

URANIUMSA LIMITED AND CONTROLLED ENTITIES
ABN 48 119 978 013



FINANCIAL REPORT

HALF-YEAR ENDED
31 DECEMBER 2015

URANIUMSA LIMITED AND CONTROLLED ENTITIES
ABN 48 119 978 013

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CORPORATE DIRECTORY

Directors

Alice McCleary - Non-executive Chairman
David Paterson - Executive Director
Russel Bluck - Executive Director
Martin Janes - Non-executive Director

Chief Financial Officer / Company Secretary

Damien Connor

Registered Office & Administrative Office

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Auditor

Grant Thornton Audit Pty Ltd
Level 1, 67 Greenhill Road Wayville SA 5034

Banker

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URANIUMSA LIMITED AND CONTROLLED ENTITIES
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DIRECTORS' REPORT

Your Directors present this report on UraniumSA Limited and its consolidated entities (Group) for the half-year ended 31 December 2015.

Directors

The names of each person who has been a Director during this half-year to the date of this report are:

Alice McCleary
David Paterson

Russel Bluck
Martin Janes

Company Secretary

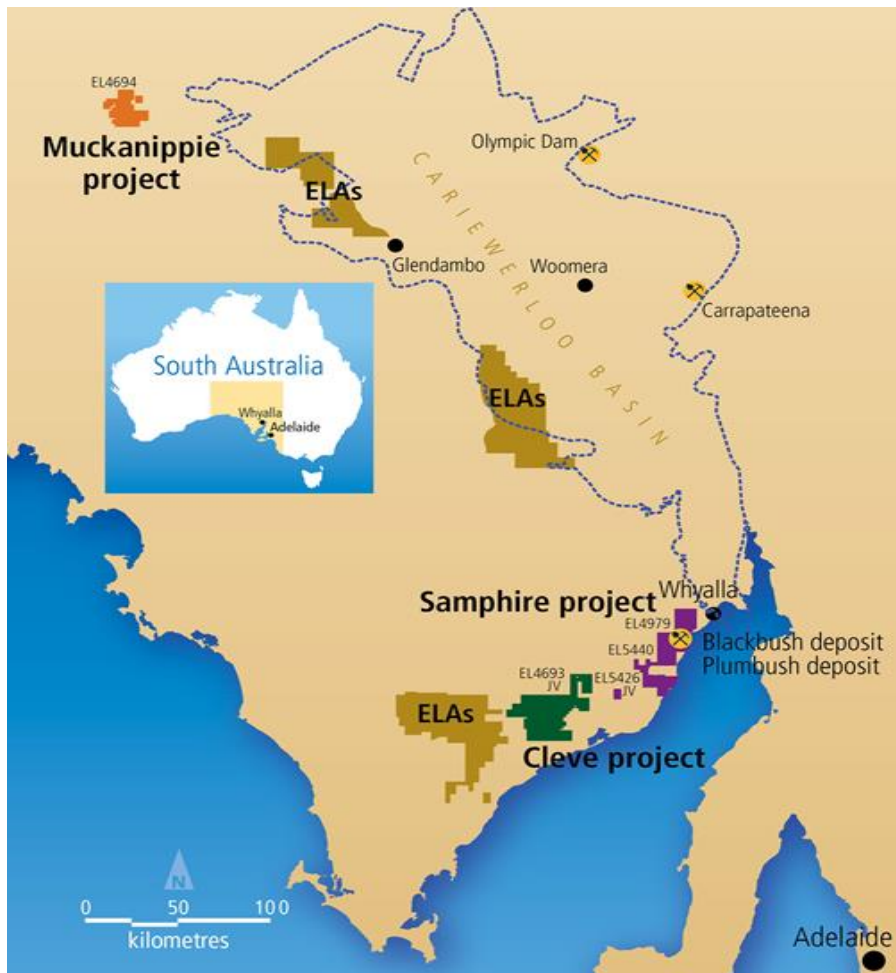
Damien Connor

Review of Operations

The loss of the Group for the half-year ended 31 December 2015 after providing for income tax of nil was \$254,181 (2014: \$315,027).

The Group's exploration activities during the six months ended 31 December 2015 was focused on the Samphire project located 20km south of Whyalla on the Eyre Peninsula in South Australia.

Funding exploration activities continued to be difficult during the period and like many other explorers activities were constrained significantly. Operating and overhead cost control and asset rationalisation continued where possible. The Company moved offices in October.



