

# ASX/Media Release



**Southern Uranium**

Date: 17 February 2009

**Re: Presentation at RIU Explorers Conference in Perth, 17 February 2009**

Attached is the presentation to be given to the RIU Explorers Conference in Perth, Western Australia by Managing Director, Mr. John Anderson on 17 February 2009.

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# Southern Uranium Limited

Presentation:

**RIU Explorers Conference**

**Perth, Western Australia**

**17 February 2009**

**John Anderson**  
**Managing Director**

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# Overview

- A\$7.3m cash at 31 December 2008
- Committed to uranium & maintaining exploration momentum
- Focus on fresh discoveries of competitive large U resources to fill forecast supply gap
- Building on key projects in prospective belts of SA, NT & Qld
- 2008 – Several farm-ins, regional surveys, definition of multiple targets and preliminary drilling
- 2009 – Steady & efficient drill campaign on key projects to capitalise on established targets, reduced competition & greater drill availability



# Corporate

## Listed April 2007

Cornerstone Investment by CITIC Australia & Talbot Group Holdings  
- backed by Priority Agreement

## Capital Structure

Total shares on issue	115,000,000
Southern Gold Limited	45,000,000 (39.1%)
CITIC Australia Pty Ltd	10,000,000 (8.7%)
Talbot Holdings Pty Ltd	10,049,406 (8.7%)
Unlisted options on issue	9,800,000

## Cash

\$7.3m (at 31 December 2008)



# Board

Roger Marshall OBE Chairman

- *Currently Deputy Chairman – McArthur Coal Ltd*
- *Former GM Coal – BP Australia*
- *Former EGM Coal – MIM Holdings Ltd*

John Anderson Managing Director

- *Former GM Exploration Australia & Africa – MIM*

Bruce Foy Non-executive Director

- *Banking, Finance & Stockbroking career*
- *Currently Chairman – Transgrid Corporation*
- *Former MD Australia – ING Bank NV*

David Jones Non-executive Director

- *Former Chief Geologist – Newmont Australia*
- *Former Exploration Manager Overseas - Newcrest*

Stephen Biggins Non-executive Director

- *MD – Southern Gold Ltd*

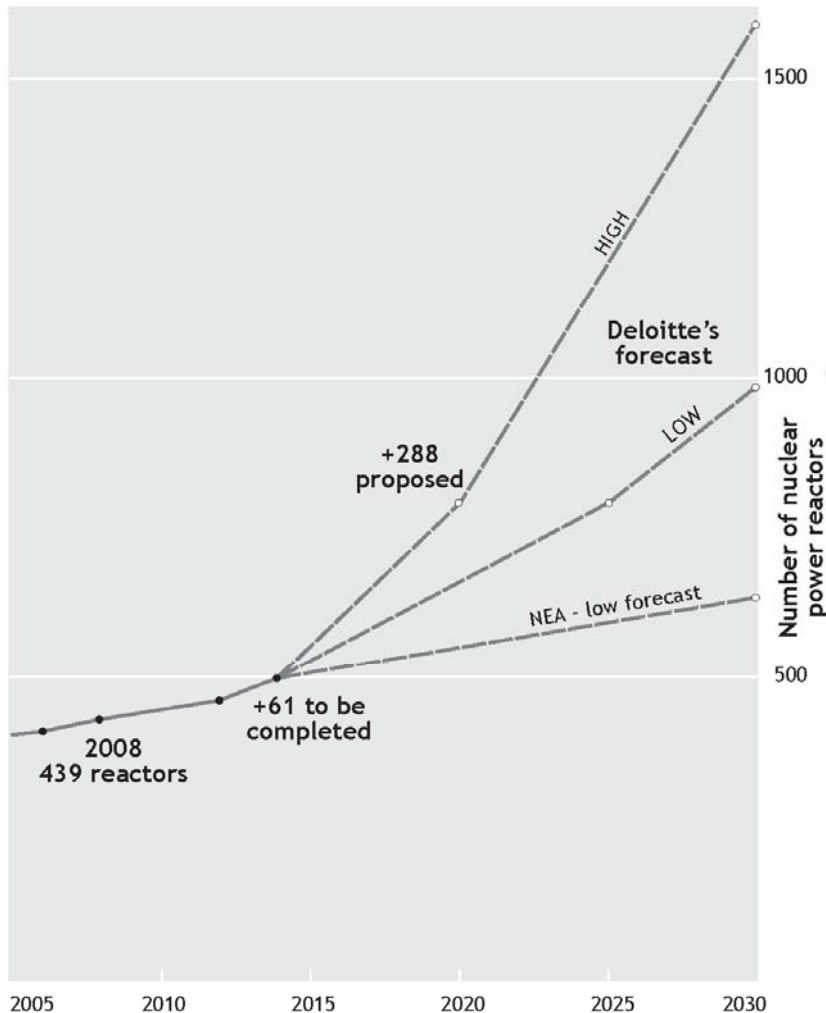
Garry Gill Company Secretary

- *Former CFO – Jupiters Limited*



# Why Uranium? – increasing power reactors

Number of nuclear power reactors



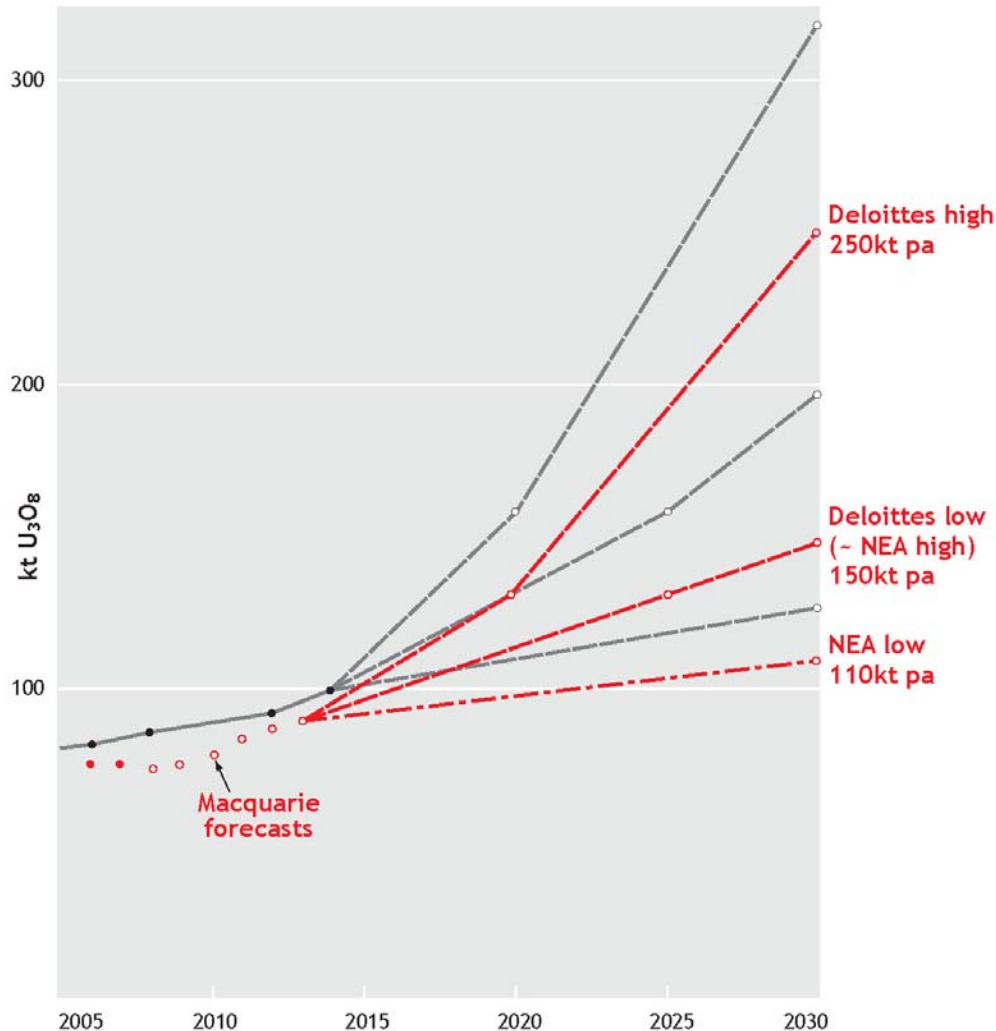
Various forecasts using greenhouse gas responses & conversion to base load nuclear power

Most likely scenario - number of reactors will more than double by 2030



# Why Uranium? – more uranium demand

U<sub>3</sub>O<sub>8</sub> demand forecasts



Uranium demand will increase proportionately

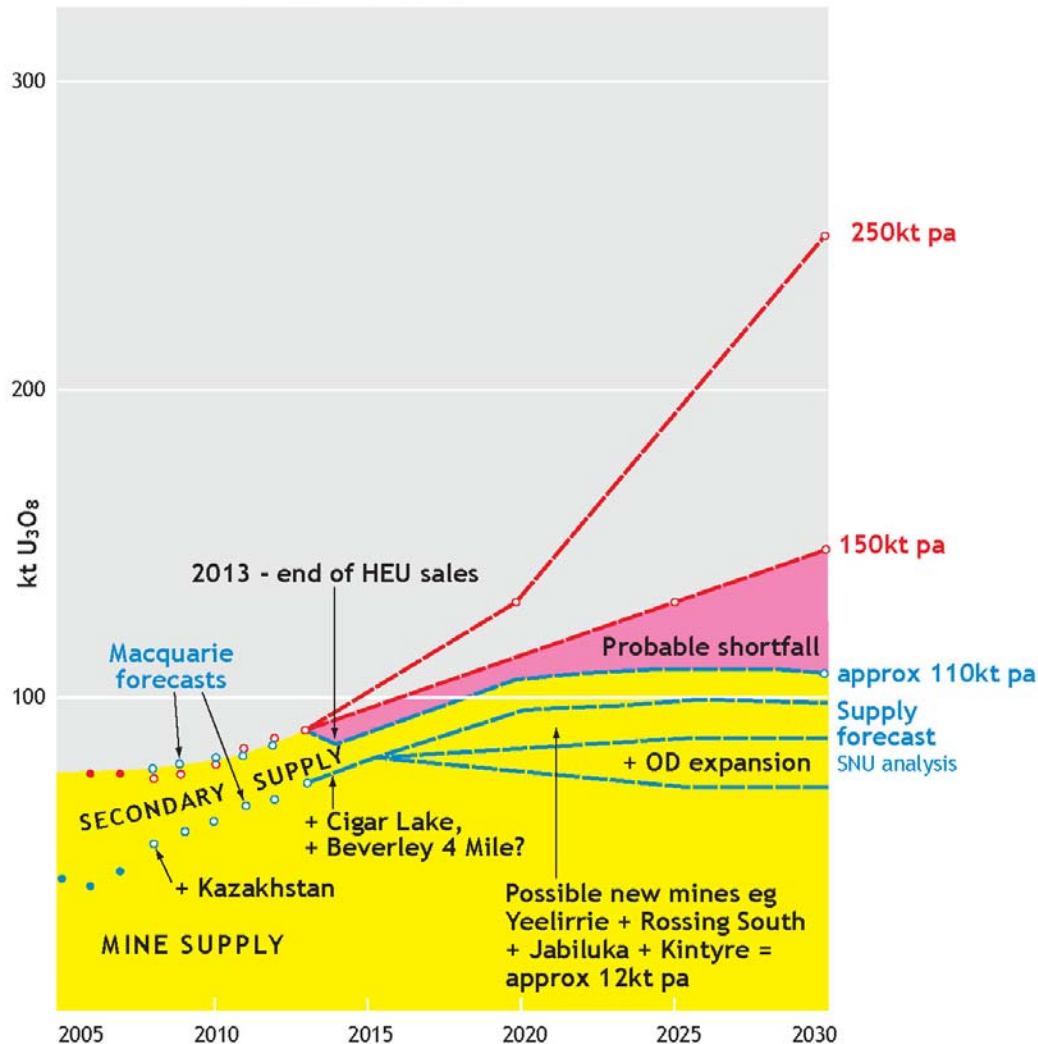
Efficiencies like Gen IV will not arrive until about 2030





