

31 October 2011

REPORT FOR THE QUARTER ENDING 30 SEPTEMBER 2011

The Board is pleased to provide the following commentary to be read in conjunction with the Appendix 5B (Quarterly Cash Flow Report) which is attached

COMPANY HIGHLIGHTS

- Shareholders approve issuance of shares and the acquisition by the Company of an initial 51% interest in 5 Large Scale Prospecting Licenses and 3 Small Scale Mining Licenses over 2,734 km² of highly prospective manganese projects in Zambia
- Exploration in Zambia continues with the aim of defining a JORC compliant resource over key projects with further diamond and RC drilling programs to commence
- Exploration results to date confirms manganese prospectivity across the projects, identifies new drill targets and highlights the high grade and high quality of the manganese ore
- The Company's drill rig shipped from New Mexico to accelerate exploration and resource definition drilling in Zambia
- Open pit mining activities commenced at the Chowa Mine with first production blast of a bulk sample extraction of approx. 2,000 tonnes completed during the Quarter
- Looking to finalise negotiations with major steel manufacturers and international trading companies for long term off-take agreements and associated financings in the current quarter
- Grab samples from the Chowa Open Pit Mine return MnO₂ grades of between 57.71% and 62.11%
- Restructure of the Board with the appointment of two new directors to reflect the transition to a mine development and production company focused on its African projects
- Fully underwritten Rights Issue announced and closed subsequent to the Quarters end raising approx. A\$3.14m

During the Quarter, the Company completed all outstanding due diligence and received all necessary shareholder approvals to complete its acquisition of an initial 51% interest in the Zambian Manganese Projects.

This is a major step forward for the Company, and the activities and achievements already accomplished in the first Quarter of the 2011/12 financial year provides a strong platform for shareholders to participate in a re-invigorated mine development and production focused company.



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ZAMBIAN MANGANESE PROJECTS



The Chowa Open Pit Mine with the highly visible manganese mineralisation

During the Quarter the Company finalised its technical, legal and financial due diligence on the acquisition of 100% of the share capital of African Asian Mining Development Ltd (“AAMD”).

At the Company’s General Meeting on 20 September 2011, shareholders provided all the outstanding approvals required by the Company to finalise the Share Sale Agreement and formalise the heads of agreement that was entered into with AAMD by the Company on 28 December 2010.

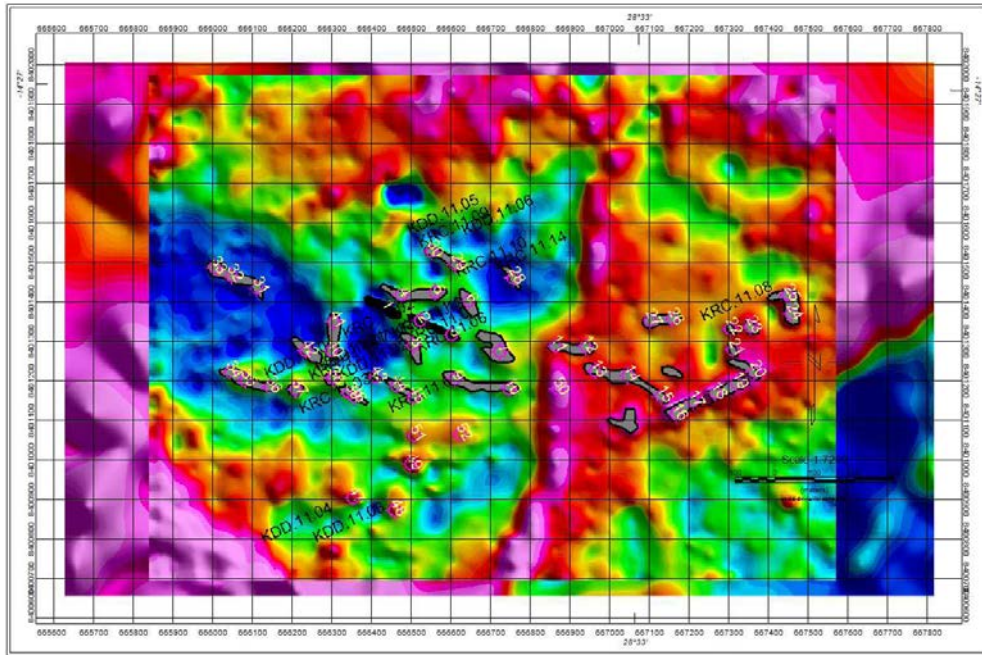
Subsequent to the Quarters end the Company executed the Share Sale Agreement.