Six exploration licences were applied for in South Australia considered prospective for unconformity and related uranium accumulations. Subsequent to 31 December 2015 the area of application has been reduced.

SAMPHIRE PROJECT

Blackbush Deposit

Parallel strategies are being applied to the Blackbush deposit. The first is to identify which mining and metallurgical processing routes will provide the best opportunity for profitable development. The second is to continue to identify high grade mineralization in both the well-known sediment-hosted sections of the deposit and also in new settings which are outside the presently known extents of the deposit.

During the reporting period;

1. Several conceptual models for open pit voids to access the known mineralisation were reported. The conclusion from the work was that the amounts of waste and mineralization from the voids and the indicative bulk grade of mineralisation compared favorably with information from comparable uranium deposits and further investigation of open pit mining was justified.
2. Laboratory scouter testing and geological modelling to identify possible routes for low-cost physical beneficiation of a run-of-mine mineralisation were commenced. Initial results have been encouraging and the work will be continued.
3. Work to delineate existing and new high grade mineralisation is focused on drilling two inclined sonic holes in the Western Zone at Blackbush. This drilling will give us our first core samples of the blanket high grade mineralization which extends along the basal Eocene unconformity and investigate down-dip alteration and veining in the underlying basement granite for high grade mineralization analogous to Canadian Athabasca occurrences.

Uranium Metallurgy

Commissioned and collaborative metallurgical investigation of the recovery of uranium from saline ground water dominated systems has been completed. Reporting has been received and the various component parts of the entire project are being collated.

As reported elsewhere, emphasis has switched to investigation of the potential for mechanical processing of possible run-of-mine mineralisation from open pit voids.

Ongoing work and strategy for 2016

1. Continuing the consideration of mining methods, in particular open pit, to the stage where a decision to commission formal scoping and engineering studies can be justified.
2. Continue the investigation of physical processing methods through laboratory testing and geological appraisal of existing core material.

Previously reported tonnage and grade scenarios for the existing Blackbush deposit are summarized below.

Blackbush deposit

Blackbush deposit has been re-estimated to comply with JORC Code 2012 (ASX 27 September 2013):

- at a 100ppm eU₃O₈ cut-off a headline estimated inferred resource 64.5 million tonnes of mineralisation at a bulk grade of 230ppm containing 14,850 tonnes eU₃O₈.
- at a 200ppm eU₃O₈ cut-off grade, an estimated inferred resource 19.5 million tonnes of mineralisation at a bulk grade of 460ppm containing 8,900 tonnes eU₃O₈.
- at a 500ppm eU₃O₈ cut-off grade, an estimated inferred resource 4.5 million tonnes of mineralisation at a bulk grade of 960ppm containing 4,500 tonnes eU₃O₈.

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MUCKANIPPIE PROJECT

Only limited work was carried out on this project during the period. Identification of potential joint venture partners for EL 4694 continued.

CORPORATE

On both the 28 July 2015 and 21 December 2015 the Company drew down on \$100,000 under the \$300,000 secured convertible loan facility ("Facility") announced to the ASX on 30 April 2015. \$100,000 remains undrawn.

During the period the Company has reviewed a number of new project opportunities involving minerals and energy other than uranium.

URANIUM PRICE

A recovery of the Japanese nuclear power generation market which was suspended following the Fukushima tsunami in 2011 is now well underway.

Three Japanese nuclear plants restarts have operated to plan. An additional 2 Japanese reactors (Takahama 4 and Ikata 3) were approved for restart and are on schedule for coming weeks. China had 30 reactors in operation at the end of 2015 with another 24 units currently under construction, and another 15 additional reactors likely to commence construction in 2016.

The December 2015 Climate Change Treaty agreed in Paris will if adopted see further moves away from fossil fuel as a source of power generation in coming years. Nuclear will be one of the winners from the anticipated change in the mix of global energy sources.

While the medium to long term outlook is positive, the short term outlook continues to be dominated by inventory overhang and sluggish demand.

Events Subsequent to Reporting Date

On 11 January 2016 2,100,000 fully paid ordinary shares in the Company, in aggregate, were issued to Directors Alice McCleary, Martin Janes, David Paterson and Russel Bluck in lieu of cash payments for director fees for the six month period to 31 December 2015. Shareholder approval for the issue was granted at the Company's AGM held on 19 November 2015. The fair value of shares issued was \$42,000.