# Why Uranium? – likely supply shortfall

U<sub>3</sub>O<sub>8</sub> supply forecasts



Forecasts to 2013 show gradual increase in demand & supply

Secondary supply reduces Mine supply increasing via Kazakhstan

Loss of weapons HEU supply in 2013

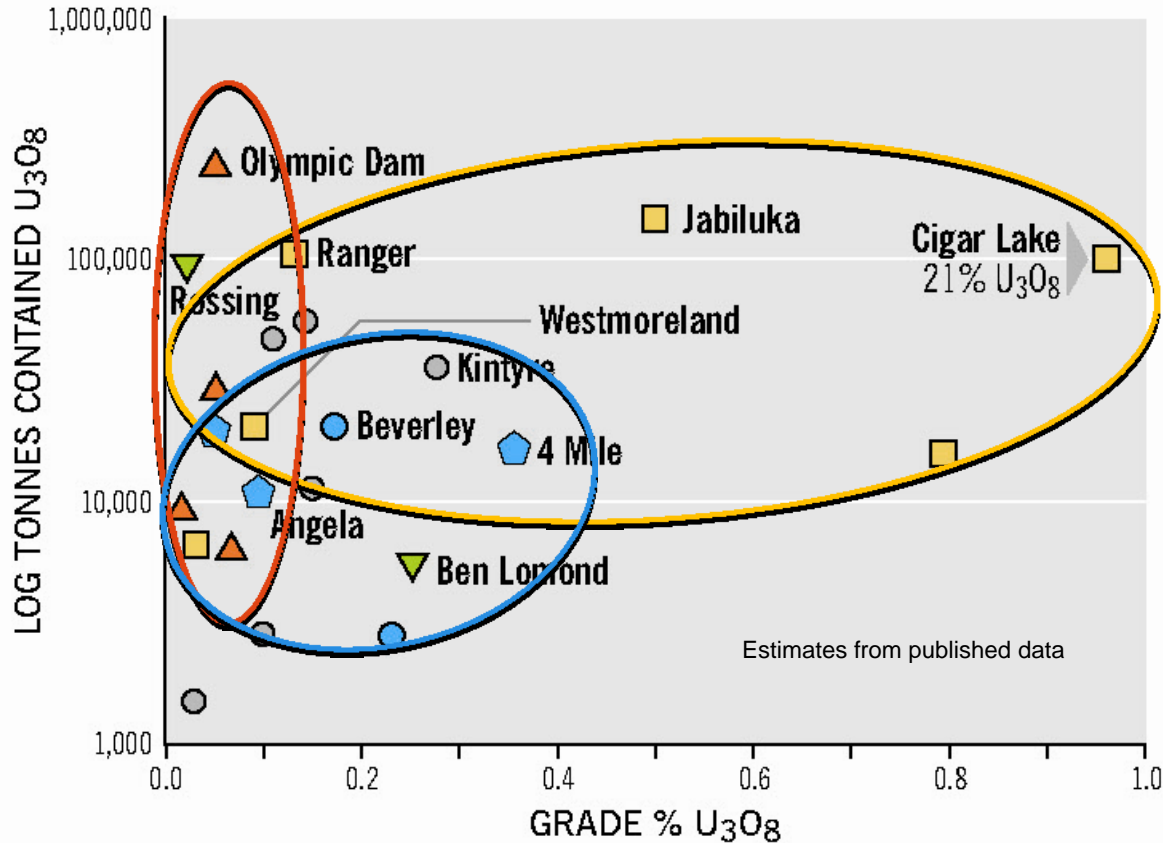
SNU assumptions:-

Delayed startups for Cigar Lake & OD expansion

Possible new mines still leaves considerable shortfall in supply



# Therefore need for quality new discoveries



Preferred target styles

**IOCGU** – size & diversity

**Unconformity** - grade

**Sediment-hosted** – common producer

▲ IOCGU style including haematite breccias

■ Unconformity style

● Palaeochannel hosted