Emmanuel Project

The Emmanuel Project is located 10km north-east of Kabwe and covers over 2,000 km². The project lies within the Kabwe Manganese Field, a region of known manganese occurrences and several established open pit manganese operations. The Emmanuel Project includes a granted mining lease where small scale open pit mining activities commenced in 2010 and which are currently the Company’s major focus in Zambia.

Exploration during the Quarter was focused on follow up work from the previous quarter that included the 7 diamond and 14 RC holes previously drilled to test for extensions from the small-scale mining activity that had been carried out in the Chowa Open Pit Mine.

Ground and aeromagnetic surveys were completed over 12 blocks within the Emmanuel Project to generate further drilling targets and to assist in a broader interpretation of the structural geology.



Gravity survey results with planned drill holes for upcoming resource definition drilling

The Company took the decision during the Quarter to transport its drill rig from New Mexico to Zambia. This allows the Company to accelerate its exploration program and the resource definition drilling across all the Zambia Manganese Projects.

The drill rig is expected to arrive at the Emmanuel Project in mid-November 2011.

Mining Commences at the Chowa Open Pit

During the Quarter the Company announced initial open pit mining activities within the Emmanuel Project and on the Chowa Mining Lease. The first production blast of approximately 2,000 tonnes of ore, as a bulk-sample, was completed on 30 August 2011.

The commencement of mining operations on the Chowa Mining Lease followed the dewatering of the existing open pit in June and the pre-stripping of material that continued throughout July 2011.



Inspection of the pit following blasting



Mining commencing following the first production blast

The commencement of production, prior to the definition of a JORC compliant resource at the Emmanuel Project, whilst not the Company's preferred route to production, has been achievable given the exposed manganese veins in the former small scale open pit mine workings as well as the widths and strong continuity of mineralisation identified and exposed.



Manganese Ore from the Chowa Open Pit - dark coloured, highly brilliant, very low Iron characterizing the type of material on site.

Monthly production of approximately 2,000t of ore is planned from the main manganese reef within the Chowa Open Pit and is forecast to be mined at these production rates until the Company completes more detailed mine optimisation studies in the current Quarter and secures new mining equipment on site.

Mining is by conventional truck and shovel open pit mining methods. Due to the extent and strike of the identified manganese mineralisation on the Chowa Mining Lease deposit, the initial top 10m layer of material is weathered and is amenable to ripping and free dig. The remaining 20-40 m layer of waste and manganese mineralisation will be drilled and blasted.

Mining activities at the Chowa Open Pit will take place in 4 phases:

1. Pre-stripping consisting of bush clearing and topsoil removal takes place up to 300m in advance of the mining operations
2. Waste stripping follows the pre-stripping and consists of overburden removal to expose the manganese mineralisation
3. The manganese mineralisation is then mined and hauled to the crusher and plant for final processing.
4. Rehabilitation then follows the mining operation with waste material being

The preliminary mine plans presented by the Company's in-country manager Impondo, propose an initial starter pit to expose an initial three months of production during which time the Company will target the construction of the plant and surface infrastructure and mobilisation to site of new equipment.

Waste material is forecast to be mined to a depth of 20m and 50m along strike. During this initial period approx. 77,400t of overburden and 32,370t of topsoil is scheduled. Overburden will be hauled and dumped alongside the open pit on the low-wall side to allow for dozing back into the pit during the rehabilitation phase. The final Chowa Open Pit is forecast to be mined to a depth of up to 50m and an initial length of 1.2km producing approx. 1.5Mt of manganese over an initial 20 year mine life.

Further mine optimisation work is continuing and will be supported by the results of further resource definition drilling planned in the current quarter.

Manganese ore from the production blast is currently being trucked to the stockpile and storage facilities at Kabwe where it will be bagged.



