



21 January 2008

Manager of Company Announcements
ASX Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

By E-Lodgement

Acquisition of Coal of Madagascar Terminated

Uranio Limited's ("**Uranio**") planned acquisition of the Imaloto coal project in Madagascar (as announced to the ASX on 20 November 2008) via the purchase of 100% of the share capital of Coal of Madagascar (Guernsey) Limited ("**Acquisition**") has been terminated due to the failure of the parties to fully satisfy the Conditions Precedent ("**Conditions**") in the Share Sale Deed.

Certain of the Conditions were unable to be met partly as a consequence of the current uncertainty and volatility in the financial markets, fluctuations in commodity and asset prices and the tightening of credit markets worldwide. As a result, and without all Conditions met, the Board of Uranio has judged the increased level of risk to Uranio shareholders to be unacceptably high and has decided not to proceed.

In addition, the proposed placement to Manhattan Resources Pty Ltd, board re-structure and change of company name that were to occur in conjunction with the Acquisition, will not now proceed.

The board and management of Uranio will continue to work on exploring and developing its existing Australian uranium projects along with selected corporate level opportunities, with a clear focus on portfolio enhancement and increasing shareholder value.

For and on behalf of the board,

A handwritten signature in blue ink that reads "R. Wrixon".

Dr Robert Wrixon
Managing Director
Uranio Limited

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