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USA Chairman's address, 2015

Welcome to the 2015 Annual General Meeting of UraniumSA Limited.

There is some good news:

- The spot price for uranium is the best performing mining commodity in the world this year a 0.4% increase. There hasn't been much competition with virtually all other mining commodity prices falling.
- World production of uranium is down by 3%, which has in part supported the price rise.
- And 65 new reactor plants are under construction all requiring uranium feedstocks. 22 of the new generators are in China.
- There have been 2 restarts in Japan, with a third Japanese reactor now approved to restart in early 2016. A further 22 plants are expected to win approvals from the Japanese Government.
- The World Nuclear Association estimates that while 60 operating reactors will close by 2030 they will be **replaced with 270 new plants**.

Commodity Prices US dollars	Price 18-Nov-15	% move Last Month	% move Last Year
Uranium \$/lb	36.0	-4.6	0.4
Gold (\$/oz)	1069.3	-9.6	-9.7
Copper (LME \$/t)	4699.0	-11.4	-26.2
Zinc (LME \$/t)	1526.5	-14.1	-29.6
Iron Ore (62% \$/mt)	45.6	-8.5	-8.5
Crude Oil (WTI \$/bbl)	40.7	-13.8	-23.5

But there is also some dampening news:

- The uranium price remains moribund. At this meeting last year I had hoped that the upward trend we saw in the uranium price in 2014 would continue, but instead it has simply flattened.
- Conversion of highly enriched uranium from military uses to electricity generation continues to add to the oversupply situation as does improved efficiency in enrichment capabilities.

This all makes for a complex and somewhat contradictory story, and Macquarie Bank for example estimates that any price rise in uranium will be gradual, and over several years.

For UraniumSA, this is of course unwelcome news. Like other mining companies, we face difficult times but we remain confident that our tenements and projects are intrinsically valuable. We continue to believe that uranium is a commodity which is essential for global development. This is supported very strongly by the 270 new reactors expected to be built by 2030.

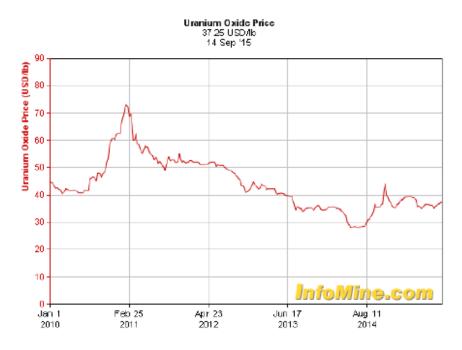
Our Samphire project tenements remain in good standing, and have manageable expenditure commitments. We would like to thank the South Australian government for its flexible approach to tenement management in these difficult times.

Our geoscience team continues to focus on improving the understanding and quality of the Samphire project uranium resource. This work prompted us to apply for six new exploration licences in South Australia where we believe there is also good potential for unconformity related uranium accumulations.

The South Australian Government's Royal Commission into the Nuclear Fuel Cycle has brought renewed attention to our sector, with wide-ranging terms of reference and a genuine desire to explore all the potential ways the State could benefit from becoming an active international player in the nuclear cycle. Whilst the Commission has only a small focus on uranium exploration, we urge shareholders to actively follow the progress of this initiative. It has the potential to bring more balance to the community's views of uranium, an outcome which would be most welcome.

During the year UraniumSA has taken further steps to reduce operating costs, by moving to a smaller and cheaper office and minimising the cash component of salaries. We are grateful for the support that has come from our major shareholder during the year.

In closing, I thank our staff, our shareholders, and my board colleagues for their continued support of UraniumSA. These remain tough times, but all those involved in the mining sector understand that economic cycles wax and wane – patience and persistence are required, and this company has both. **2016 will be a better year.**



5 year historic Uranium spot price