Manganese stockpile and storage facilities at Kabwe

Following completion of the Rights Issue the Company will construct a modular processing plant at the Emmanuel Project consisting of a primary and secondary crusher circuit, scrubber, triple deck screen, optical sorter circuit, spirals and tertiary crusher with the final concentrate bagged and packaged prior to export.

Assays of Grab Samples from the Chowa Open Pit Mine

Prior to the blast at the Chowa Mine, two grab samples each of approx. 1kg were taken from the exposed manganese reef within the open pit. Assay results for these samples were completed at Alex Stewart International Corporations assay and analytical laboratory at Kalulushi. The grab samples results are considered to be representative of the manganese reef at the Chowa Mine and confirm the high and high quality of the ore.

EMMANUAEL PROJECT – CHOWA MINE – GRAB SAMPLE ASSAY RESULTS AUGUST 2011						
Sample	MnO₂ (%)	SiO₂ (%)	Co (%)	Fe (%)	Au (ppm)	Moisture
Kabwe 1	57.71	1.89	0.02	0.11	0.9	0.64
Kabwe 2	62.11	0.82	0.01	0.17	0.62	0.69

Note: Manganese dioxide has been determined volumetrically, cobalt, iron determined by AAS. Silica by gravimetry and gold by fire assay.

Peco Project

The Peco Project is located 65 km east-northeast of the town of Mansa town, in the northern Luapula Province of Zambia.

The Company has completed ground magnetic and radiometric surveys over the project area. These surveys identified a number of follow up targets and also exposed more than eight old exploration trenches (exposing manganese mineralization) and artisanal mine workings. A number of soil samples and five 20kg manganese samples were collected for sampling.

During the Quarter an airborne magnetic survey was completed prior to the commencement of drilling at the Peco Project scheduled to commence in the December 2011 quarter.

Kanona Project

The Kanona Project is located between the towns of Serenje and Mpika of Central Zambia. The project is approx. 80km from Serenje, 5km from the Tazara Railway line and close to the Great Northern Highway.

The Kanona Project area is underlain by tightly folded thick sequence of schistose *gneisses* and *schist's* generally of low metamorphic grade (greenschists facies), quartz-muscovitesericited schist's, fine grained pelites interbedded with finely banded metasilstones. Locally, the survey area is underlain by basal manganiferous/hematite quartzite highly deformed and granitised with NE-SW trending foliation and fining northwards into coarse cross-bedded grits and conglomerates.

The quartzite and gneiss in the area is manganiferous. Dendritic (pyrolusite) manganese and goethite is wide spread in the area, and the presence of manganite, pyrolusite and rhodocrosite (observed as re-stained quartz vein) has been identified across the project area. Most of the notable manganese mineralization is in siliceous veins. Historical work within the project area has identified a number of manganese occurrences as vertical quartz pyrolusite veins of up to 3m width and extending over several hundred metres.

During the Quarter the Company completed further ground magnetic surveys, mapping and survey work over the Project area.

Off-take Agreement and Associated Financing

During the Quarter the Company continued in its discussions with several major steel manufacturers, commodity trading houses and investments banks regarding long-term off take agreements for the Company's production from its Zambian Manganese Projects as well associated debt and commodity linked funding. These discussions are ongoing with the Company looking to finalise in the current quarter.

Subsequent to Quarters end the Company's subsidiary AAMD entered into a short-term sales agreement with a Chinese based group for the sale (FOT) of 2,000t of stockpiled manganese ore from the Chowa Open Pit Mine. The sale will generate approx. US\$0.55m of gross sales proceeds.

CORPORATE

Underwritten Rights Issue

During the Quarter the Company announced a fully underwritten pro-rata non-renounceable entitlement issue ("Rights Issue") on the basis of one new share (approx. 142,562,594 new shares) for every two shares held by Shareholders at an issue price of A\$0.022, together with one free attaching listed option

(142,562,594 new options) exercisable at A\$0.03 on or before 30 June 2013, to raise approx. A\$3.14m. The Prospectus was lodged with the ASX on 9 September 2011.

The proceeds from the Rights Issue are to be used to aggressively advance exploration and fund ongoing development costs of the Zambian Manganese Projects as well as ongoing uranium exploration under the Grants Ridge Joint Venture, as well as administration and general working capital requirements of the Company.

