

28 April 2011

Companies Announcement Office
ASX Limited
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Fully Underwritten \$4.56m Rights Issue to Develop Zambian Manganese Projects

- Fully underwritten 1 for 2 Rights Issue at 3.2c to raise \$4.56 Million, with a free attaching option exercisable at 5c by 30 June 2013 for every Share subscribed.
- Funds to be used to aggressively advance exploration and commence development of Zambian Manganese Projects.
- Initial diamond and RC drilling program completed with massive manganese veining intercepted. Assay results are expected in May 2011.
- Assays from grab samples returned results of 45% to 52% MnO₂.
- A 100 tonne trial shipment run has been carried out to test the transport route for proposed export of manganese ore.
- Planning to commence production in Q3 of 2011.
- Drilling underway at Mesa Montanosa Uranium Project , New Mexico.

Zambian Manganese Project Acquisition and Development

The Board of Uran Limited is pleased to announce that it has secured funding by way of a \$4.56M underwritten rights issue to fund the acquisition (by way of farm in) of a 51% interest in four key manganese projects in Zambia, 2 of which have granted mining leases. Funds will be used to continue with exploration and development of the projects as well as ongoing exploration at Grants Ridge uranium project, administration and general working capital.

Drilling Completed at Emmanuel Manganese Project in Zambia

The first round of drilling, comprising 15 RC and 7 diamond core holes, has been completed at the Emmanuel Project near Kabwe in central Zambia, and assay results are now expected during May 2011.

Grab samples taken from the mine in 2010 returned assays of 45–52% MnO₂. Drilling intercepted massive manganese veining dipping at about 60 degrees to the east and extending at least 300 metres to the south-west on strike from the existing open pit.



The mineralised structure extends for over 50 kilometres across the project area and is being exploited by 3 operating manganese mines abutting the eastern boundary of the project area.

The current drilling is on a granted mining lease on which some mining was carried out in 2010. No further permits are required to re-commence mining, and negotiations are underway with several parties regarding sale of manganese ore. Manganese from the area is high quality with very low deleterious elements and is therefore readily saleable. To this end a 100 tonne parcel of ore has been shipped to ensure the infrastructure is ready to accommodate production from the Emmanuel Project.



Trial Ore Shipment

The project is only 8 kilometres from the railway line at Kabwe, which has substantial infrastructure supporting other manganese mining in the area.

The Company in conjunction with Impondo Mining Services (Uran's South African based Mining Services Partner) is assessing and implementing the mining, technical, logistical and commercial requirements necessary to commence development of an open pit mining operation with first production scheduled for Q3 2011.

An aeromagnetic survey has commenced over parts of the 2,734 km² covered by the licenses to identify possible extensions to both the Emmanuel Project near Kabwe, and the Peco Project near Mansa in Northern Zambia. Peco comprises 2 mining leases and large scale prospecting licenses with adjacent mining operations extending to the boundary of the mining leases).

The Company will keep the market informed as it progresses with exploration and development initiatives.

Underwritten Rights Issue

In anticipation of proceeding with the Zambian acquisition and entering into early stage production from the Zambian Manganese Projects, the Company is pleased to advise that it plans to **raise approximately \$4.56 million through a fully underwritten pro-rata non-renounceable rights issue.**

The Company will offer to existing shareholders the right to subscribe for 1 share for every 2 shares held at the record date, **at a subscription price of \$0.032 per share.** In addition, for every share applied for pursuant to the Rights Issue, the Company will issue a free option exercisable at 5 cents with an expiry date of 30 June 2013 ("**the Rights Issue**").

Funds raised from the Rights Issue will be used for exploration, development and potential early stage production from the manganese projects in Zambia, to continue exploration at Grants Ridge uranium projects, and for administration expenses and general working capital purposes.

The Underwriter is Oracle Securities Pty Ltd in conjunction with Komodo Capital Pty Ltd, a Perth based Corporate Advisory firm which provides advisory services to the minerals and energy industry.

The Company will issue Rights Issue documentation over the coming weeks. The acquisition remains subject to final due diligence and shareholder approval which is expected to be completed shortly in conjunction with the Rights Issue. The rights issue documentation and a notice of meeting and to seek shareholder approval for issue of shares as consideration for the acquisition of the initial 51% interest in the Project will be dispatched shortly.

Drilling Commences at Mesa Montanosa Uranium Project, New Mexico, USA

Drilling has commenced at the Mesa Montanosa uranium project near Grants, New Mexico. Uran is earning 65% of the project from joint venture partner Uranium Energy Corp (NYSE: UEC).

Drilling will test for extensions to previous uranium mining on the project as well as potential new deposits. The company has located about 900 drill logs from previous work within the project area, with numerous assays ranging from 1,000-10,000 ppm U_3O_8 .

A seismic survey completed in January has delineated a number of faults which appear to locate the uranium mineralisation, and which will be tested by current drilling. Further targets have been identified by a radon survey carried out late in 2010.

Kate Hobbs
MANAGING DIRECTOR

Competent Person

The information was reviewed by Ms Kate Hobbs, the Company's Managing Director, a full time employee of the Company. Ms Hobbs has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Ms Hobbs consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.