



9 September 2011

The Manager  
Company Announcements  
Australian Securities Exchange Limited  
Level 6, 20 Bridge Street  
SYDNEY NSW 2000

**By e-lodgement**

**NON-RENOUNCEABLE RIGHTS ISSUE AND APPENDIX 3B**

Uran Limited (ASX: URA) ("**Uran**" or "**the Company**") is pleased to announce that the Company's Underwritten Rights Issue Prospectus as attached is being dispatched to shareholders.

Please also find attached an Appendix 3B.

Yours sincerely

Kate Hobbs

MANAGING DIRECTOR



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# URAN LIMITED

## ACN 107 316 683

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### ENTITLEMENT ISSUE PROSPECTUS

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For a pro rata non-renounceable entitlement issue on the basis of one (1) New Share for every two (2) Shares held by Shareholders on the Record Date at an issue price of \$0.022 per New Share, together with one free attaching New Option (to be quoted) exercisable at \$0.03 on or before 30 June 2013, to raise up to \$3,136,377 before associated costs (**Entitlement Issue**).

#### **Underwriter**

The Entitlement Issue is conditionally underwritten by Oracle Securities. Refer to Section 6.2 for details regarding the terms of the Underwriting Agreement.

#### **IMPORTANT NOTICE**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

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## 1. IMPORTANT INFORMATION

Below is important information and important notes in relation to the Offer. Shareholders should read this document in its entirety and, if in doubt as to any of the matters set out in this Prospectus, should consult their professional advisers.

### SUMMARY OF THE OFFER

By this Prospectus, the Company offers for subscription approximately 142,562,594 New Shares and approximately 142,562,594 free attaching New Options pursuant to a pro-rata non-renounceable entitlement issue to Shareholders of one (1) New Share for every two (2) Shares held on the Record Date at an issue price of \$0.022 per New Share together with one (1) free attaching New Option (to be quoted) for every one (1) New Share issued.

The rights attaching to the Securities now offered are set out in Section 6.

The purpose of this Prospectus is for the Company to make the Offer under Section 713 of the Corporations Act.

### Timetable and Important Dates\*

Event	Date
Lodgment of Prospectus with ASIC and ASX	9 September 2011
Notice sent to Shareholders	13 September 2011
Shares quoted on an "ex" basis	14 September 2011
Record Date for determining Shareholder entitlements	20 September 2011
Opening Date and dispatch of Prospectus to Shareholders	26 September 2011
Closing Date of Offer	11 October 2011
Securities quoted on a deferred settlement basis	12 October 2011
Notify ASX and Underwriter of under-subscriptions	14 October 2011
Despatch date/New Shares and New Options entered into shareholders security holdings	19 October 2011
Trading of New Shares and free attaching New Options issued pursuant to the Offer expected to commence on ASX	20 October 2011

\* These dates are determined based upon the current expectations of the Directors and may be changed with 6 Business Days prior notice.

### KEY INVESTMENT RISKS

Prospective investors should read this Prospectus in its entirety before deciding whether to apply for Securities under this Prospectus. In particular, you should consider the risk factors set out in Section 4.11, which include the following key investment risks:

Risk area	Further details
<p><b>Material contract risk:</b> The Company has entered into Agreement to acquire AAM and the Zambian Manganese Projects and there is a risk that completion under that Agreement will not occur. This is a termination event under the Underwriting Agreement. If the Underwriting Agreement is terminated, this would be a material adverse event and Shareholders would be given the right to withdraw any application monies provided.</p>	<p>Section 4.11.</p>
<p><b>Risks associated with operations in Zambia:</b> The Company's manganese projects, when acquired, are located in Zambia. The Company will be subject to the risks associated with operating in that country, including various levels of political, economic and other risks and uncertainties. The occurrence of these risks and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of the Company. The Company has made its investment and strategic decisions based on the information currently available to the Directors, however should there be any material change in the political, economic, legal and social environments in Zambia, the Directors may reassess investment decisions and commitments to assets in Zambia.</p>	<p>Section 4.11.</p>
<p><b>Zambian contractual risk:</b> AAM is a party to various agreements with other Zambian parties (<b>Zambian Parties</b>) in respect of its interest in each of the Zambian Subsidiaries and interests in the Zambian Manganese Projects. There is a risk that changes in the status of any of the Zambian Parties may adversely affect the operations and performance of AAM. There are also various consents and approvals which are required in respect of AAM's interest in each of the Zambian Subsidiaries and interests in the Zambian Manganese Projects from the Zambian Parties and also the Zambian Ministry of Mines and Minerals Development which may not be obtained.</p>	<p>Section 4.11.</p>
<p><b>Uranium Risks:</b> The Company's uranium projects are located in the United States of America. Uranium mining in New Mexico, USA is subject to dual licensing regulation by the federal Nuclear Regulatory Commission and the New Mexico Department of Environmental Quality. Whilst exploration and mining for uranium is currently permitted in the United States there can be no guarantee that it will continue to be permitted in the future.</p>	<p>Section 4.11.</p>
<p><b>Exploration Risks:</b> Exploration is a high risk activity that requires large amounts of expenditure over extended periods of time. There can be no guarantee that planned exploration and evaluation programs will lead to positive exploration and evaluation results and the</p>	<p>Section 4.11.</p>

delineation of a commercial deposit or further, a commercial uranium and/or manganese mining operation. The future exploration activities of the Company may be affected by a range of factors beyond the control of the Company and the Company.	
<b>Commodity Price Volatility and Exchange Rate Risks:</b> If the Company achieves success the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company.	Section 4.11.
<b>Environmental risk:</b> The Company's activities are subject to the environmental risks inherent in the manganese and uranium industries. The Company is subject to environmental laws and regulations in connection with operations it may pursue in the manganese and uranium industries, which operations are currently in Zambia and New Mexico, USA, respectively.	Section 4.11.
<b>Investment speculative:</b> The risk factors referred to in this Prospectus, and others not specifically referred to in this Prospectus, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.	Section 4.11.

## DIRECTORS

### Ms Catherine Hobbs - Managing Director

Qualifications: BA(Geol) FAusIMM

Ms Catherine Hobbs was founding Managing Director of Hindmarsh Resources Limited, a substantial uranium exploration company previously listed on the Australian Securities Exchange. Ms Hobbs was also a founder and Executive Director of Focus Minerals Limited, a gold and nickel mining company listed on the Australian Securities Exchange. Ms Hobbs has worked as a uranium exploration geologist with the Australian Atomic Energy Commission, Agip Nucleare, and Noranda (now Falconbridge). She has extensive experience in strategic planning and acquisitions, and joint venture management.

As at the date of this Prospectus Ms Hobbs is not a nominee or a representative of a substantial Shareholder in the Company.

### Mr Jason Brewer - Director

Qualifications: MEng (Hons.) ARSM, LLB

Mr Jason Brewer has over 18 years international experience in the natural resources sector and in investment banking. He is a mining engineer with a masters degree in mining engineering with honours from the Royal School of Mines, London. He has experience in gold and base metals mines having worked for major mining companies in Canada, Australia and South Africa. He has also worked for international investment banks Dresdner Kleinwort Benson, NM Rothschild & Sons (Australia) Limited and Investec Bank (Australia) Limited in

London, Sydney and Perth. He is currently an Executive Director of Okap Ventures and Komodo Capital and also a director of ASX Listed mineral resources companies Continental Coal Limited, Altona Mining Limited and De Grey Mining Limited.

As at the date of this Prospectus Mr Brewer is not a nominee or a representative of a substantial Shareholder in the Company.

### **Ms Shannon Robinson – Director and Joint Company Secretary**

Qualifications: LLB, B.Comm, ACIS

Ms 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 has acted as Company Secretary for a number of ASX listed and unlisted companies.

As at the date of this Prospectus Ms Robinson is not a nominee or a representative of a substantial Shareholder in the Company.

### **IMPORTANT NOTES**

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 9 September 2011 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

The expiry date of the Prospectus is the date that is 13 months after the date of this Prospectus (**Expiry Date**). No New Shares will be allotted or issued on the basis of this Prospectus after the Expiry Date.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consent are required or whether any other formalities need to be considered and followed.