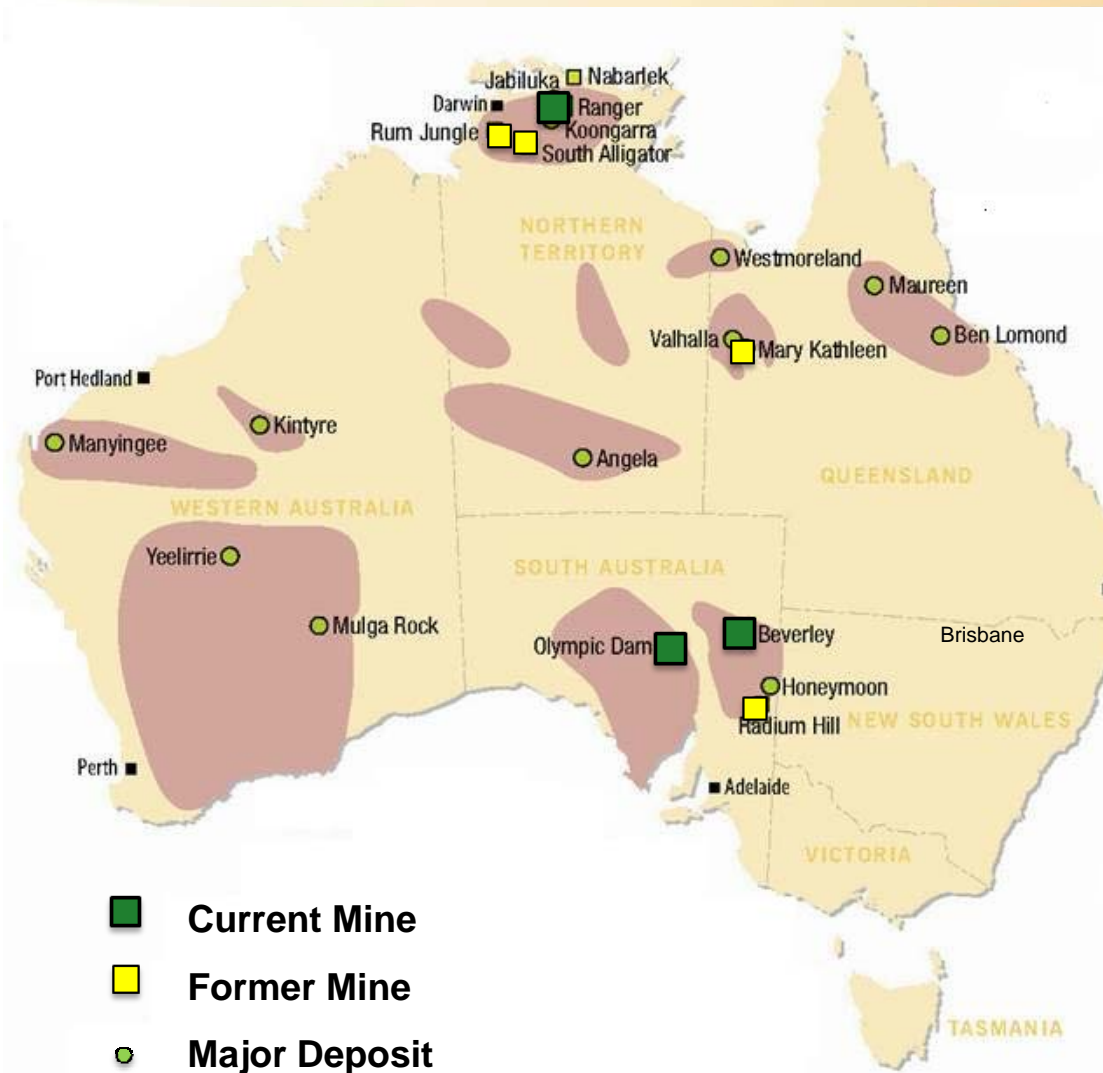
◆ Sediment-hosted

▼ Igneous styles including volcanic hosted

● Other



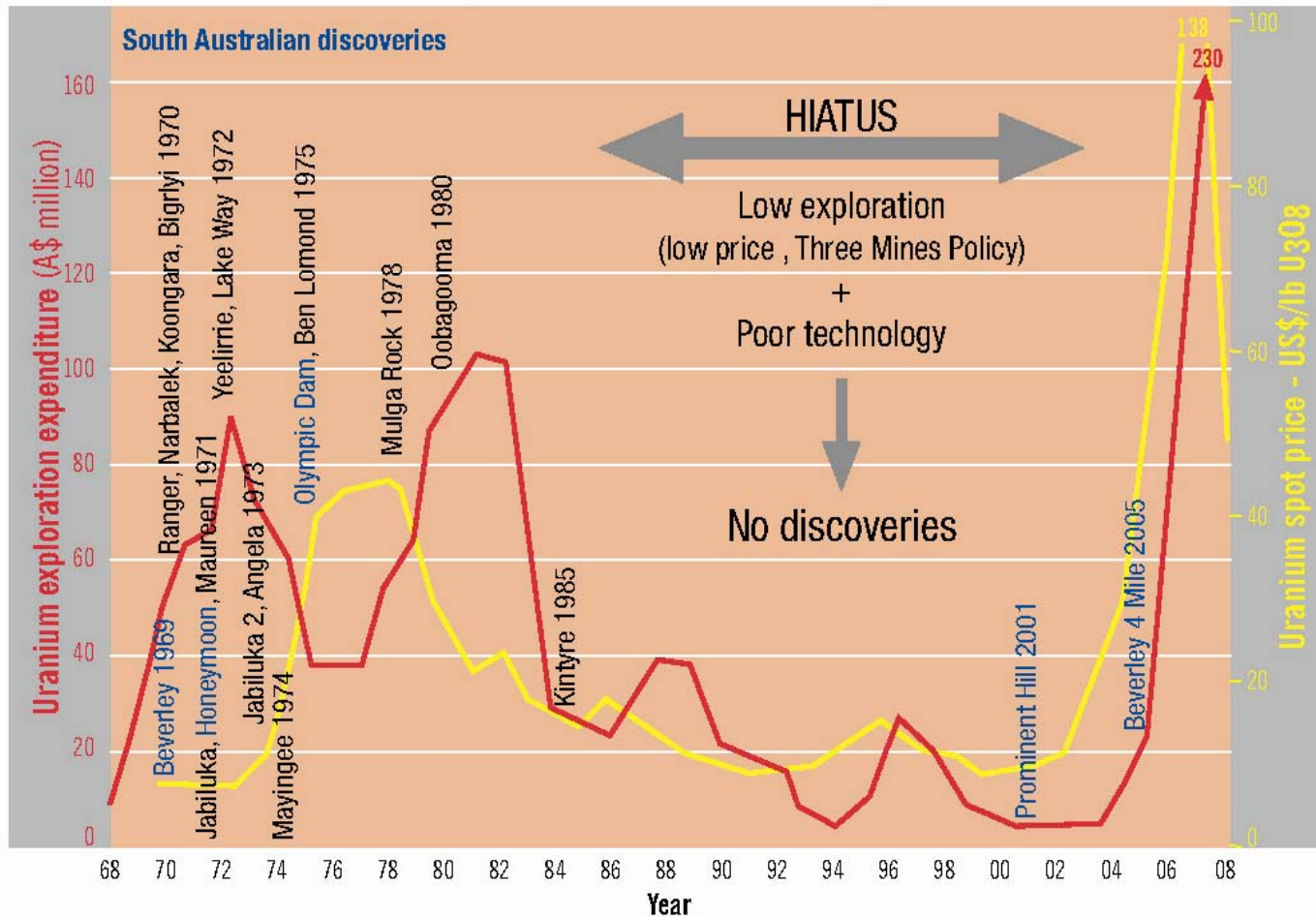
# Why Australia? – pedigree



# ...but warehoused discoveries

## Trends in uranium price, Australian uranium exploration expenditures and discoveries

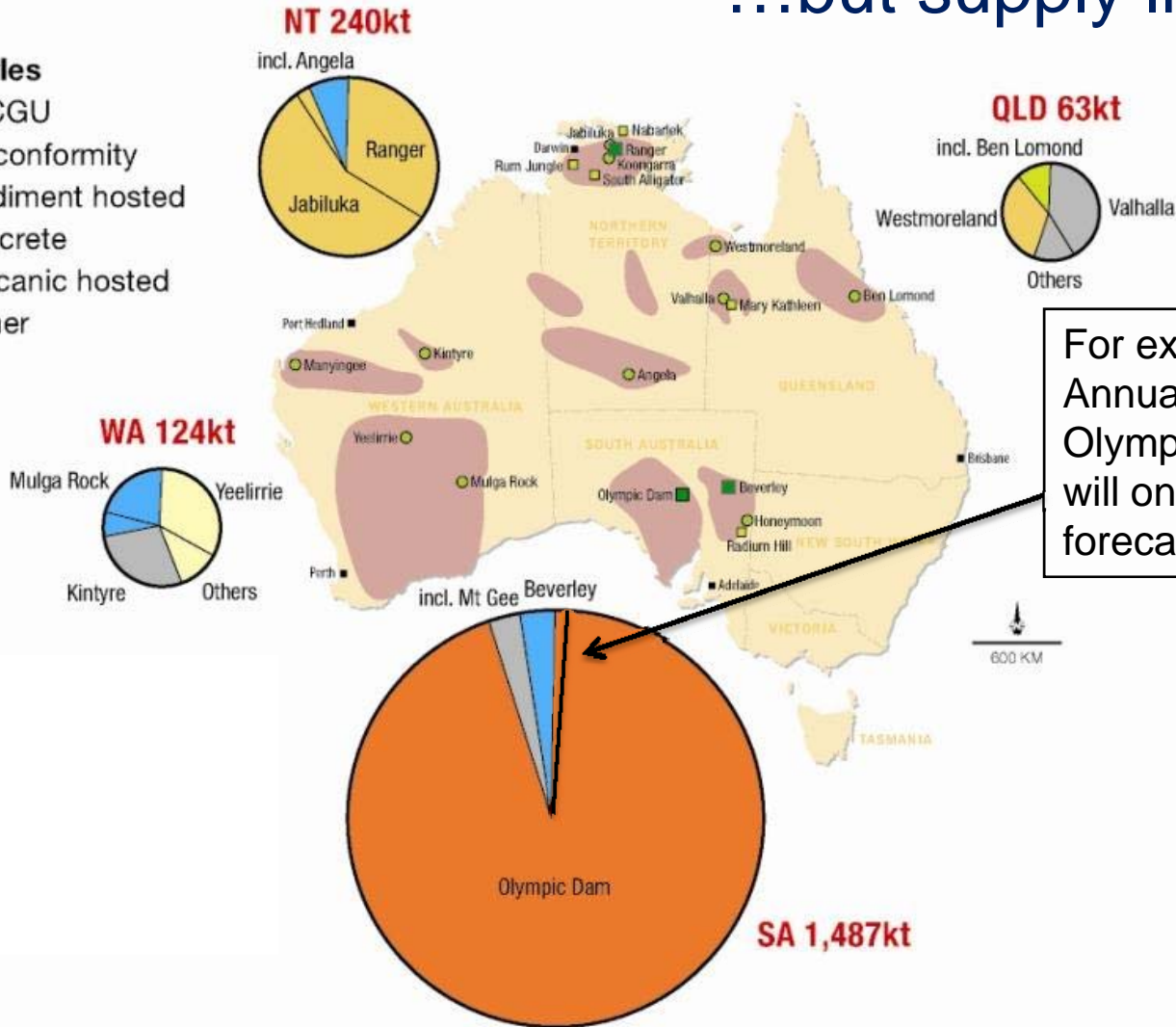
(after Geoscience Australia and UxC)



# Why Australia? – resource rich in attractive styles

...but supply limitations

- Styles**
- IOCGU
  - Unconformity
  - Sediment hosted
  - Calcrete
  - Volcanic hosted
  - Other



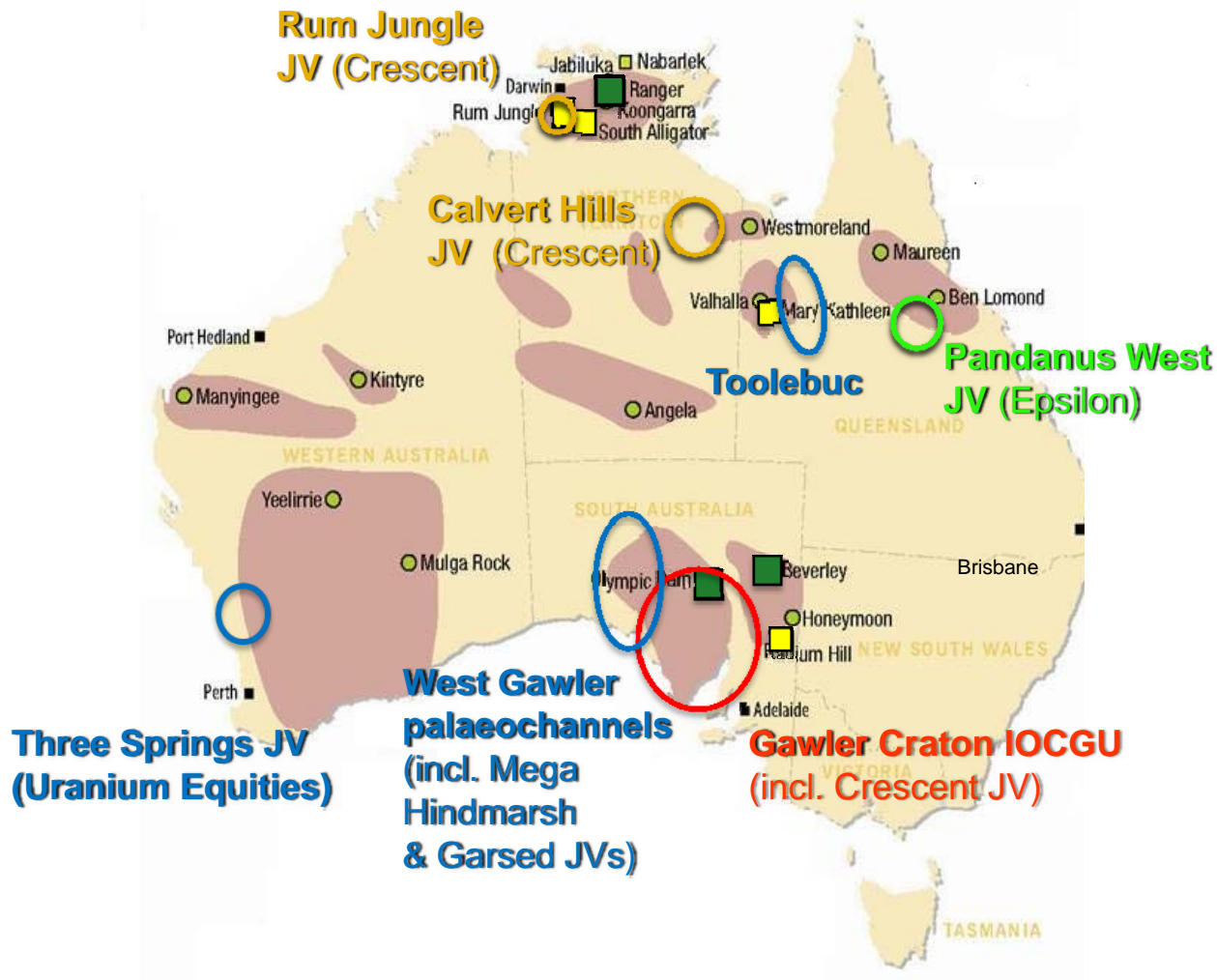
# Belt selection - Comparison of Australian jurisdictions