Subsequent to the end of the Quarter, the Company announced that valid acceptances had been received from shareholders to subscribe for 23,662,175 new shares and that the resultant shortfall of shares had been taken up by the underwriter.

Loan Funding

During the Quarter, the Company entered into a unsecured short term loan agreement of A\$0.2m with clients of Oracle Securities to fund the Company's working capital requirements for the advancement of the Zambian Manganese Projects. The loan of A\$0.2m was in addition to the A\$1.0m loan entered into by the Company with clients of Oracle Securities during the previous quarter. The loan bears interest of 12% per annum.

The aggregate A\$1.2m loans and interest are repayable through the issuance of up to 57,636,364 shares and up to 86,454,545 options, as approved by shareholders at the General Meeting held during the Quarter.

Restructure of the Board

During the Quarter, the Company completed a restructure of the Board to reflect its focus on its Zambian Manganese Projects and its rapid transition to being a mine production and development company.

The Company announced the appointment of senior mining executive Mr Jason Brewer as an Executive Director, Ms Shannon Robinson as a non-Executive Director of the Company and Joint Company Secretary and the appointment of Ms Jane Flegg as Joint Company Secretary.

Jason Brewer has over 18 years' international experience in the natural resources sector. He is a mining engineer with a Master's degree in mining engineering with honours from the Royal School of Mines, London. He has experience in mining operations in Africa, North America and Australia and has worked for major investment banks in London, Sydney and Perth. Mr Brewer is currently an Executive Director of Okap Ventures, and also a director of ASX listed mining companies Continental Coal Limited and Altona Mining Limited. His experience in successfully leading companies from exploration into production and raising their profiles internationally are considered a major asset for the Company as it seeks to expand its production capabilities in Zambia.

Shannon Robinson is a corporate lawyer and an associate of the Institute of Chartered Secretaries and Administrators (ICSA) and Chartered Secretaries Australia (CSA) and a member of AMPLA. Ms Robinson provides corporate advice in relation to mergers and acquisitions, capital raisings, due diligence reviews and legal compliance, takeovers and managing legal issues associated with client transactions. Ms Robinson acts as Company Secretary for a number of ASX listed and unlisted companies.

Jane Flegg has over 20 years of experience in finance and administration. Ms Flegg has been a corporate advisor to several ASX listed mining and oil and gas exploration companies and specialises in corporate and financial management, compliance and company secretarial advice.

In addition, Kate Hobbs advised the Company that whilst she will continue in her role as Managing Director during this transitional period for the Company and will then be seeking to pursue other business interests.

The Company will be looking to further strengthen the Board as it continues to progress its Zambian Manganese Projects.

Proposed Change of Name – Kaboko Mining Limited

Subsequent to the end of the Quarter, the Company announced a proposed change to the Company's name from Uran Limited to "Kaboko Mining Limited". The change of name is to be approved by shareholders at the Annual General Meeting on 24 November 2011. In the event that the change of company name is approved by shareholders then the Company's securities will trade on the ASX under the new code "KAB".

URANIUM PROJECTS

The Company's uranium projects comprise:

1. the Grants Ridge Joint Venture ("GRJV") with Uranium Energy Corp (NYSE:UEC) that comprises the Mesa Montanosa, Armijo and F33 Projects where the Company is earning a 65% interest;
2. a 100% interest in the Kit Carson Project located contiguous to the Grants Ridge Joint Venture; and
3. a 100% interest in the Northern Projects located close to the Mesa Montanosa Project.

With the Company's focus firmly on the development of its Zambian Manganese Projects no significant exploration activities were conducted during the Quarter. Going forward, the Company is reviewing its options in respect of its Uranium Projects.

Grants Ridge Joint Venture

The GRJV comprises over 3,500 hectares of mineral claims, freehold land and leased mineral rights covering numerous historic uranium mines in the Grants Mineral Belt, New Mexico USA. The Company has completed the minimum expenditure requirements under the joint venture and can perfect its 65% interest by commissioning a Feasibility Study.

GRJV holds 2,270 hectares of mineral claims, freehold land and leased mineral rights covering numerous historic uranium mines in the Grants Mineral Belt, New Mexico USA.