The Offer to New Zealand investors is made pursuant to the New Zealand Securities Act (Overseas Companies) Exemption Notice 2002. Pursuant to this Exemption Notice, the only members of the public to whom the securities are offered in New Zealand under the Entitlement Offer are those who, at the time of the offer, are holders of securities in the Company.

As noted in the Prospectus at Section 3.5, the Company will apply to the ASX for quotation of the New Shares and New Options offered under this Prospectus. If quotation is granted, the New Shares and New Options offered under this Prospectus will be able to be traded on the ASX. If you wish to trade the New Shares and New Options through that market, you will have to make

arrangements for a participant in that market to sell the New Shares and New Options on your behalf. As the ASX does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

### **ELECTRONIC PROSPECTUS**

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Entitlement and Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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## 2. CORPORATE DIRECTORY

### Directors

Ms Catherine Hobbs – *Managing Director*

Ms Shannon Robinson – *Director*

Mr Jason Brewer – *Director*

### Joint Company Secretary

Ms Shannon Robinson and Ms Jane Flegg

### Registered Office

Ground Floor  
1 Havelock Street  
WEST PERTH WA 6005

Telephone: (08) 9488 5220  
Facsimile: (08) 9324 2400

### Principal Place of Business

Ground Floor  
1 Havelock Street  
WEST PERTH WA 6005

### General Enquiries

Telephone: (08) 9488 5220  
Facsimile: (08) 9324 2400

### Website

[www.uranlimited.com.au](http://www.uranlimited.com.au)

### Share Registry\*

Computershare Investor Services Pty Limited  
Level 2, Reserve Bank Building  
45 St Georges Terrace  
PERTH WA 6000  
Telephone: 1300 368 319 (within Australia)  
+61 (03) 9415 4000 (outside Australia)

### ASX Code

URA

### Solicitors

Steinepreis Paganin  
Lawyers and Consultants  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000

### Auditor\*

RSM Bird Cameron Partners  
8 St Georges Terrace  
PERTH WA 6000

### Underwriters

Oracle Securities  
1175 Hay St  
WEST PERTH WA 6005  
As authorised representative of RM Capital Pty Ltd

\*These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

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### 3. DETAILS OF THE OFFER

#### 3.1 Offer

By this Prospectus, the Company offers for subscription approximately 142,562,594 New Shares pursuant to a pro-rata non-renounceable entitlement issue of one (1) New Share for every two (2) Shares held by Shareholders on the Record Date at an issue price of \$0.022 per New Share, together with one free attaching New Option exercisable at \$0.03 on or before 30 June 2013. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company (and assuming no existing Options are exercised prior to the Record Date), the maximum number of New Shares to be issued pursuant to the Offer is 142,562,594 New Shares, with 142,562,594 free attaching Options. The Offer will raise up to \$3,136,377 before associated costs. The purpose of the Offer and the use of funds raised are set out in Section 4 of this Prospectus.

The Company has been provided a loan by clients of Oracle Securities (**Lenders**) of \$1,200,000 plus interest of 12% per annum, to fund the Company's exploration activities in respect of the Zambian Manganese Projects in the interim period before funds are raised pursuant to the Offer (**Loan**). Further details of the Loan are outlined in Section 4.1 of the Company's Notice of Meeting dated 12 August 2011 as announced to ASX on the same date (**Notice of Meeting**).

If the Offer is fully subscribed by Shareholders and there is no Shortfall, then the Loan will be repaid by way of the issue of the Shares and Options under Resolution 3 of the Notice of Meeting to the Lenders, providing Shareholder approval is obtained for Resolution 3 of the Notice of Meeting. If Shareholder approval is not obtained to Resolution 3 of the Notice of Meeting and the Offer is fully subscribed by Shareholders and there is no Shortfall, the Loan will be repaid using the cash funds raised pursuant to the Offer.

If the Offer is not fully subscribed by Shareholders, the Shortfall will be issued to the Lenders in satisfaction of the Loan. The relevant application monies due will be applied in repayment of the Loan.