	SA	NT	Qld	WA
<b>Resource</b> (kt U <sub>3</sub> O <sub>8</sub> )	1,487	240	63	124
<b>Annual Production</b>	5	5	0	0
<b>Total Prod. since 1954</b>	64	114	9	0
<b>07/08 Explor Expend (\$'m)</b>	120	50	40*	25
<b>Main Style Potential</b>	IOCGU	Unconformity	Volcanic	Sediment/ Calcrete

\* Queensland had 4x increase in exploration cf 2x for other listed jurisdictions



# Project Areas



**IOCGU**

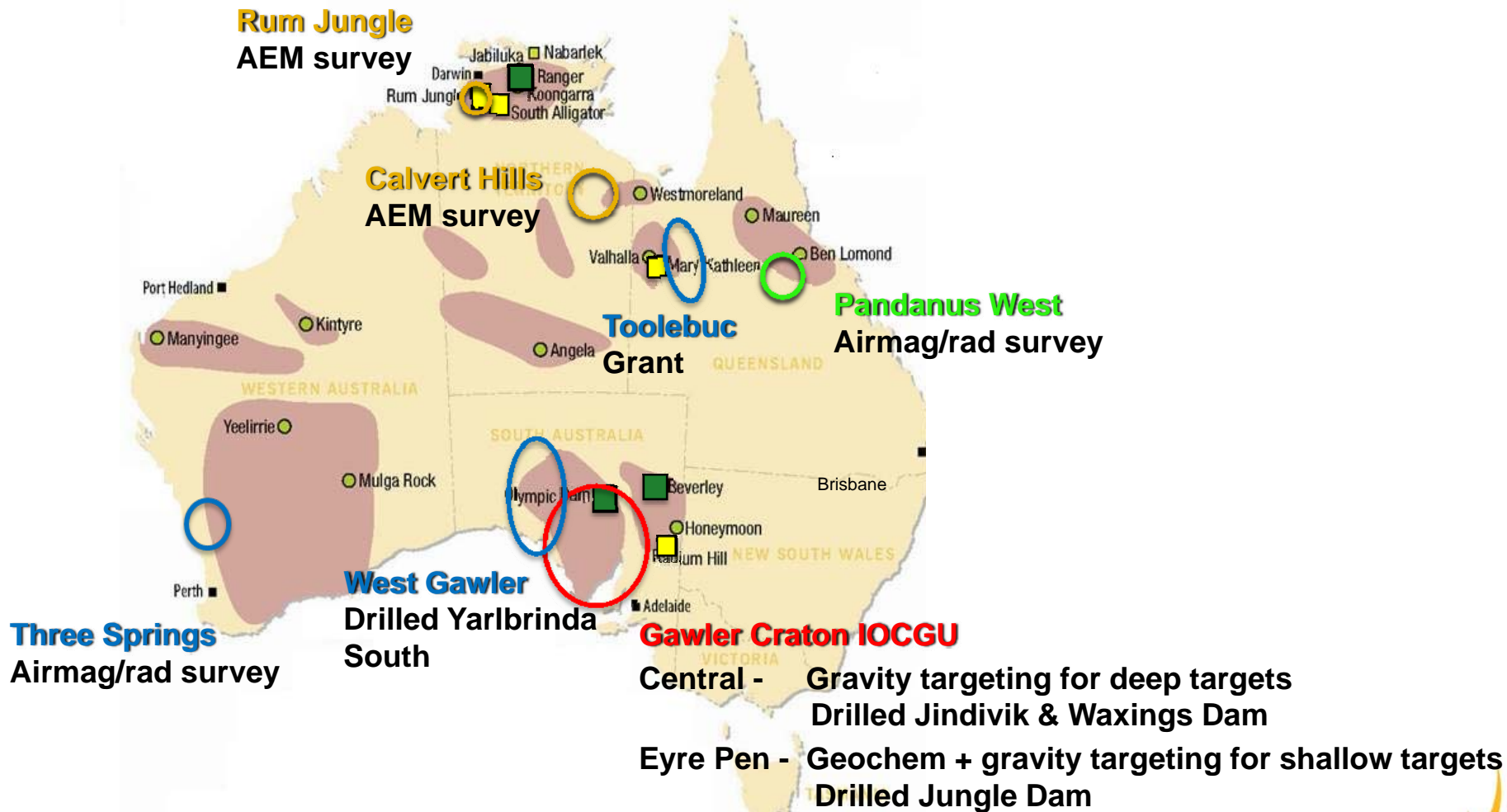
**Unconformity - style**

**Volcanic-hosted**

**Sediment-hosted**



# 2008 Activity – building targets





# Next six months – steady drilling campaign

on key projects



# Next six months – review upcoming results

for other projects

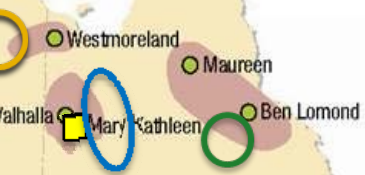
## Rum Jungle

Await new  
AEM data



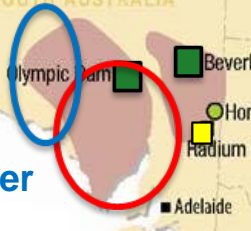
## Toolebuc

Review historic  
bore data



