

# ASX ACTIVITIES REPORT

3 months ended:  
**31 March 2016**

**UraniumSA Limited**  
**("UraniumSA")**

ASX Code: USA

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## BOARD OF DIRECTORS

<b>Alice McCleary</b>	Chairman
<b>Martin Janes</b>	Director
<b>Russel Bluck</b>	Director & Geoscience Manager
<b>David Paterson</b>	Director & Acting CEO

## PROJECTS

### South Australia

Samphire ELs 4979, 5426 JV  
Blackbush MC 4280  
Murninnie EL 5440  
Wild Horse Plains EL 4693 JV  
Muckanippie EL 4694

## ISSUED CAPITAL

15 April 2016  
Shares on Issue: 187,859,273  
Quoted shares: 187,859,273  
Unlisted Options: 9,650,000

## INVESTOR INQUIRIES

[executive@uraniumsa.com.au](mailto:executive@uraniumsa.com.au)

**Inquiries regarding this report  
and company business may be  
directed to:**

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**+61 8 8132 0577**  
**+61 417 823 654**

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[www.uraniumsa.com.au](http://www.uraniumsa.com.au)



## SAMPHIRE PROJECT & EXPLORATION

Work continued on the Blackbush deposit with ongoing investigative metallurgical work being a focus along with examination of the relationship between basement-hosted and sediment-hosted uranium mineralisation.

Other work involved interpretation of historical exploration results relevant to three exploration licence applications, ELA's 2015 / 00113, 00114 and 00126.

## CORPORATE

UraniumSA directors have for some time considered a demerger of the Samphire Project Uranium Assets. In a release to ASX (6<sup>th</sup> April 2016) the directors proposed a significant restructure of the company through the demerger of a restructured Samphire Uranium Pty Ltd (Samphire or SUPL), the owner of the Samphire Project Uranium Assets (refer Fig 1 and proposed organisation structure page 5), to a separate standalone unlisted public company Samphire Uranium Limited ('SUL'). Subject to shareholder approval, shareholders in UraniumSA will receive a pro-rata in-specie distribution of shares in SUL.

More detail of the proposal including an indicative timetable, is provided in the ASX release of 6<sup>th</sup> April 2016.

UraniumSA believes that a demerger transaction is now the best means of maintaining the value of the Samphire Project Uranium Assets at a reduced cost inside SUL as an unlisted public company. This will leave the listed entity UraniumSA to continue its other exploration initiatives and pursue other value adding activities.

The proposed restructure will include the completion of two capital raisings (refer Finance section below) to fund working capital and ensure that UraniumSA and SUL have sufficient funds, management structures and operational flexibility to support their ongoing activities.

New Projects - UraniumSA has for many quarters indicated that it was seeking and evaluating other opportunities in the energy and wider resources sector. This process continues and has been extended to businesses outside the resources sector.

## FINANCE

UraniumSA has today released full details of a Share Purchase Plan (SPP) focussed on raising approximately \$400,000. Each Shareholder will be entitled to subscribe for additional shares in the company to a maximum value of \$15,000. SPP shares will participate in the proposed demerger.

Taylor Collison are Broker to the SPP and have been mandated to raise \$1.0 million by way of a placement post the proposed demerger. Shareholder approval will be sought for the placement.

During the period the terms of the secured convertible debit facility were re-negotiated and extended with a new expiry of the 3<sup>rd</sup> May 2018. (ASX 1<sup>st</sup> March 2016) A \$100,000 drawn down occurred in March. (ASX 11<sup>th</sup> March 2016).

Exploration expenditure for the period was \$32,000. Cash position at the end of the period is \$136,000. The convertible debt facility is fully drawn at \$300,000.

Estimated expenditure for the June 2016 quarter is \$150,000.

## ACTIVITIES

Refer to Figure 1: - Tenement Location Map.