If the Shortfall is insufficient to repay the full amount of the Loan, the balance of the Loan will be repaid by the issue of that number of Shares and Options of equal value to that amount pursuant to Resolution 3 of the Notice of Meeting, providing Shareholder approval is obtained for Resolution 3 of the Notice of Meeting.

If Shareholder approval is not obtained to Resolution 3 of the Notice of Meeting and the Offer is not fully subscribed by Shareholders and there is insufficient Shortfall to be placed by the Underwriter to the Lenders to repay the full amount of the Loan, the balance of the Loan will be repaid using the cash funds raised pursuant to the Offer.

The Company currently has 90,250,709 Options on issue as at the date of this Prospectus, such Options may be exercised by the Option holder prior to the Record Date in order to participate in the Offer.

#### 3.2 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not

exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your Entitlement in full:
  - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
  - (ii) attach your cheque for the amount indicated on that relevant Entitlement and Acceptance Form; or
  - (iii) if paying by BPAY, you will need to make the payment for the amount indicated on your Entitlement and Acceptance Form using the Biller Code and Customer Reference Number which appears on this form. You are not required to return this Form; or
- (b) if you only wish to accept part of your Entitlement:
  - (i) fill in the number of Securities you wish to accept in the space provided on the Entitlement and Acceptance Form; and
  - (ii) attach your cheque for the appropriate application monies (at \$0.022 per New Share); or
  - (iii) if paying by BPAY, you will need to make the payment for the appropriate application monies (at \$0.022 per New Share) using the Biller Code and Customer Reference Number which appears on the Entitlement and Acceptance Form. You are not required to return this Form; or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "**Uran Limited – Offer Account**" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5.00pm WST on the Closing Date.

Alternatively, Applicants may pay via BPAY by following the instructions set out on the Entitlement and Acceptance Form.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

### **3.3 Payment Methods**

#### **3.3.1 Entitlement and Acceptance Form and accompanying Cheque**

Eligible Shareholders wishing to pay by cheque must follow the instructions on the Entitlement and Acceptance Form, and then complete the Entitlement and Acceptance Form. All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "**Uran Limited – Offer Account**" and crossed "Not Negotiable". All completed Entitlement and Acceptance Forms and cheques must be returned to:

Uran Limited  
C/- Computershare Investor Services Pty Limited  
GPO Box 505  
MELBOURNE VIC 3001  
AUSTRALIA

So that they are received by the Share Registry no later than 5.00pm (AEST) on the Closing Date, 11 October 2011.

### **3.3.2 Payment by BPAY®**

Eligible Shareholders, wishing to pay by BPAY, are able to do so using the specific biller code and customer reference numbers detailed on their Entitlement and Acceptance Form.

If you choose to pay via BPAY® you are not required to submit your Entitlement and Acceptance Form

Your payment will not be accepted after 3.00pm on the Closing Date and no Shares will be issued to you in respect of that application.

If you have multiple holdings you will have multiple BPAY reference numbers. To ensure you receive your Shares in respect of that holding, you must use the specific biller code and the customer reference number shown on each personalised Application Form when paying for any Shares that you wish to apply for in respect of that holding. If you inadvertently use the same Customer Reference Number for more than one of your applications, you will be deemed to have applied only for the application to which that Customer Reference Number applies and any excess amount will be refunded.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY does not exceed your limit.

### **3.4 Shortfall**

Any Entitlement not taken up pursuant to the Offer will form the Shortfall and will be dealt with in accordance with the Underwriting Agreement. Accordingly, Shareholders should not apply for the Shortfall unless directed to do so by the Underwriter.

The offer of the Shortfall is a separate offer pursuant to this Prospectus. The issue price of any Shares offered pursuant to the Shortfall Offer shall be \$0.022 being the price at which the Entitlement has been offered to Shareholders pursuant to this Prospectus, together with one new free Option. The Shortfall shall be placed at the direction of the Underwriter. The Company reserves the right to allot to an applicant a lesser number of Shortfall Shares than the number for which the applicant applies, or to reject an application, or to not proceed with placing the Shortfall.