## West Gawler

Review YS  
drill results

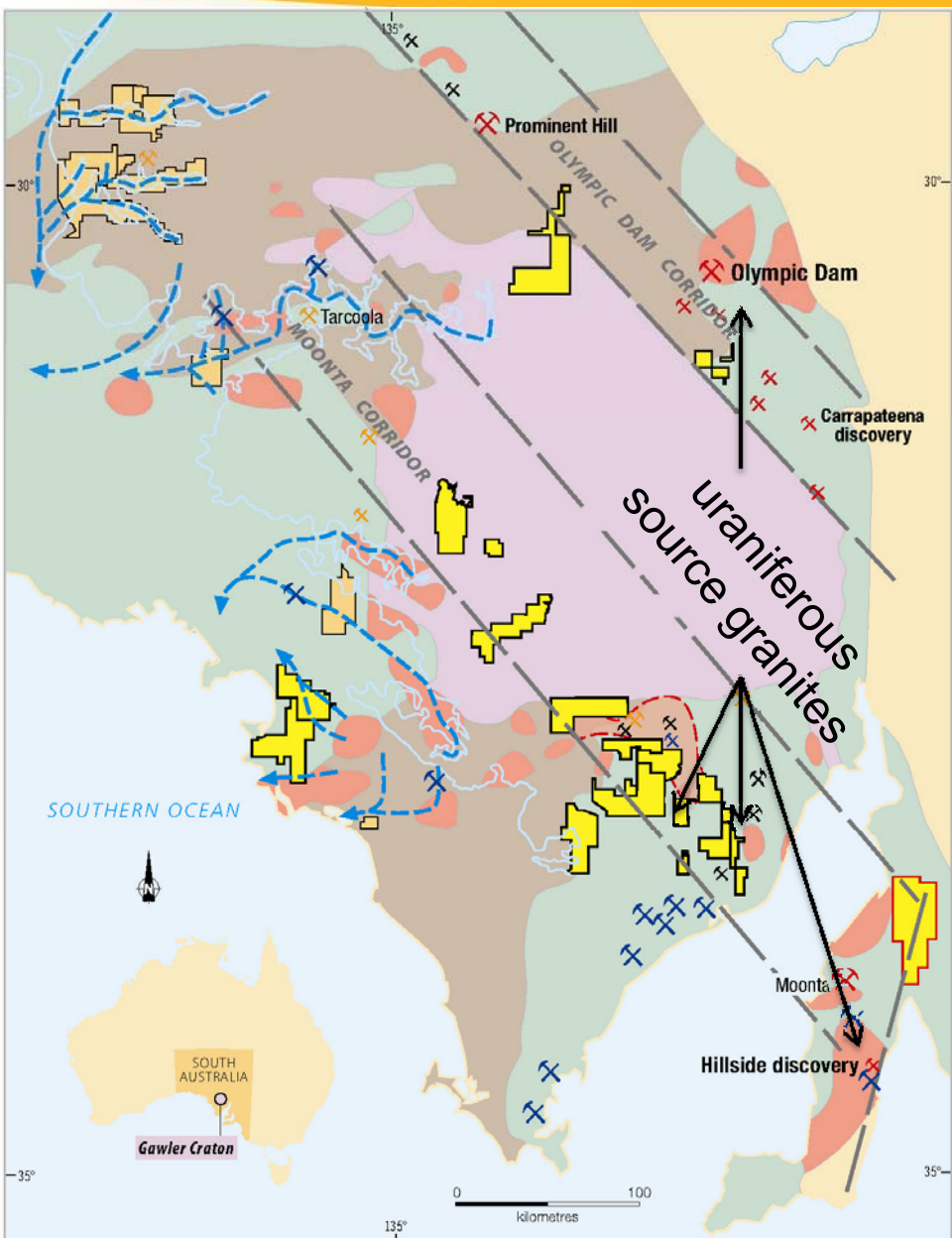



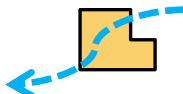
## Three Springs





Interpret new  
mag/rad data








# Gawler Craton – opportunity & tenements



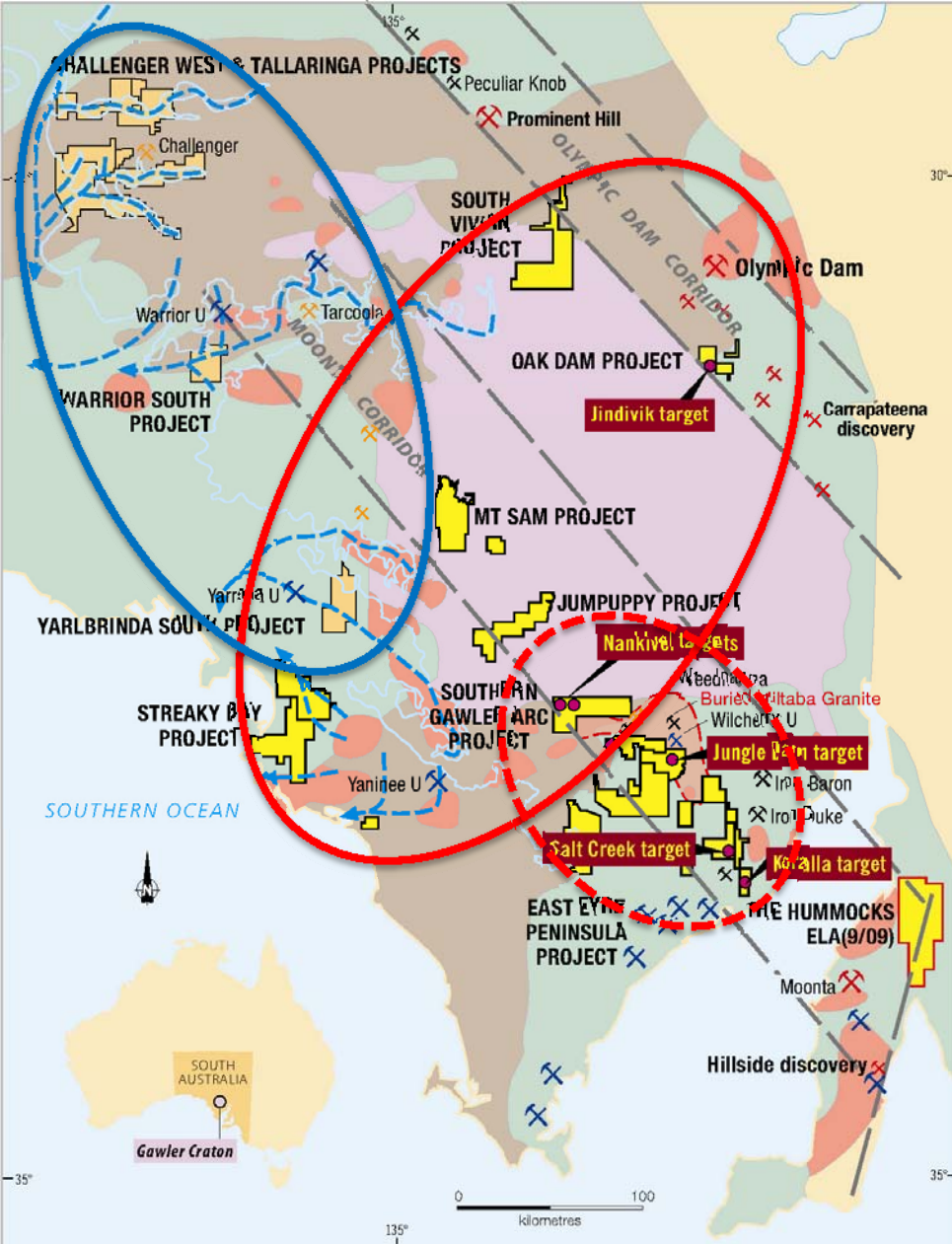
-  IOCGU Gravity Project
-  Palaeochannel Project

-  Gawler Range Volcanics
-  Hiltaba Granite
-  Proterozoic gneiss, granite
-  Archaean gneiss, greenstone

-  Palaeochannels
-  Uranium deposit/occurrence
-  Iron oxide copper/gold+/- uranium mine, deposit
-  Gold deposit
-  Iron ore mine, deposit



# Gawler Craton - project types



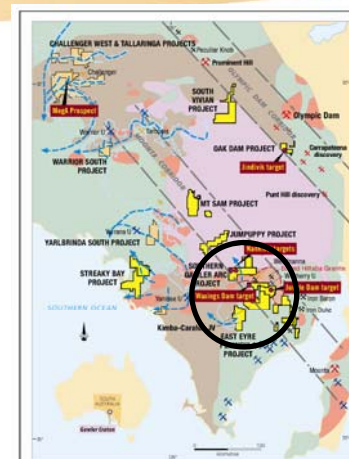
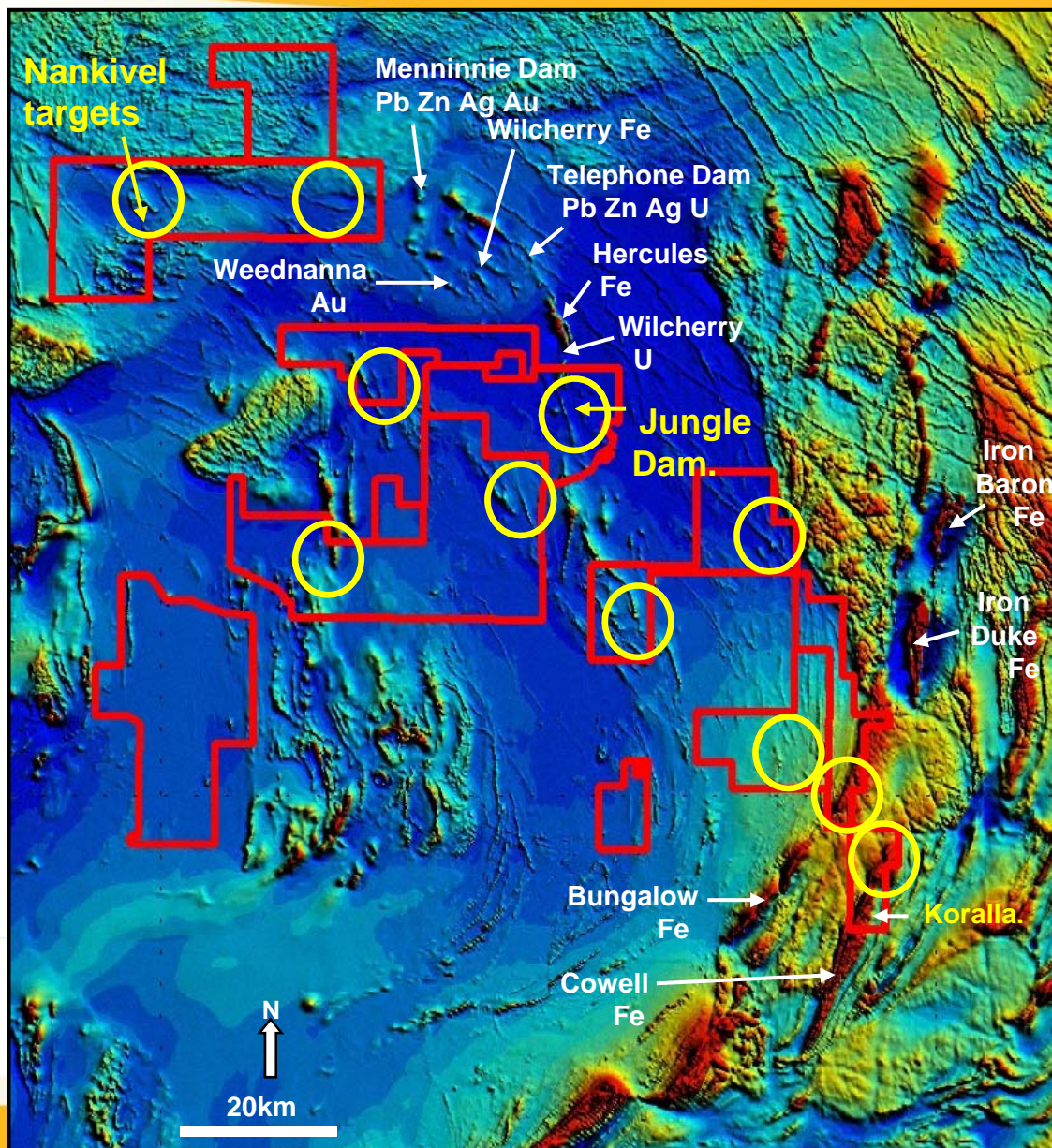
- Palaeochannels
- Uranium deposit/occurrence
- Iron oxide copper/gold +/- uranium mine, deposit
- Gold deposit
- Iron ore mine, deposit

