



UXA Resources Limited

ABN 65 112 714 397

5 March 2012

IMPORTANT MESSAGE Share Purchase Plan

Dear Shareholder,

Invitation to Participate in the UXA Shareholder Share Purchase Plan

The Board of Directors of UXA Resources Limited (ASX: UXA) is pleased to extend an invitation to its shareholders to participate in its **Share Purchase Plan** ("SPP").

Funds raised under the SPP will be directed at accelerating exploration programs and fund working capital.

The company is anticipating drill results from both its Stuart Shelf IOCG joint venture and its Dome-5 base metal projects, as well as commencing drill programs at Polygonum in NSW and the Narbarlek uranium project in the NT later this year.

The SPP provides shareholders with the opportunity to increase their exposure in UXA ahead of steady newsflow over the course of 2012.

The SPP will enable each existing eligible Shareholder, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of Shares in UXA (ranking equally with existing fully paid ordinary Shares) at an attractive price, free of all brokerage and commissions.

Under the SPP, eligible Shareholders will be offered new Shares for subscription at 0.73 cents per share. In formulating the SPP subscription price, the Board has considered the trading range of the company's shares on ASX during the last five days prior to this announcement.

The trading range of the Company's Shares for the 5 trading days prior to the announcement of the SPP was between 0.8 cents and 1.0 cents with an average selling price for that period of 0.91 cents.

This letter sets out the terms and conditions of the offer to Shareholders on this occasion and how to apply for Shares should you wish to participate. Payment can be made by cheque, bank draft, money order or Bpay[®] and must be received by 5 pm (Sydney Time) on Thursday 5 April 2012.

The offer is non-renounceable, and the SPP is not underwritten. Management expects the SPP to raise up to \$1.2 million.

Participation in the SPP is entirely voluntary. If you are an Eligible Shareholder and decide to participate, you may apply for one of five different parcels of Shares as set out below.

Application amount at Issue Price of \$0.0073	Number of Shares*
\$15,000	2,054,795
\$10,000	1,369,863
\$5,000	684,932
\$2,000	273,973
\$1,000	136,987

*Shares are rounded up to the next whole number.

The right to participate in the SPP is available only to Australian and New Zealand Shareholders who were registered as holders of fully paid ordinary Shares in UXA at 7.00pm (Sydney Time) on Friday, 2 March 2012.

Shares allotted under the SPP will be issued on Monday, 16 April 2012 (unless otherwise determined by the Board).

The Directors of UXA advise they intend to subscribe for Shares under the SPP with respect to their own direct or indirect shareholdings.

The terms and conditions of the SPP are set out in this letter as Annexure A. I urge you to read it in its entirety before you decide whether to participate. If you have any doubts as to what you should do, you should seek advice from your stockbroker, accountant, solicitor or other professional adviser.

Key dates*

Record Date	7pm (Sydney Time) Friday 2 March 2012	Date for determining Eligible Shareholders
Opening Date	Friday, 9 March 2012	Date the SPP opens.
Closing Date	Thursday 5 April 2012	Offer closes at 5:00pm (Sydney Time) on this date
Issue Date	Monday 16 April 2012	Shares to be issued under the Plan are allotted
Despatch Date	Wednesday 18 April 2012	Confirmation of transaction despatched to shareholders

*Dates are indicative only and UXA retains the right to vary each of these dates without advance notification to you. However, any alteration to these dates will be notified to the ASX.

Statement from Managing Director

My fellow Directors and I have confidence in the positive outlook for UXA and the attractiveness of the shares being offered under the SPP.

Although market uncertainty may persist over the coming months for the uranium industry, we believe UXA's diversified strategy offers increasing value for its shareholders with direct exposure to a pipeline of highly prospective and funded exploration projects covering diverse commodities throughout Australia. UXA's current and planned drilling programs are expected to provide consistent newsflow in the year ahead, and contribute strongly to the company's future.

That said, we must draw your attention to the fact that the future price of UXA's Shares can rise or fall depending upon the successful performance and results of UXA exploration programs, fluctuations in world metal prices and fluctuations of the stock market generally.

Also, Shareholders should be aware that there is a risk that the market price of the shares may change up or down between the date of this Offer and the date when the new Shares are issued to you under the SPP.