### SAMPHIRE EXPLORATION ASSETS – assets of SUL post merger approval

Exploration interests which are owned by SUPL (a wholly owned subsidiary of UraniumSA) comprise:

- MULLAQUANA - EL **4979** 100%. Covers the Blackbush and Plumbush sediment-hosted uranium deposits and other named and un-named uranium and base metal prospects.
- MURNINNIE - EL **5440** 100%. Covers a prospective portion of the western margin of the Pirie Basin.
- MIDGEE - EL **5426** in joint venture with Stellar Resources Limited (ASX: SRZ), 73% interest. Covers the southern extensions of the Plumbush deposit which remains open and undrilled to the south and west.
- WILD HORSE PLAIN - EL **4693** in joint venture with Archer Exploration Limited (ASX: AXE) 100% of uranium only. The title covers the Ben Buy and Boothby unconformity style uranium prospects.

#### Activities

No field work was carried out during the period.

Work has continued on the Blackbush deposit (EL 4979) with ongoing investigative metallurgical work, conceptualisation of alternative mining methods, and examination of the relationship between basement-hosted and sediment-hosted uranium mineralisation.

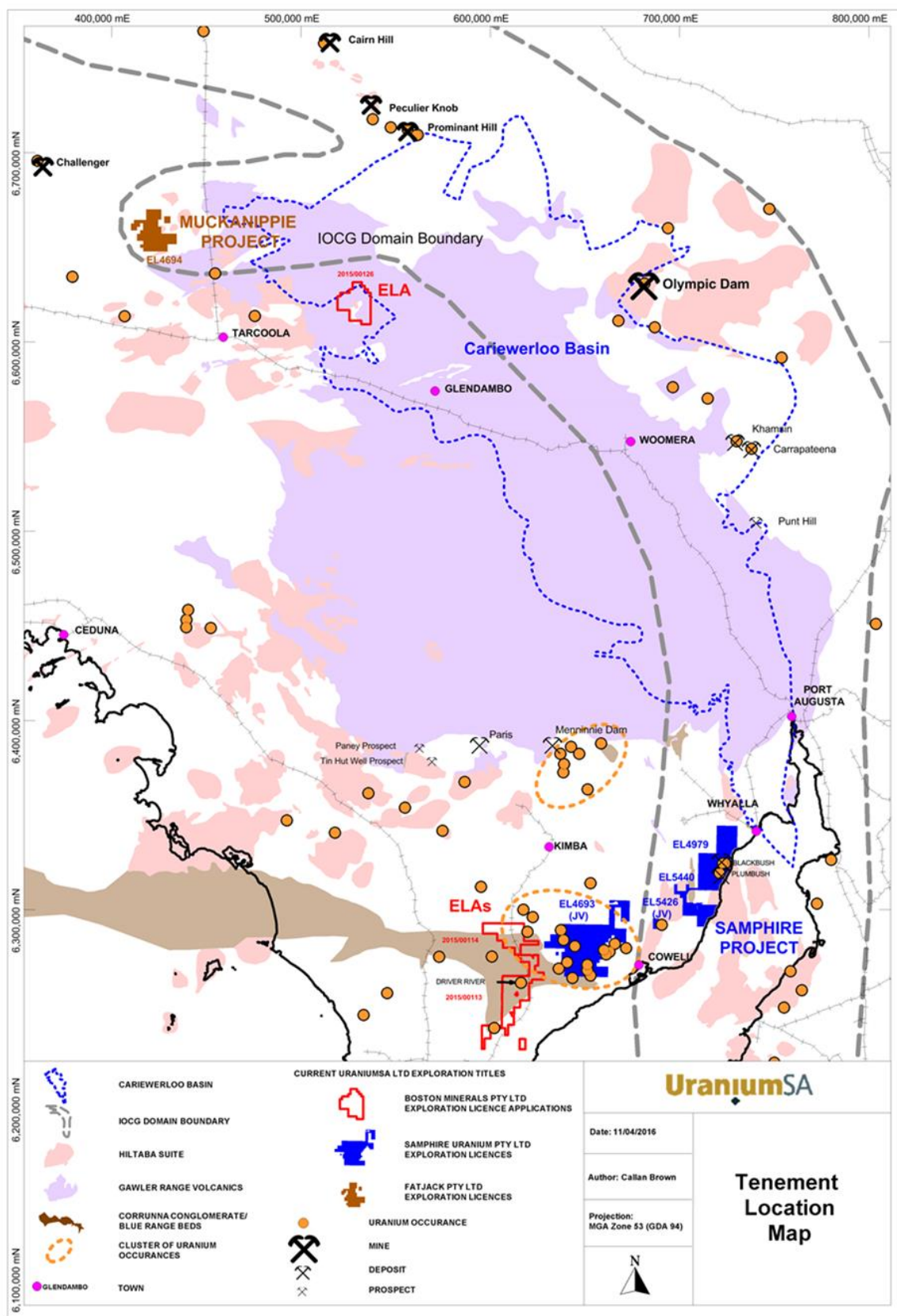
A PhD research project focused on uranium mineralisation associated with the Samphire granite commenced at Adelaide University at the start of the academic year. The student was selected following an international competitive process and has commenced familiarising himself with the geology and data available for the Samphire Project. We look forward to a productive ongoing collaboration with Adelaide University and the student.