**Central**  
Gravity targeting; often deep

**East Eyre Peninsula**  
Soil geochemistry for shallow targets

**Palaeochannels**  
Draining west GC into Eucla basin

# East Eyre Peninsula – magnetics shows initial target structures



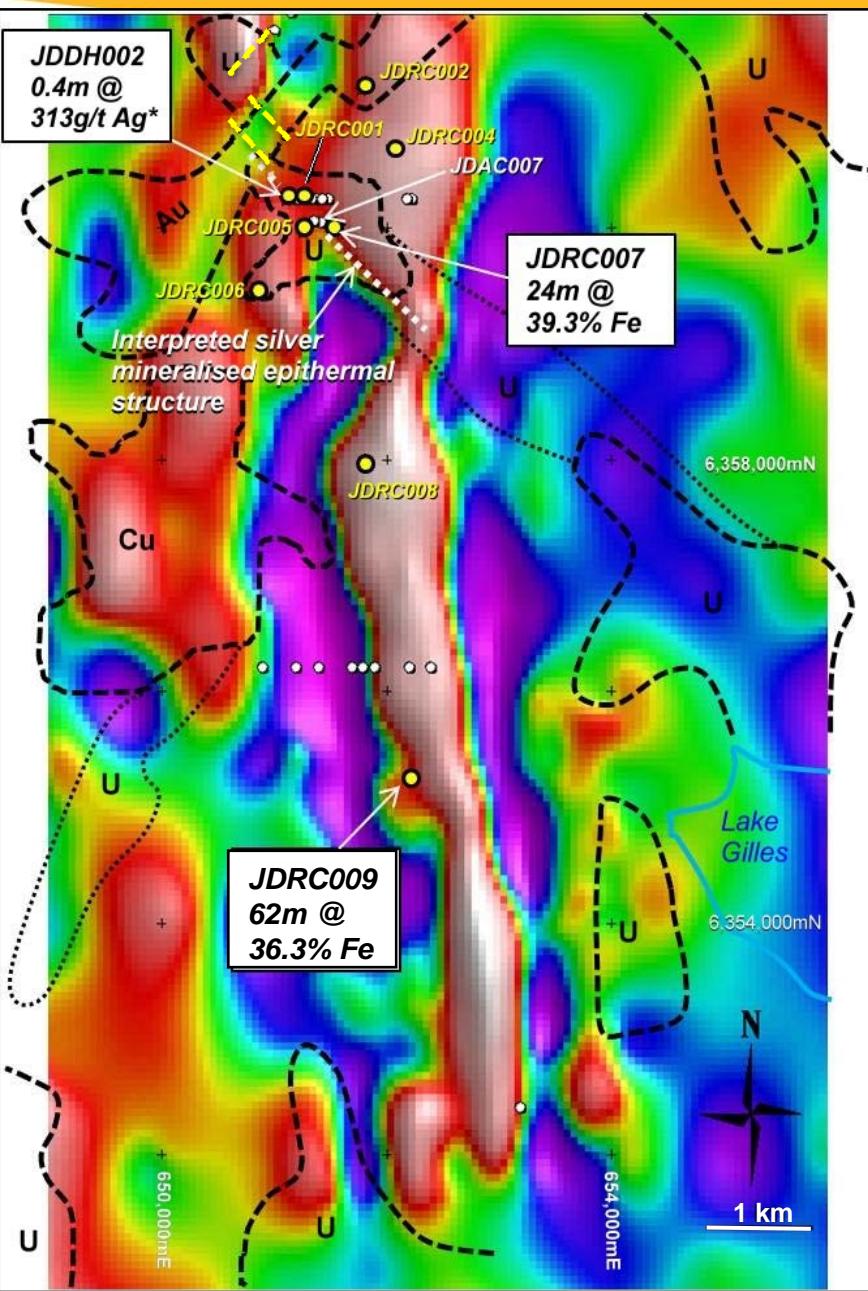
Spectrum of iron oxide & reduced targets

Seeking big hydrothermal systems

Concept of intersections of NNE & NW structures

Blanket soil surveying over shallow transported cover

# Jungle Dam Prospect



- Acacia 1994 aircore holes
- Southern Uranium August 2008 drillholes
- - - SNU December aircore traverses
- Soil geochem anomalies & trends

## Preliminary drilling confirms:-

- Geochem sees through thin transported cover
- Lead-in NNE & NW mineralised structures
- Presence of elevated U in iron oxide systems