Shareholders should also note that the offer is not made under a Prospectus or other disclosure document and does not require the type of disclosure required under the Corporations Act 2001 (Cth). Shareholders must rely on their own knowledge of the Company and previous disclosures made by the Company on the ASX. It is advisable to consult your professional adviser when deciding whether or not to accept the offer and participate in the SPP.

On behalf of the Board, I invite you to consider this opportunity to increase your investment in UXA.

If you have any questions on the proposed SPP, please call the offer information line on 1300 604 643 or 03 9415 4262 (outside Australia) at any time between 8.30am and 5.30pm (Sydney Time) Monday to Friday during the offer period.

We at UXA look forward to your continued support.

A handwritten signature in black ink, appearing to be 'R Penney', written in a cursive style.

**Russell Penney
Managing Director
UXA RESOURCES LIMITED**

About UXA Resources Limited

UXA has a diversified portfolio of projects in base metals (copper-gold and lead-zinc-silver) as well as uranium and a cash generating logging business operating in the USA and Australia across a whole range of mining industries including coal, coal seam gas, iron ore and uranium.

UXA's active exploration projects are diversified across a range of commodities within premier mining regions. As a testament to the quality of the projects, UXA has joint ventures with several large, highly esteemed, multinational resources corporations:

MVT and Broken Hill style lead-zinc-silver – Teck Option

Exploring a Mississippi Valley Type (MVT) prospect at Dome 5 in NSW where recent drilling identified a significant zone of mineralization **with intercepts up to 3.0m at 15.54% Pb.**

The tenements also include an exciting Broken-Hill style lead zinc silver prospect, Polygonum, where widely spaced historical drilling returned intersections up to 3.8m @ 9.25% Pb + Zn with the target mineralised horizon extending over 50km strike within the tenements.

UXA's option agreement is with Teck Australia Pty Ltd ("Teck"), a subsidiary of Canada's largest diversified mining house, Teck Resources Limited. UXA's can earn up to 100% of Teck's joint venture interest in the tenements (subject to certain claw back rights of Teck).

Iron oxide copper gold (IOCG), Straits JV

UXA holds nine tenements in South Australia which are part of a joint venture with Straits Resources Ltd, where Straits is the operator and earning 70% for an expenditure of \$10 million. The **target is an iron oxide copper-gold (uranium) deposit (IOCG-U) in the world class Olympic Dam - Prominent Hill region** of the Stuart Shelf in South Australia.

Straits has initiated a 3,600m diamond drilling program on three targets. Previous drilling by UXA at the Winjabbie prospect, which is one of Straits' targets, intersected 42m @ 0.34% Cu (including 9m @ 0.80% Cu) from 824m depth.

Unconformity style uranium Northern Territory – Reliance JV

UXA is exploring for unconformity style uranium at Nabarlek and Pandanus West in Northern Territory in joint venture with RIL Australia Pty Ltd, a subsidiary of Reliance Industries Limited, a multi-billion dollar group, which is one of India's largest private sector companies.

UXA is the operator of the joint venture with Reliance providing 49% of exploration funds. The 2011 exploration program has succeeded in identifying three target areas for drilling in 2012 on the Nabarlek project.

Targets include the along strike extension of the **U40 uranium discovery announced in 2010 by Uranium Equities Ltd which lies within 300m of UXA's Nabarlek North tenement.** This exploration program will resume after the end of the wet season (April-May).

As an explorer, **UXA is in the almost unique position of being the owner of a cash flow positive business**, the high tech borehole wireline logging service provider, GAA Wireline (GAA). During the past six months GAA has shown a considerable improvement in operating performance with revenue at \$2.3m, up by 52% over the corresponding period in 2011, when the wet weather in Queensland had severely curtailed activities. GAA operates in both Australia and the United States of America across a range of industries:

- Coal and coal seam gas in Queensland,
- Iron Ore in South Australia and New South Wales,
- Uranium in South Australia, Northern Territory and Western Australia
- Uranium in the United States of America
- Geotechnical logging Australia-wide

In the uranium industry GAA is the owner and operator of the unique Prompt Fission Neutron (PFN) tool and associated IP, uniquely designed to overcome the problem of disequilibrium in geophysical logging of “young” sandstone-hosted uranium deposits which currently account for 35% of world uranium production. GAA has three ongoing PFN contracts in the USA including a two year contract with Cameco Resources at its uranium mine in Wyoming.

