes. • The geometry of the mineralisation is not known at this time.

Criteria	JORC Code explanation	Commentary
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to this release for plan and diagrams, the Competent Person views the diagrams as appropriate for reporting of historic results in this release. • Mapped quartz magnetite horizons are based on historic maps with positions only approximate. The Competent Person considers these diagrams appropriate detail and scale for this level of regional exploration.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The reporting is considered to be balanced.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Exploration has included surface mapping, geochemistry, geophysics and drilling by several companies since the 1970's. Review of this data is ongoing. Mapping of geological units such as quartz magnetite horizons by previous explorers often coincides with magnetic anomalies and anomalous drill results. Analysis of Co was rarely done and hence will be the focus of ongoing exploration.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Preliminary desktop studies are ongoing and will determine the detailed strategy for the exploration program for the project areas based on review of historical and publicly available information. • The desktop studies have provided initial areas to follow up with field mapping, geological mapping, geochemical sampling and where warranted exploration drilling. • These areas identified in the release will be assessed for Co prospectivity.