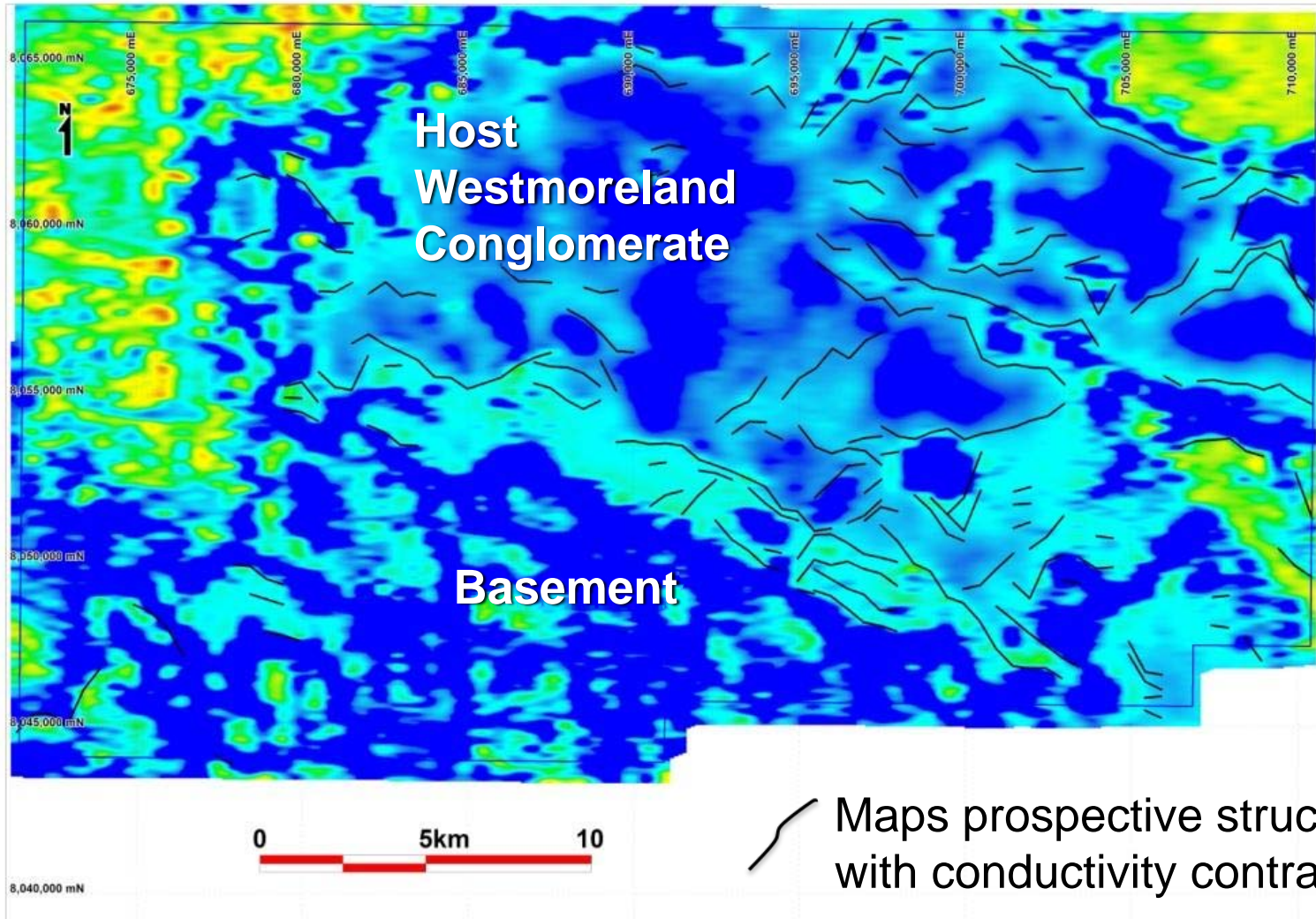


# Calvert Hills, NT – strong structural controls

as at the Westmoreland field



# Calvert Hills, NT– new airborne electromagnetics

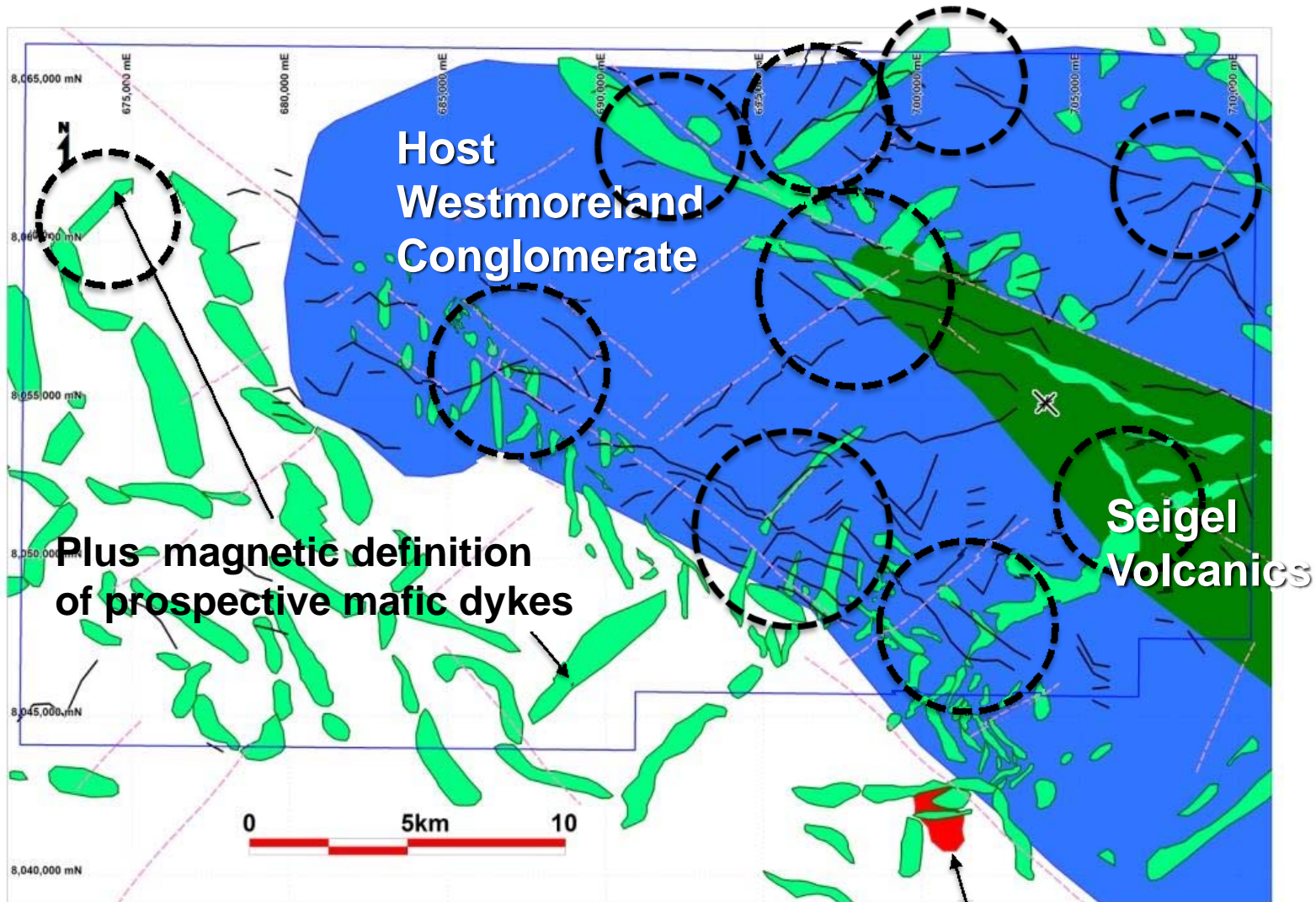


Maps prospective structures with conductivity contrasts

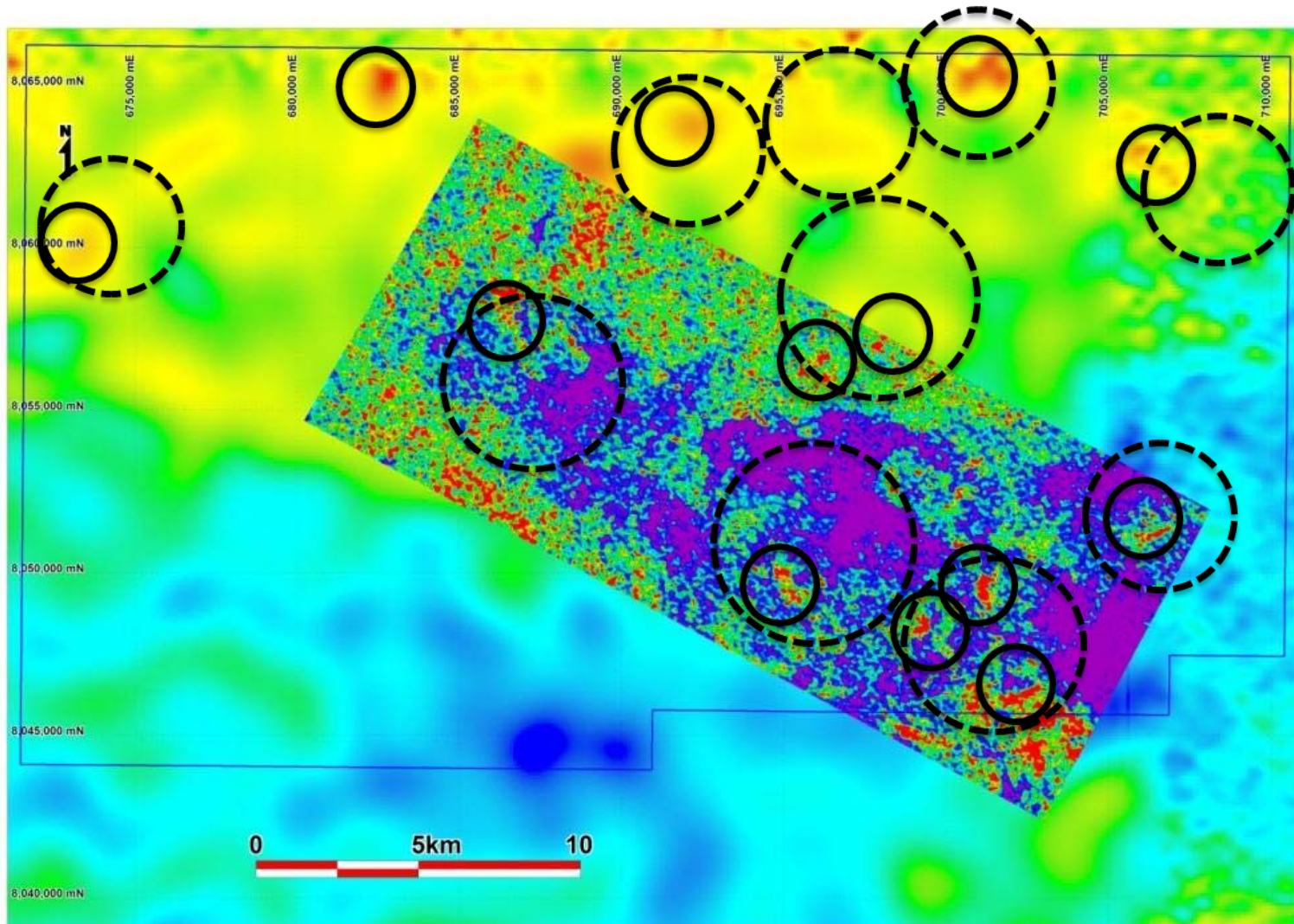




# Calvert Hills, NT – target area selection

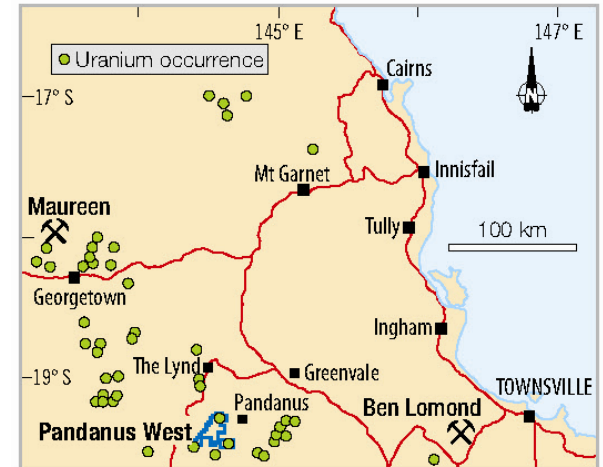
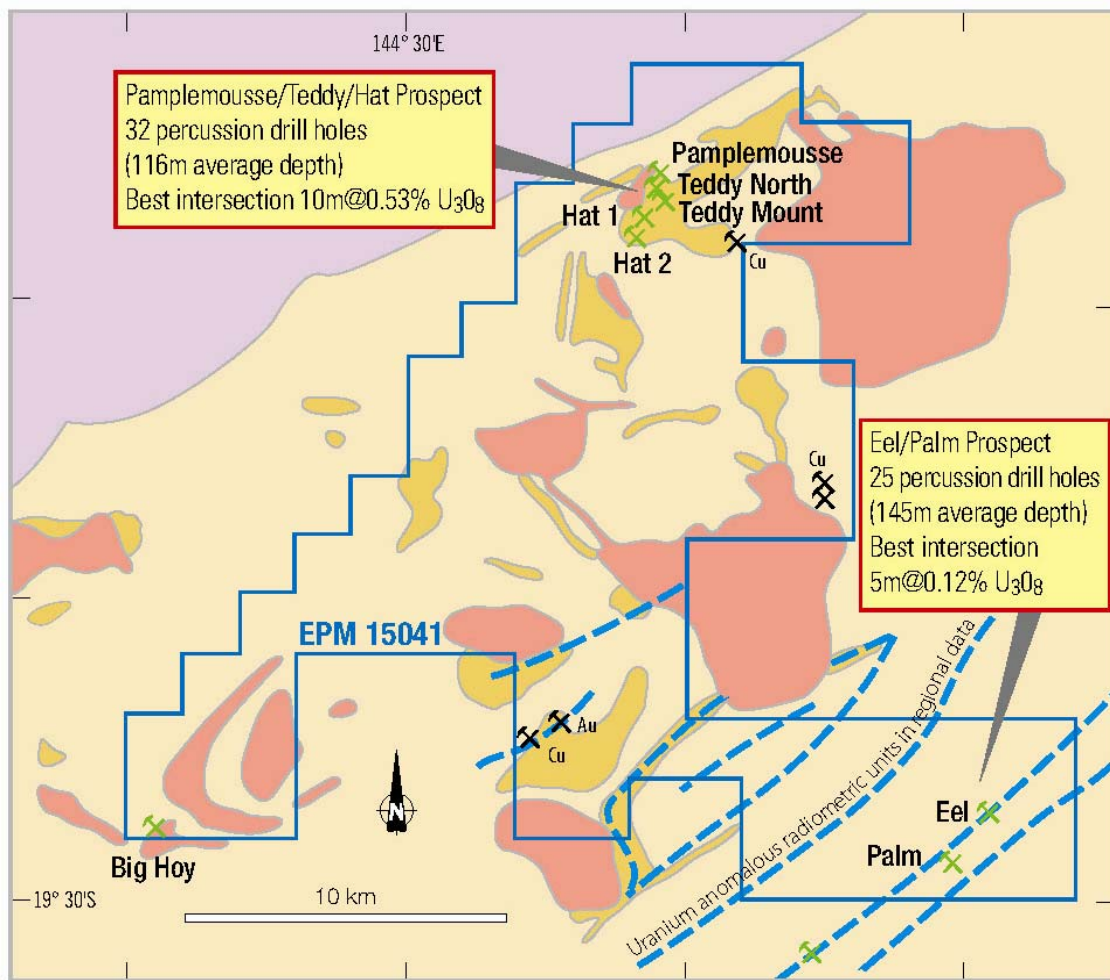