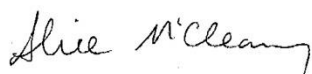
On 1 March 2016 the Company reached agreement with its \$300,000 secured convertible debt facility ("Facility") lender to extend the term of the Facility by 18 months from 4 November 2016. The Facility maturity date is now 3 May 2018. In consideration for the extension UraniumSA has agreed to issue to the lender or its nominee 588,235 ordinary fully paid shares in the company at an issue price of \$0.017.

There are no further material event subsequent to the half-year ended 31 December 2015.

Auditor's Declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5 for the half-year ended 31 December 2015.

This Report is signed in accordance with a resolution of the Board of Directors.



Alice McCleary
Chairman

Dated this 2nd day of March 2016

COMPETENT PERSON STATEMENT

The exploration results mineral resources reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr Russel Bluck a Director of UraniumSA Limited and Member of the Australian Institute of Geoscientists with sufficient experience relevant to the style of mineralisation and type of deposits being considered, and to the activity which is reported to qualify as a Competent Person as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 Edition). Mr Bluck consents to the inclusion in the report of matters based on his information in the form and context in which it appears. It should be noted that the abovementioned exploration results are preliminary.

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AUDITOR'S INDEPENDENCE DECLARATION



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**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF URANIUMSA LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of UraniumSA Limited for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.


GRANT THORNTON AUDIT PTY LTD
Chartered Accountants


J L Humphrey
Partner - Audit & Assurance

Adelaide, 2 March 2016

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URANIUMSA LIMITED AND CONTROLLED ENTITIES
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

		CONSOLIDATED GROUP	
		31-Dec 2015	31-Dec 2014
	Note	\$	\$
REVENUE FROM ORDINARY ACTIVITIES			
Revenue from ordinary activities	2	7,826	13,610
EXPENSES FROM ORDINARY ACTIVITIES			
Depreciation and amortisation expense		(3,384)	(10,780)
Employee benefits expense		(56,218)	(120,910)
Occupancy expense		(29,421)	(37,731)
Consulting expense		(62,941)	(52,454)
ASX listing and share registry expense		(32,920)	(37,987)
Exploration expensed		(2,250)	-
Other expenses from ordinary activities		(74,873)	(68,775)
LOSS BEFORE INCOME TAX EXPENSE		(254,181)	(315,027)
Income tax expense		-	-
LOSS FOR PERIOD		(254,181)	(315,027)
LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY		(254,181)	(315,027)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(254,181)	(315,027)
TOTAL COMPREHENSIVE INCOME ATTRIBUTED TO MEMBERS OF THE PARENT ENTITY		(254,181)	(315,027)
		Cents	Cents
Basic loss per share		(0.1)	(0.2)
Diluted loss per share		(0.1)	(0.2)

The accompanying notes form part of the financial statements.

URANIUMSA LIMITED AND CONTROLLED ENTITIES
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

		CONSOLIDATED GROUP	
	Note	31-Dec 2015	30-Jun 2015
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	128,844	104,964
Trade and other receivables		11,563	85,078
Other current assets		30,466	22,820
Total current assets		170,873	212,862
NON-CURRENT ASSETS			
Property, plant and equipment	4	713,130	740,105
Exploration and evaluation expenditure	5	14,382,314	14,270,284
Total non-current assets		15,095,444	15,010,389
TOTAL ASSETS		15,266,317	15,223,251
CURRENT LIABILITIES			
Trade and other payables		141,750	113,684
Borrowings	9	200,000	-
Provisions		67,081	63,648
Total current liabilities		408,831	177,332
NON-CURRENT LIABILITIES			
Provisions		1,290	1,307
Total non-current liabilities		1,290	1,307
TOTAL LIABILITIES		410,121	178,639
NET ASSETS		14,856,196	15,044,612
EQUITY			
Issued capital	6	26,058,199	25,993,199
Reserves		265,183	272,498
Retained losses		(11,467,186)	(11,221,085)
TOTAL EQUITY		14,856,196	15,044,612

The accompanying notes form part of the financial statements.