SUPL was successful in April 2015 in securing a South Australian State Government PACE Discovery drilling grant of \$65,000 (ASX 14 April 2015). Unfortunately it has not been possible to advance the drill program with the stipulated timeframe.

Work was re-focussed on the Blue Well Dam base metal prospect within EL 4979 at the end of the quarter. Potential exists for assistance from the South Australian State Government (DSD Minerals - PACE Copper Initiative) to part fund drilling and some other related costs. SUPL plans to lodge an application before the end of April 2016.

Stellar Resources lodged a standard renewal with the regulator for EL 5426 on 22 February 2016.

Figure 1: Map of central South Australia showing UraniumSA's existing tenements and applications.



## OTHER EXPLORATION ASSETS – continuing UraniumSA assets post merger approval

- MUCKANIPPIE - EL **4694** is owned 100% by Fatjack Pty Ltd, a wholly owned subsidiary of UraniumSA. The tenure covers the Wigetty prospect which is an ilmenite-magnetite-apatite deposit, the historic Malbooma gold working and other un-named gold prospects, and various base metal and rare earth element prospects. UraniumSA has also progressed exploration on prospects referred to as Satisfaction Bore and White Nose Bore.

### Activities

No fieldwork was carried out during the period. Identification of potential JV partners continued.

- WHYMLET - **ELA 2015/00126** was made by Boston Minerals Pty Ltd (Boston), a wholly owned subsidiary of UraniumSA Limited. The area has been offered and negotiations with the regulator to accept a reduced area are progressing. The area covers basement complex and cover sequence targets which are prospective for IOCGU, black-shale hosted and unconformity styles of mineralisation.

### Activities

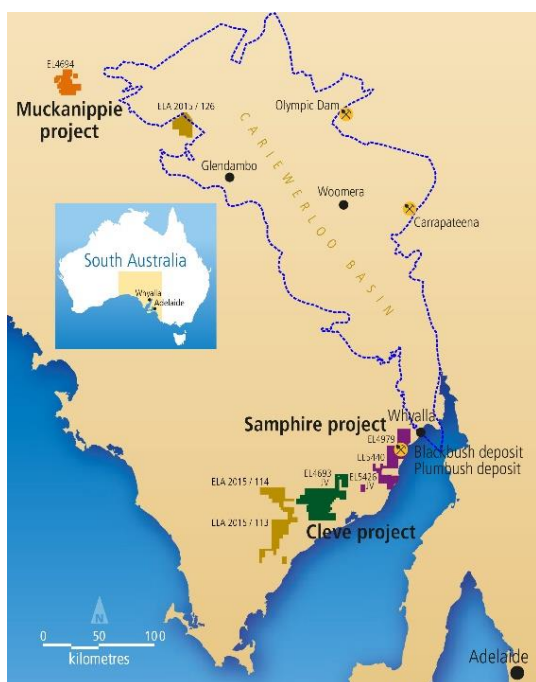
Work was carried out during the period continuing interpretation of past exploration results with a view to outlining an initial exploration program.