# Calvert Hills, NT– target refinement with radiometrics



Plan mapping & aircore drilling after wet season

# Pandanus West JV project, north Queensland

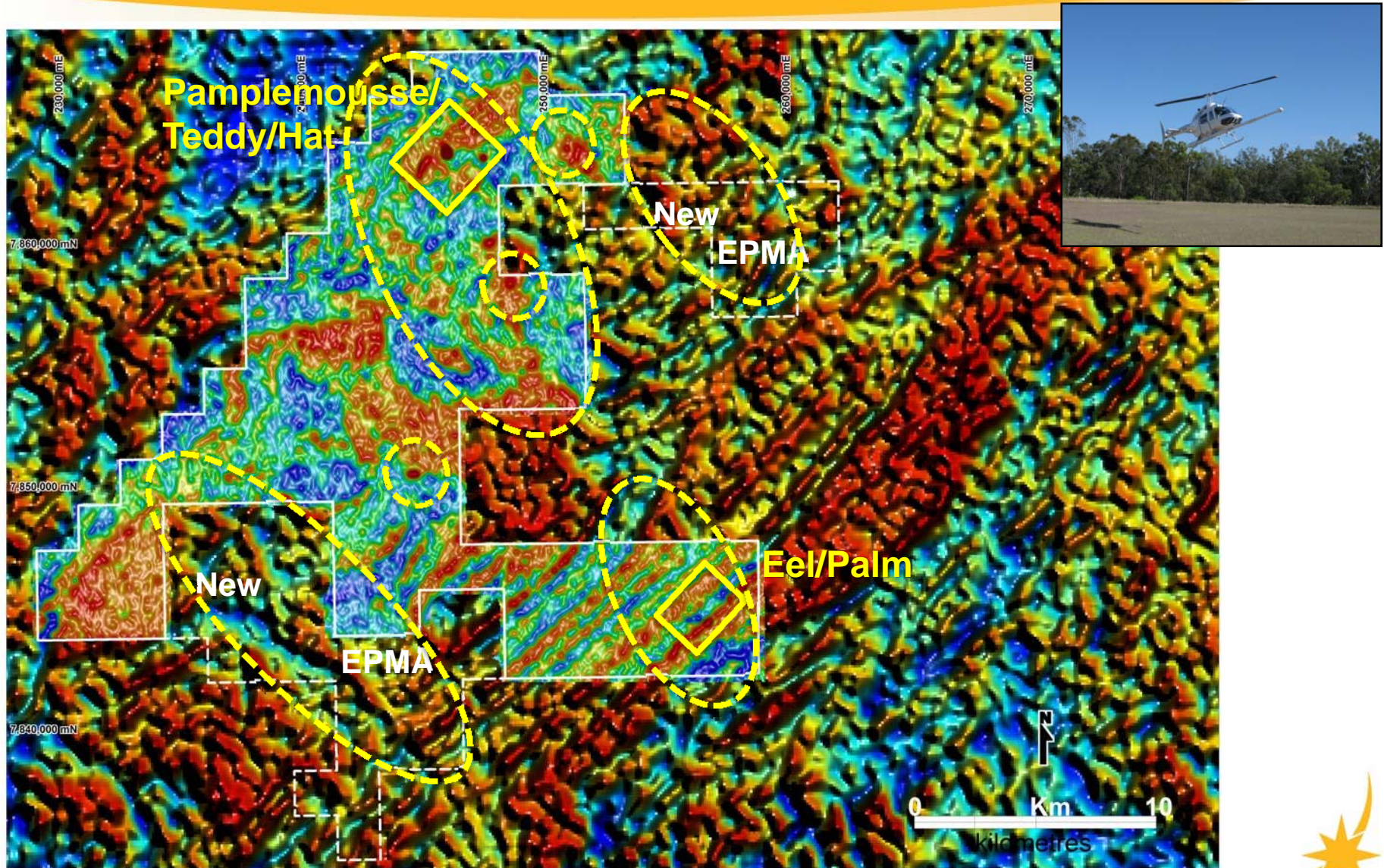


- Host rhyolite volcanics
- Mineralising granite
- Sandstone
- Georgetown Inlier

- ✚ Uranium prospect
- ✚ Copper gold prospect

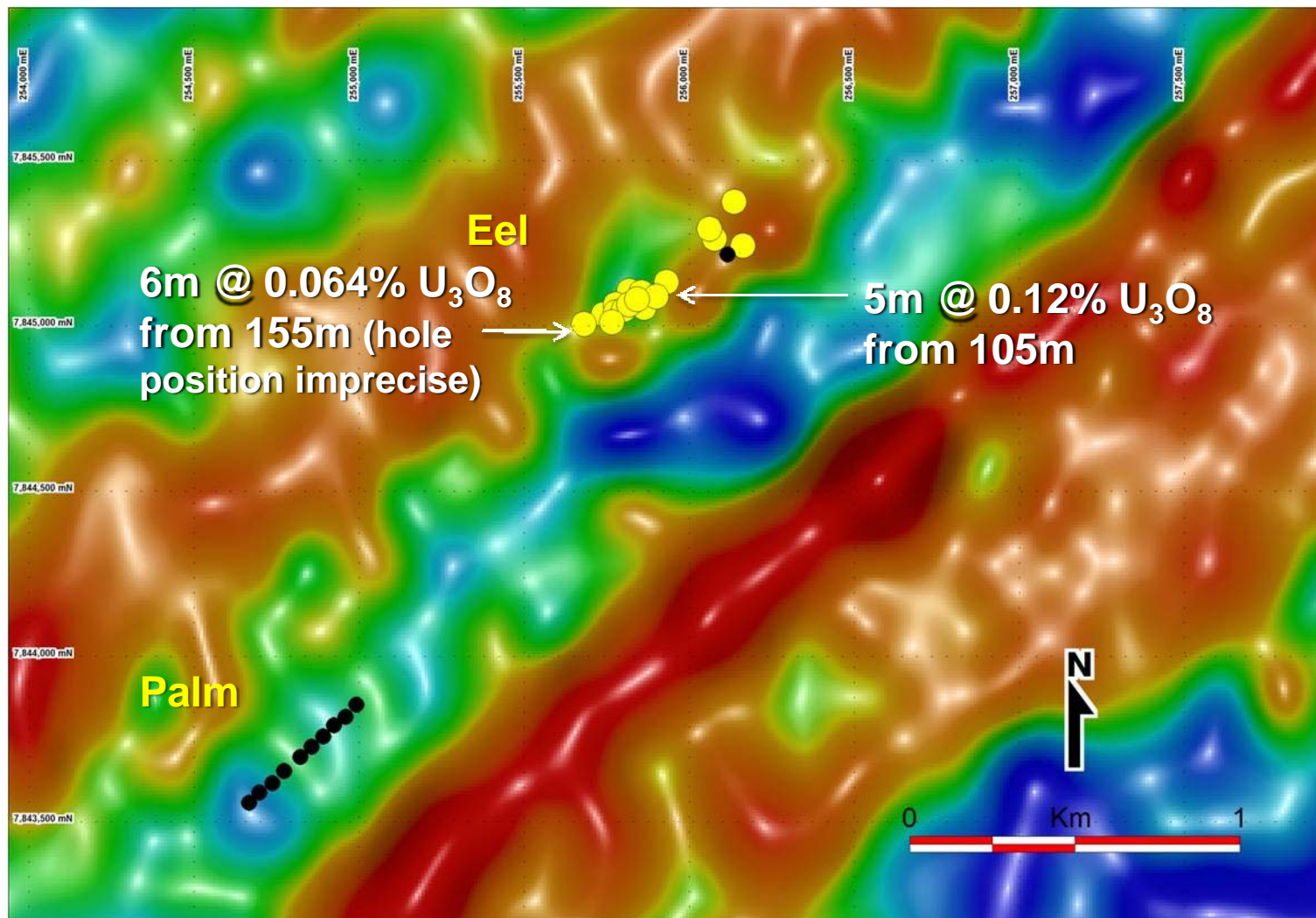


# Pandanus West – new radiometrics & target areas



Highlights NW structural controls

# Pandanus West – past drilling Eel/Palm prospects



- Percussion
- Airtrack

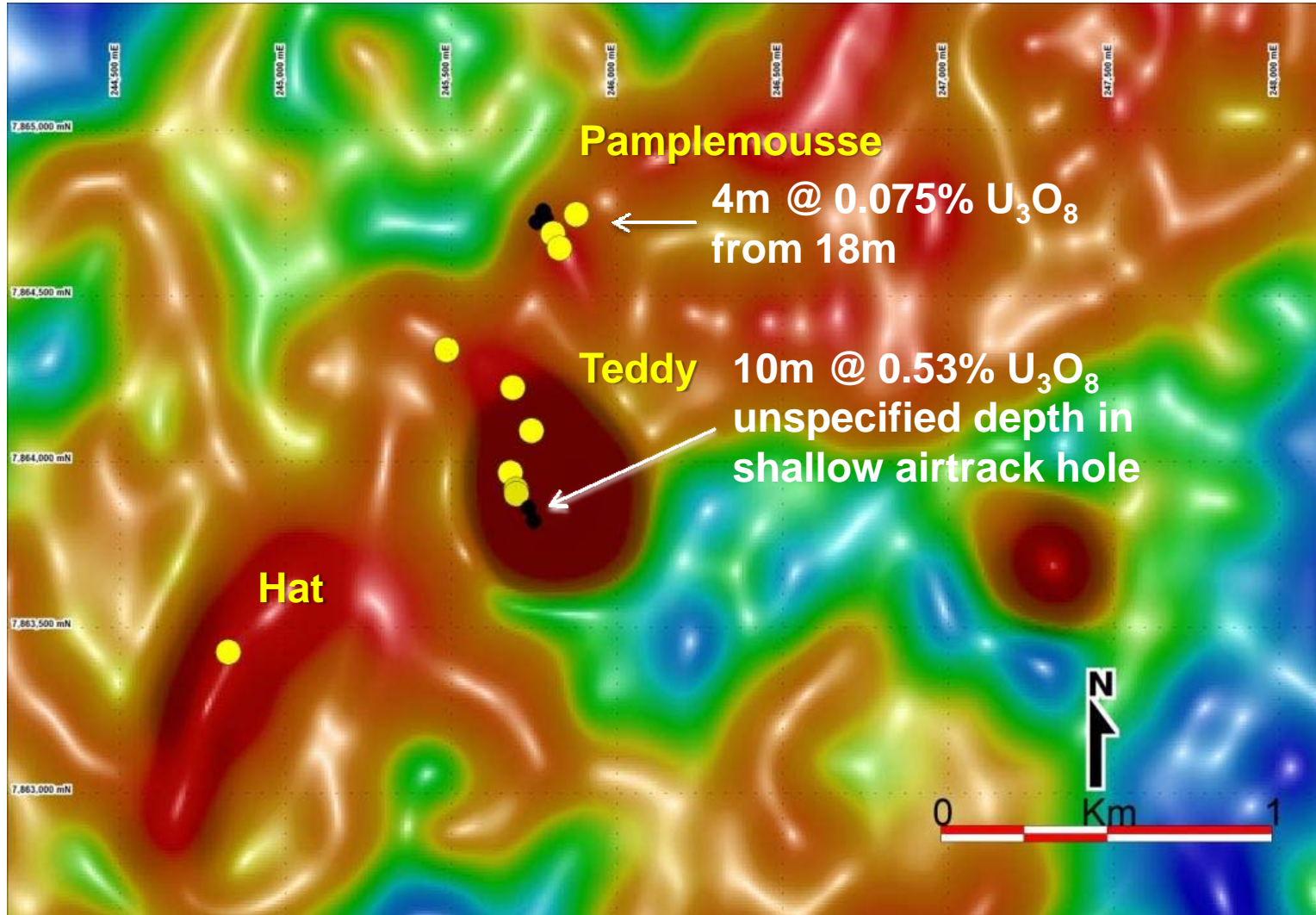
Shallow incomplete tests



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# Pandanus West – Pamplémousse/Teddy/Hat

Prospects remain open to testing with rivers masking extensions



Percussion drill testing planned ASAP



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# Conclusion

- **Good cash position**
- **Commitment to uranium** - anticipate uranium shortages and resurging market in medium to long term
- **Confident** - steady and rigorous exploration program
- **Capitalise** - on recent defined targets by active drilling over next twelve months
- **Quality projects** – seeking large competitive resources
- **Aiming to build advanced projects** - ready for next upturn



# Competent Person Statement

*The information in this presentation that relates to Exploration Results and Mineral Resources is based on information compiled by John Anderson (BSc(Hons)Geol) who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. Mr Anderson is a full-time employee of Southern Uranium Limited. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Anderson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