URANIUMSA LIMITED AND CONTROLLED ENTITIES
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STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Issued Capital	Share Option Reserve	Retained Losses	Total
	\$	\$	\$	\$
BALANCE AT 1 JULY 2014	25,585,141	324,820	(9,759,616)	16,150,345
Shares issued during the period	373,058	-	-	373,058
Fair value of options issued	-	2,676	-	2,676
Total comprehensive income for the period	-	-	(315,027)	(315,027)
BALANCE AT 31 DECEMBER 2014	25,958,199	327,496	(10,074,643)	16,211,052
BALANCE AT 1 JULY 2015	25,993,199	272,498	(11,221,085)	15,044,612
Shares issued during the period	65,000	-	-	65,000
Fair value of options issued	-	765	-	765
Transfer share option reserve to retained loss	-	(8,080)	8,080	-
Total comprehensive income for the period	-	-	(254,181)	(254,181)
BALANCE AT 31 DECEMBER 2015	26,058,199	265,183	(11,467,186)	14,854,196

The accompanying notes form part of the financial statements.

URANIUMSA LIMITED AND CONTROLLED ENTITIES
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STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	CONSOLIDATED GROUP	
	31-Dec 2015	31-Dec 2014
CASH FLOWS FROM OPERATING ACTIVITIES	\$	\$
Receipts from operations	4,548	4,821
Payments to suppliers and employees	(171,215)	(388,410)
Interest received	1,219	6,933
Research & development tax concession	78,396	-
NET CASH USED IN BY OPERATING ACTIVITIES	(87,052)	(376,656)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration expenditure	(89,068)	(221,365)
Proceeds from sale of property, plant and equipment	-	66,098
NET USED IN INVESTING ACTIVITIES	(89,068)	(155,267)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issue of ordinary shares	-	240,000
Proceeds from borrowings	200,000	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	200,000	240,000
Net increase/(decrease) in cash held	23,880	(291,923)
Cash at beginning of period	104,964	503,190
CASH AT END OF PERIOD	128,844	211,267

The accompanying notes form part of the financial statements.

URANIUMSA LIMITED AND CONTROLLED ENTITIES

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICES

Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2015 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of UraniumSA Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2015, together with any public announcements made during the half-year.

Significant Accounting Policies

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2015, except for the application of the following standards as of 1 July 2015:

- AASB 2015, Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 materiality.
- AASB 2013-9, Amendments to Conceptual Framework, Materiality and Financial Instruments
- AASB 2014-1, Amendments to Australian Accounting Standards Part E
- AASB 2014-8, Amendments to Australian Accounting Standards arising from AASB 9.

These standards make changes to a number of existing Australian Accounting Standards and are not expected to result in a material change to the manner in which the Group's financial result is determined or upon the extent of disclosures included in future financial reports.

Management has reviewed the new requirements of the above standards and has concluded that there is no effect on the classification or presentation of balances as the group has no arrangements within the scope of the above standards.

The interim financial statements have been approved and authorised for issue by the Board on the 2nd March 2016.

NOTE 2 – REVENUE

	6 months to 31-Dec 2015	6 months to 31-Dec 2014
	\$	\$
Interest income	1,308	6,086
Rental	6,561	4,391
(Loss)/ profit on sale of plant and equipment	(43)	3,133
TOTAL REVENUE	7,826	13,610

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 3 – CASH AND CASH EQUIVALENTS	31-Dec 2015	30-Jun 2015
	\$	\$
Short term deposits *	35,000	35,000
Cash at bank and on hand	93,844	69,964
	128,844	104,964

* The Company's short-term deposits of \$35,000 as at 30 June 2015 are held as guarantees for two bonds required to conduct exploration activities. The bonds, and thus the amounts on term deposit, may only be released at the satisfaction and direction of the Department of State Development.

NOTE 4 – PROPERTY, PLANT AND EQUIPMENT	31-Dec 2015	30-Jun 2015
	\$	\$
(i) Plant and Equipment at cost	831,385	886,949
Accumulated depreciation	(813,255)	(841,844)
	18,130	45,105
Movements in carrying amounts:		
Balance at the beginning of the period	45,105	194,967
Disposals	(43)	(63,327)
Depreciation	(26,932)	(86,535)
Balance at the end of the period	18,130	45,105
(ii) Land at cost	695,000	695,000
Movements in carrying amounts:		
Balance at the beginning of the period	695,000	1,258,082
Disposals	-	(5,000)
Impairment - revaluation to market value	-	(558,082)
Balance at the end of the period	695,000	695,000
Total property, plant and equipment	713,130	740,105

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 5 – EXPLORATION AND EVALUATION EXPENDITURE	31-Dec 2015	30-Jun 2015
	\$	\$
Exploration and evaluation phase at cost	14,382,314	14,270,284
	14,382,314	14,270,284
Movements in carrying values		
Balance at the beginning of the period	14,270,284	14,521,233
Amounts capitalised during the period	114,280	381,414
Amounts expensed during the period	(2,250)	(632,363)
Balance at end of period	14,382,314	14,270,284

During the period \$23,548 (30 June 2015: \$70,160) of plant and equipment depreciation was included in the amount capitalised as exploration and evaluation.