- SHEOAK HILL and LOCK - **ELA's 2015/00113 and 2015/00114** were made by Boston. Negotiations with the regulator to reduce the application areas and amalgamate the applications continue. The area covers the Driver River airborne radiometric anomaly and the titles are prospective for unconformity style uranium mineralisation.

### Activities

No field work was completed during the period. Interpretation of past exploration results with a view to outlining an initial exploration program continued.

## About UraniumSA Limited



UraniumSA is an Adelaide based explorer specialising in uranium mineralisation within a substantial portfolio of properties in South Australia's Gawler Craton.

The Company has discovered sediment hosted uranium mineralisation within Exploration Licence 4979, Samphire, which is located 20km south of the industrial city of Whyalla on the eastern Eyre Peninsula in South Australia. The Exploration Licence is owned and operated by Samphire Uranium Pty Ltd, a wholly owned subsidiary of UraniumSA Limited.

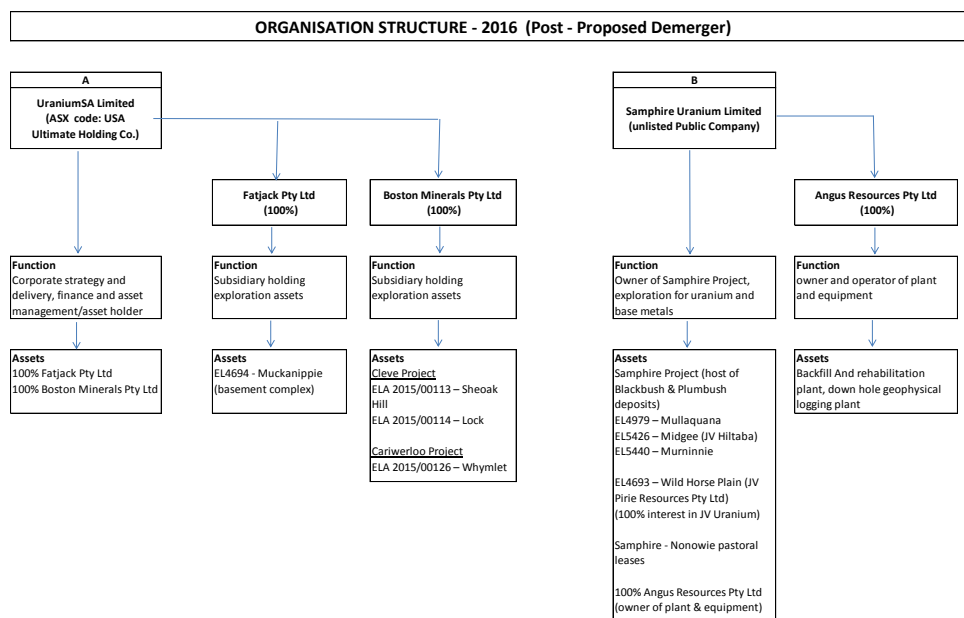
The Samphire project contains the:

**Blackbush deposit** with an estimated inferred resource 64.5 million tonnes of mineralisation at a bulk grade of 230ppm containing 14,850 tonnes  $U_3O_8$  at a 100ppm  $eU_3O_8$  cut-off grade (JORC 2012).

**Plumbush deposit** with an estimated inferred resource 21.8 million tonnes of mineralisation at a bulk grade of 292ppm containing 6,300 tonnes  $U_3O_8$  at a 100ppm  $eU_3O_8$  cut-off grade (JORC 2004).

On 6 April 2016 the Company announced a proposal that involves the demerger of a restructured Samphire Uranium Pty Ltd to

Samphire Uranium Limited ('SUL') as a separate standalone unlisted public company. SUPL is the owner of the Samphire Project Uranium Assets. Subject to shareholder approval the demerger will result in the following structure with UraniumSA shareholders owning shares in both entities pro-rata to their holding in UraniumSA at the time.



*The exploration results and 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.*