GAA’s technical expertise is demonstrated by its recent winning of a contract with AuScope’s Australian Geophysical Observing System to provide downhole acoustic scanner imagery to this innovative Australia-wide multidisciplinary applied research program.



Annexure A

This document sets out the Terms and Conditions of the UXA Resources Limited ('the Company') Share Purchase Plan ('SPP') (as contemplated by ASIC Policy Statement 125) and is binding on any Shareholder completing the application form attached hereto.

1. Definitions

In this SPP, unless the context otherwise indicates:

Acceptance Period means the period commencing on the date on which Offers under the SPP are sent to Eligible Shareholders and ceasing on the Closing Date.

ASX means the Australian Securities Exchange Ltd.

Board means the board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that the ASX declares is not a business day.

Closing Date means 5 pm on Thursday 5 April 2012 or such other date as may be determined by the Board.

UXA or Company means UXA Resources Limited ACN 112 714 392.

Eligible Shareholders means Shareholders of the Company eligible to participate in the Offer as determined under clause 2.

Offer means the non-renounceable offer of Shares to Eligible Shareholders under the SPP.

Purchase Price means the subscription price of \$0.0073 per Share.

Record Date means 7pm (Sydney Time) Friday 2 March 2012.

SPP means the UXA Resources Limited Share Purchase Plan approved by the Board from time to time.

Shares means fully paid ordinary Shares in the Company.

Terms means the terms of the SPP, as amended and modified from time to time.

2. Eligibility to participate

2.1 The Shareholders of the Company who will be eligible to apply for Shares under an Offer (the "**Eligible Shareholders**") are those:

- (a) who are recorded in the Company's register of Shareholders at 7 pm (Sydney Time) on the Record Date; and
- (b) who have an address (as recorded in the Company's register of Shareholders) in Australia or New Zealand.

2.2 For the purposes of the SPP:

- (a) if two or more persons are recorded in the Company's register as jointly holding Shares they are taken to be a single registered holder and a certification by any of them is taken to be a certification by all of them; and

- (b) if a trustee or nominee is expressly noted on the register of Shareholders as holding Shares on account of another person (a "**Beneficiary**"):
 - (i) the Beneficiary is taken to be the registered holder in regard to those Shares; and
 - (ii) any application for the issue of Shares or certification by, and any issue of Shares to, the trustee or nominee, is taken to be an application or certification by, or an issue to, the Beneficiary.

3. Application forms

3.1 The Company will not accept an application form unless:

- (a) it is received during the Acceptance Period; and
- (b) the Eligible Shareholder provides the appropriate application monies to accompany the application form.

3.2 In response to the Offer, Eligible Shareholders:

- (a) must apply for a minimum value of Shares (based on the Purchase Price for that Offer) as determined by the Board;
- (b) may only apply for Shares in parcels determined by the Board (based on the Purchase Price for that Offer); and
- (c) may only apply for such number of Shares that will result in the total Purchase Price for that Offer when aggregated with the total Purchase Price paid in response to all other Offers in the 12 month period prior to the date of that Offer not exceeding \$15,000 worth of Shares (based on the Purchase Price of the relevant Offer).

4. Operation of the SPP

4.1 All Offers made under the SPP are non-renounceable.

4.2 Participation in the SPP by Eligible Shareholders is entirely optional and is subject to these terms.

4.3 Each Eligible Shareholder is solely responsible for obtaining any government or regulatory approvals and consents necessary for that Eligible Shareholder to be eligible to participate in the SPP.

5. Purchase Price and acceptance of risk factors

5.1 The Purchase Price of Shares under this Offer is \$0.0073 per Share

5.2 By accepting the Offer and applying for Shares under the SPP, each Eligible Shareholder will be acknowledging that although the Purchase Price is at a discount to the Market Price as at the date on which the Purchase price was determined, shares are a speculative investment and the price of Shares on ASX may change between the date of the Company announcing its intention to make the Offer and the date of issue of Shares under that Offer and that the price and/or value of the Shares received under the SPP may rise or fall accordingly.

6. Terms of issue of Shares

6.1 The Board reserves the right to refuse an application (in whole or in part) if it considers that:



- (a) the applicant is not an Eligible Shareholder;
- (b) the issue of those Shares would contravene any law or the ASX Listing Rules; or
- (c) the applicant has not otherwise complied with the terms of the SPP.