NOTE 6 – ISSUED CAPITAL

31 DECEMBER 2015	No. shares	31-Dec 2015
		\$
Issued and paid up capital		
Fully paid ordinary shares	185,171,038	26,058,199
Movements in carrying values		
Balance as at 1 July 2015	181,921,038	25,993,199
Shares issued in lieu of fees (03 Jul 2015)	1,250,000	25,000
Shares issued in lieu of fees (23 Nov 2015)	2,000,000	40,000
Balance as at 31 December 2015	185,171,038	26,058,199

30 JUNE 2015	No. shares	30-Jun 2015
		\$
Issued and paid up capital		
Fully paid ordinary shares	181,921,038	25,993,199
Movements in carrying values		
Balance as at 1 July 2014	162,274,756	25,585,141
Shares issued - placement (12 Sept 2014)	12,000,000	240,000
Shares issued - salary & fees to directors (25 Nov 2014)	5,785,172	133,058
Shares issued - director fees (12 Jan 2015)	1,111,110	20,000
Shares issued - facility establishment fee (04 May 2015)	750,000	15,000
Balance as at 30 June 2015	181,921,038	25,993,199

The Company has 14,650,000 unlisted options over fully paid ordinary shares in the Company.

Note 7 provides details unlisted options issued pursuant to the Company's Employee Share Option Plan (ESOP)

URANIUMSA LIMITED AND CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 7 – SHARE BASED PAYMENTS	31-Dec 2015	30-Jun 2015
	Number of options	Number of Options
Unlisted Options - ESOP		
Balance at the beginning of the period	6,450,000	7,300,000
Granted during the period	-	650,000
Exercised during the period	-	-
Expired during the period	(800,000)	(1,500,000)
Balance at end of period	5,650,000	6,450,000

Included under employee benefits expense in the statement of profit or loss and other comprehensive income for the half-year ended 31 December 2015 is \$765 (2014: \$2,171), which relates in full, to equity-settled share-based payment transactions. No share option expense was capitalised as exploration expenditure during the period (2014: \$505).

NOTE 8 – OPERATING SEGMENTS

Segment Information

The Directors have considered the requirements of AASB 8 - Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources have concluded at this time there are no separately identifiable segments.

In prior periods the directors had considered the Samphire JORC compliant resources and other exploration tenements as separately identifiable segments. The Group's exploration is now managed on a totals basis and as a consequence is no longer believed to be distinct operating segments for disclosure purposes.

NOTE 9 – CASH FLOW INFORMATION	31-Dec 2015	31-Dec 2014
	\$	\$
Reconciliation of cash flows from operations with Loss from ordinary activities after income tax		
Loss from ordinary activities after income tax	(254,181)	(315,027)
Non cash flows in loss;		
- Depreciation expense (net of capitalisation)	3,384	10,780
- Exploration expensed	2,250	-
- Share-based payments	765	2,676
- Shares issued in lieu of cash fees	65,000	133,058
- Net loss/ (gain) on disposal of property, plant and equipment	43	(3,133)
Changes in assets and liabilities;		
- Decrease/(Increase) in trade and other receivables	65,868	(2,143)
- Increase in trade and other payables	26,402	(134,627)
- Increase/(Decrease) in provisions	3,417	(68,240)
Net cash used in operating activities	(87,052)	(376,656)

NOTE 9 – CASH FLOW INFORMATION.....CONTINUEDAvailable Financing Facility

On 30 April 2015 the Company announced it had entered into a \$300,000 secured convertible debt facility (the “Facility”) with the Company’s largest shareholder (the “Lender”). The Facility enables the Company to draw progressively up to \$300,000.