Please refer to Section 3.1 above for details on the placement of the Shortfall by the Underwriter to the Lenders to repay the Loan.

### **3.5 Australian Securities Exchange Listing**

Application for official quotation by ASX of the New Shares and New Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If the New Shares or New Options are not admitted to quotation within 3 months from the date of this Prospectus, (or such period as modified by the ASIC), the Company will not issue any New Shares or New Options and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

### **3.6 Allotment of New Shares and New Options**

New Shares and New Options issued pursuant to the Offer will be allotted as soon as practicable after the Closing Date. The Company will allot the New Shares and New Options on the basis of a Shareholder's Entitlement. Where the number of New Shares and New Options issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Pending the allotment and issue of the New Shares and New Options or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

### **3.7 Overseas Shareholders**

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

### **3.8 New Zealand Shareholders**

The New Shares and New Options are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

In accordance with the Securities Act (Overseas Companies) Exemption Notice 2002 (NZ), a person who, on the Record Date was registered as a holder of Shares with a New Zealand address but who, as at the time of this Offer no longer holds Shares is not eligible to participate in this Offer.

### **3.9 Taxation Implications**

The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Securities offered pursuant to this Prospectus.

### **3.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship**

The Company will not be issuing share certificates. The Company will apply to ASX to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

### **3.11 Privacy Act**

If you complete an application for New Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company will collect, hold and use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for New Shares, the Company may not be able to accept or process your application.

## **4. PURPOSE AND EFFECT OF THE OFFER**

### **4.1 Purpose of the Offer**

The purpose of the Offer is to raise up to \$3,136,377 (before expenses). The proceeds of the Offer, are planned to be used in accordance with the table set out below:

<b>Proceeds of the Offer</b>	<b>\$</b>
Exploration and development of manganese projects in Zambia and the continuation of exploration of the Company's uranium projects in USA <sup>1</sup>	\$2,123,813
Administration expenses	\$500,000
Working Capital	\$250,000
Expenses of the Offer <sup>2</sup>	\$262,564
<b>Total</b>	<b>\$3,136,377</b>

#### **Notes:**

1. This amount may be reduced by up to \$1,200,000 plus interest of 12% per annum for repayment of the Loan if the Offer is not fully subscribed by Shareholders, whereby the Shortfall will be issued to the Lenders in satisfaction of the Loan and the relevant subscription monies due will be applied in repayment of the Loan. If there is insufficient Shortfall to repay the Loan, the Company may repay the balance of the Loan by issuing the Lenders that amount of Shares and Options of equal value to that amount pursuant to Resolution 3 of the Notice of Meeting, providing Shareholder approval is obtained to Resolution 3 of the Notice of Meeting. If Shareholder approval is not obtained to Resolution 3 of the Notice of Meeting, the proceeds of the offer amount will be reduced by the amount of cash funds raised under the Offer required to repay the balance of the Loan. Further details are outlined in Section 3.1 of this Prospectus.
2. Refer to Section 6.6 of this Prospectus for further details relating to the estimated expenses of the Offer.

The above table is a Statement of current intentions as of the date of lodgement of this Prospectus with the ASIC. As with any budget, interviewing events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way the funds are applied on this basis.

### **4.2 Effect of the Offer and Pro Forma Consolidated Balance Sheet**

The principal effect of the Offer will be to:

- (a) increase the cash reserves by approximately \$2,373,813 immediately after completion of the Offer after deducting the estimated expenses of the Offer. However, this amount may be reduced by the repayment of Loan plus interest as outlined in Note 1 to the Table in Section 4.1 and also Section 3.1 of this Prospectus; and