If an application is refused in whole or in part, the application monies or the surplus application monies (as the case may be) will be refunded in full without interest.

6.2 From their date of issue, Shares allotted under the SPP will rank equally in all respects with the then existing fully paid ordinary shares in the Company and therefore will carry the same voting rights, dividend rights and other entitlements.

6.3 The Company will apply for quotation on the ASX of Shares issued under the SPP, within the period prescribed by the Listing Rules of the ASX.

6.4 No brokerage or commissions will be payable by Eligible Shareholders in respect of an application for, and an issue of, Shares under the SPP.

6.5 Subject to clause 6.1, Shares will be issued and holding statements despatched on Wednesday, 18 April 2012 in respect of the Offer.

7. General

7.1 The SPP will be administered by the Board who will have an absolute discretion to:

- (a) determine appropriate procedures for administration of the SPP consistent with these Terms;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with the SPP or these Terms;
- (c) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of their powers or discretions under the SPP or these Terms; and
- (d) proportionally scale back Eligible Shareholder entitlements in accordance with the Company's funding needs.

7.2 The SPP and these Terms may be suspended, terminated or amended at any time by the Board.

7.3 The SPP will operate until terminated by the Board.

7.4 The Board may resolve any dispute concerning the SPP in such manner as they see fit or adopt any administrative procedures in relation to the SPP as they deem appropriate. The decision of the Board will be final and binding on the parties to the dispute or the Eligible Shareholders or both, as the case may be.

7.5 Any overpayment for shares which is less than \$10.00 will be donated to charity (ie the overpayments will not be refunded).

7.6 These Terms are governed by and construed in accordance with the laws for the time being in force in the State of New South Wales.



UXA Resources Limited

ABN 65 112 714 397

For all enquiries:

Phone:



(within Australia) 1300 XXX XXX
(outside Australia) 61 3 9415 xxxx

Web:



www.investorcentre.com/contact



000001 000 UXA
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



See over for details of the Offer and how to make your payment

Share Purchase Plan Application Form

Your payment must be received by 5:00pm (AEST) Thursday 5 April 2012

This is an important document that requires your immediate attention.

It can only be used in relation to the securityholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of UXA Resources Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for UXA Resources Limited securities on the terms of the Share Purchase Plan (SPP).

In addition, by submitting the slip below you certify that the aggregate of the application price paid by you for:

- the securities the subject of the slip below; and
- any other securities and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the slip below does not exceed A\$15,000.

UXA Resources Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by UXA Resources Limited will be conclusive and binding on all eligible securityholders and other persons to whom the determination relates. UXA Resources Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all eligible securityholders even where UXA Resources Limited does not notify you of that event.

Step 1: Registration Name

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

Step 2: Make Your Payment

Note that securities may be purchased subject to purchase of the minimum value and not exceeding the maximum value. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the slip with **BPAY** payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque or bank draft payable in Australian dollars to UXA Resources Limited - SPP A/C. The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over for details of the Offer →

UXA Resources Limited Share Purchase Plan Application Form
Payment must be received by 5:00pm (AEST) Thursday 5 April 2012

© Registered to BPAY Pty Ltd ABN 69 079 137 518


Share Purchase Plan Application Form

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STEP 1

Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 00005856

Offer Details: Record date: **7:00pm (AEDT) Friday 2 March 2012**

Minimum value available to purchase: **\$1,000**

Maximum value available to purchase: **\$15,000**

STEP 2

Make Your Payment



Billers Code: 999999
Ref No: 1234 5678 9123 4567 89

Contact your financial institution to make your payment from your cheque or savings account.

Pay by Mail:



Make your cheque, money order or bank draft payable to UXA Resources Limited - SPP A/C.

Return your cheque with the below slip to:
Computershare Investor Services Pty Limited
GPO BOX 253 Sydney New South Wales 2001 Australia

Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited (CIS) as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS using the details provided above or email privacy@computershare.com.au

Detach here

Purchase Details for UXA Resources Limited (choose one option)

\$1,000 worth of securities OR \$2,000 worth of securities OR \$5,000 worth of securities
 \$10,000 worth of securities OR \$15,000 worth of securities



Entitlement No: 00005856

Payment must be received by 5:00pm (AEST) Thursday 5 April 2012

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Contact Details

Contact Name _____ Daytime Telephone _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$

123456789123456789+0000000001-2054+15