Uran has completed the expenditure conditions of the joint venture and can perfect its interest in the GRJV by commissioning a feasibility study.

The focus of the GRJV over the past 3 quarters has been the Mesa Montanosa Project, for which about 900 drill logs from drilling prior to 1980 have been obtained. These have shown numerous intercepts in excess of 1,000 ppm ranging to greater than 1% U₃O₈. During the Quarter, assay results from 15 holes drilled earlier in the year were received.

The drilling consisted of vertical RC holes designed to follow up in high-grade intercepts from past drilling, to test for extensions from previous uranium mining, and locate potential new uranium occurrences related to north-south trending faulting and folding. The holes straddled the target structure interpreted from seismic surveys completed earlier in 2011.

No work was completed during Quarter on the Armijo and F33 Projects.

Kit Carson and Northern Projects

The Kit Carson Project comprises 1,230 hectares of land around the Grants Ridge Joint Venture, covering numerous historic open pit and underground uranium mines. Previous drilling has reported numerous high-grade intercepts ranging up to 9,600 ppm U₃O₈.

The Northern Projects comprises 518 hectares of land close to Mesa Montanosa, covering historic uranium mines including the Jackpile Mine, which produced over 46 million lbs U₃O₈ at 0.24% and was the world's largest open-pit uranium mine at the time; the Marquez Mine which produced about 3.7 million lbs @ 0.26%; San Mateo which produced 2.8 million lbs U₃O₈ @ 0.17%; and Poison Canyon (adjacent to Mesa Montanosa) which produced 1 million lbs U₃O₈ @ 0.23%.

No work was completed during Quarter on the Kit Carson or Northern Projects.

OUTLOOK FOR THE NEXT QUARTER

During the December 2011 quarter the Company looks forward to:-

- Resource definition drilling at the Emmanuel and Peco Projects
- Further trenching, aeromagnetic and gravity surveys at the Peco and Kanona Project
- Finalise negotiations on long-term offtake agreements with major steel manufacturers and commodity trading houses
- Strengthening of the Company's management team in Zambia
- Annual General Meeting
- New mine and processing equipment delivered for the Emmanuel Project

Yours sincerely



Jason Brewer
Executive Director

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

URAN LIMITED

ABN

93 107 316 683

Quarter ended ("current quarter")

30 September 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) (\$A'000)
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(697,372)	(697,372)
(b) development	-	-
(c) production	-	-
(d) administration	(209,044)	(209,044)
1.3 Dividends received	9,861	9,861
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(896,555)	(896,555)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(11,759)	(11,759)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(11,759)	(11,759)
1.13 Total operating and investing cash flows (carried forward)	(908,314)	(908,314)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(908,314)	(908,314)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	800,000	800,000
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	Net financing cash flows	800,000	800,000
Net increase (decrease) in cash held			
1.20	Cash at beginning of quarter/year to date	446,840	446,840
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	338,525	338,525

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	52,117
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

52,117 payment of directors fees

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500,000
4.2 Development	-
4.3 Production	-
4.4 Administration	200,000
Total	700,000 (i)

(i) Note: Fully underwritten non-renounceable rights issue completed after quarter end raising \$3,136,377 before costs

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	338	252
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details) Term deposits applied as security for environmental bond and bank facilities	-	195
Total: cash at end of quarter (item 1.22)	338	447

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	285,125,189	285,125,189		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	Nil			
7.5 *Convertible debt securities <i>(description)</i>	Nil			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	89,750,709	89,750,709	<i>Exercise price</i> \$0.08	<i>Expiry date</i> 13 July 2012
	250,000		\$0.40	31 July 2012
	250,000		\$0.60	31 July 2012
	4,000,000		\$0.03	15 June 2015
7.8 Issued during quarter	4,000,000		\$0.03	15 June 2015
7.9 Exercised during quarter	Nil			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.10	Expired during quarter	1,250,000		\$0.40	31 July 2011
		1,250,000		\$0.60	31 July 2011
7.11	Debentures <i>(totals only)</i>	Nil			
7.12	Unsecured notes <i>(totals only)</i>	Nil			

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 4\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.



Jane Flegg
Joint Company Secretary
31 October 2011

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.