The key features of the facility are as follows:

- An interest rate of 7% per annum on drawn funds, and a Facility fee of 2% per annum on undrawn funds.
- Establishment fee of \$15,000 to be paid to the Lender in fully paid ordinary shares in the Company (on 4 May 2015 750,000 fully paid ordinary shares were issued to the lender in respect of this fee).
- Facility is guaranteed by Samphire Uranium Pty Ltd (SUPL) and security comprises its assets, being leasehold land and two (2) exploration titles.
- The Lender may at any time six (6) months after the initial drawdown date or within 15 days of loan redemption or a Repayment Trigger convert any of the drawn amount into ordinary shares of UraniumSA at the lesser of 2.0 cents or 15% discount to 5 day VWAP.
- Repayment Triggers comprise:
 - (a) UraniumSA raises in total more than \$1.0 million cash from new equity by way of placement, rights issue, exercise of options and/or SPP.
 - (b) UraniumSA or SUPL sells an interest in any of its assets for an amount greater than \$1.0 million.
 - (c) Any change of control involving UraniumSA or SUPL
- The Facility, together with any outstanding interest and all other outstanding amounts under the Facility, is to be repaid in full on or before the earlier of:
 - (a) 18 months from acceptance of the Offer by UraniumSA or a date 12 months later as may be agreed in writing by the Lender and UraniumSA; and
 - (b) a Repayment Trigger event occurs.
- Customary conditions precedent, warranties and undertakings for a facility of this type also apply.
- The Facility is subject to the provisions of the ASX Listing Rules and the Corporations Act.

As at the date of this report the Company has drawn down \$200,000 against the facility, leaving a further \$100,000 undrawn and available.

On 1 March 2016 the Company reached agreement with its Facility Lender to extend the term of the Facility by 18 months from 4 November 2016. The Facility maturity date is now 3 May 2018. In consideration for the extension the Company has agreed to issue to the Lender or its nominee 588,235 ordinary fully paid shares in the company at an issue price of \$0.017.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 10 - CONTINGENT LIABILITIES & COMMITMENTS

The Group did not have any contingent liabilities as at 31 December 2015.

The Group has minimum expenditure commitments on exploration licences as per the terms of the exploration licences. Unexpended commitment for a particular year can be deferred or rolled over to subsequent years of the licence term.

As reported in the 2015 Annual Report, an action by a landowner has been lodged against Samphire Uranium Pty Ltd (a wholly owned subsidiary of UraniumSA Limited) in the Warden's Court, regarding access and compensation. The company is defending this action.

At this stage of proceedings it is not practical to estimate the potential outcome of the claim.

NOTE 11 – EVENTS SUBSEQUENT TO REPORTING DATE

Other than those contained within this report, there has been no further material events subsequent to the half-year ended 31 December 2015.

NOTE 12 – GOING CONCERN BASIS OF ACCOUNTING

The half-year financial report has been prepared on the basis of going concern.

The cashflow projections of the Group indicate that it will require additional capital for continued operations. The Group incurred a net loss for the period of \$251,931 (2014: loss of \$315,027) and operations were funded by a cash outlay of \$176,120 from operating and investing activities (2014: cash outlay of \$531,923).

The Group's ability to continue as a going concern is contingent on obtaining additional capital, asset sales and/or the use of the available proceeds from the convertible debt facility. If additional capital is not obtained and/or asset sales do not eventuate, then going concern basis may not be appropriate, with the result that the Group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the half-year financial report. No allowance for such circumstances has been made in the half-year financial report.

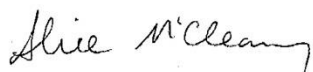
URANIUMSA LIMITED AND CONTROLLED ENTITIES
ABN 48 119 978 013

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The Financial Statements and Notes, as set out on pages 6 to 15, are in accordance with the *Corporations Act 2001*, including:
 - a) complying with Accounting Standard AASB 134 Interim Financial Reporting, and
 - b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Alice McCleary
Chairman

Dated this 2nd day of March 2016

URANIUMSA LIMITED AND CONTROLLED ENTITIES

ABN 48 119 978 013

INDEPENDENT AUDITOR'S REVIEW REPORT



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF URANIUMSA LIMITED

We have reviewed the accompanying half-year financial report of UraniumSA Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of UraniumSA Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the UraniumSA Limited consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of UraniumSA Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of UraniumSA Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Material uncertainty regarding continuation as a going concern

Without qualifying our review conclusion, we draw attention to Note 12 in the half-year financial report which indicates that the company and consolidated entity incurred a net loss of \$254,181 during the half year ended 31 December 2015 and net cash outlay from operating and investing activities of \$176,120. These conditions, along with other matter as set forth in Note 12, indicate the existence of a material uncertainty which may cast significant doubt about the company and consolidated entity's ability to continue as a going concern and therefore, the company and consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the half-year financial report.

A handwritten signature in blue ink that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in blue ink, appearing to be "J L Humphrey".

J L Humphrey
Partner - Audit & Assurance

Adelaide, 2 March 2016