- (b) increase the number of Shares on issue from 285,125,189 up to approximately 615,324,147 Shares following completion of the Offer, providing the 80,000,000 Shares to be issued as consideration for the acquisition of the Zambian manganese projects, the issue of the 50,000,000 Shares pursuant to the placement are approved at the General Meeting, and also the 57,636,364 Shares to be issued to satisfy the Loan granted by clients of Oracle Securities to the Company are each approved at the Company's general meeting to be held on 20 September 2011 (**General Meeting**). However, if there is a Shortfall under the Offer, this will be issued to the Lenders in satisfaction of the Loan and the relevant subscription monies due will be applied in repayment of the Loan. Accordingly, an amount less than the total of 57,636,364 Shares may be issued to repay any balance of the Loan not covered by the Shortfall, providing Shareholder approval is obtained to the issue of these Shares under Resolution 3 of the Notice of Meeting. Refer to Note 1 to the Table in Section 4.1 and also Section 3.1 of this Prospectus; and
- (c) increase the number of Options on issue from 90,250,709 up to approximately 333,247,230 Options following completion of the Offer, providing the 9,979,382 Options to be issued to Komodo Capital Pty Ltd, the 4,000,000 to be issued to Catherine Hobbs and also the 86,454,545 Options to be issued to satisfy the Loan granted by clients of Oracle Securities to the Company are each approved at the General Meeting. However, if there is a Shortfall under the Offer, this will be issued to the Lenders in satisfaction of the Loan and the relevant subscription monies due will be applied in repayment of the Loan. Accordingly, an amount less than the total of 86,454,545 Options may be issued to repay any balance of the Loan not covered by the Shortfall, providing Shareholder approval is obtained to the issue of these Options under Resolution 3 of the Notice of Meeting. Refer to Note 1 to the Table in Section 4.1 and also Section 3.1 of this Prospectus.

#### **4.3 Consolidated Balance Sheet**

The unaudited Balance Sheet as at 31 July 2011 and the unaudited Pro Forma Balance Sheet as at 31 July 2011 shown on the following page have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all New Shares pursuant to the Offer in this Prospectus are issued.

The unaudited Balance Sheets have been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

## **Consolidated Balance Sheet and Pro Forma Balance Sheet as at 31 July 2011 (unaudited)**

The following unaudited Consolidated pro forma Statement of Financial Position of Uran Limited is based on the unaudited management financial report as at 31 July 2011, adjusted for:

- the issue of 142,562,594 ordinary shares at \$0.022 each and the issue of 142,562,594 free options to raise \$3,136,377;
- the repayment of the Loan as set out in Section 3.1 and also Note 1 to the Table in Section 4.1 of this Prospectus. The amount of the Loan shown in the pro-forma Statement of Financial Position shown below as at 31 July 2011 is \$1,006,904;
- Shareholders should note in respect of the Loan (Refer to Section 3.1 and also Note 1 to the Table in Section 4.1 of this Prospectus) that the Company was advanced an initial \$1,000,000 in June 2011 and a further \$200,000 in August 2011 (Refer also to the Company's Notice of Meeting for further information in relation to the Loan). Accordingly, the additional \$200,000 loan received by the Company has not been included in the pro-forma Statement of Financial Position shown below as the additional \$200,000 loan was advanced to the Company in August 2011 and the pro-forma Statement of Financial Position shown below has been prepared as at 31 July 2011; and
- expenses of the issue of \$262,564.

### **PRO FORMA STATEMENT OF FINANCIAL POSITION**

	<b>Consolidated Unaudited 31 July 2011 \$</b>	<b>Pro-Forma Unaudited 31 July 2011 \$</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	392,856	2,259,765
Trade and other receivables	4,776	4,776
<b>TOTAL CURRENT ASSETS</b>	<u>397,632</u>	<u>2,264,541</u>
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	173,194	173,194
Capitalised exploration expenditure	3,798,328	3,798,328
<b>TOTAL NON-CURRENT ASSETS</b>	<u>3,971,522</u>	<u>3,971,522</u>
<b>TOTAL ASSETS</b>	<u>4,369,154</u>	<u>6,236,063</u>
<b>CURRENT LIABILITIES</b>		

Trade and other payables	1,179,973	173,069
Provisions	46,173	46,173
<b>TOTAL CURRENT LIABILITIES</b>	<u>1,226,146</u>	<u>219,242</u>
<b>TOTAL LIABILITIES</b>	1,226,146	219,242
<b>NET ASSETS</b>	<u>3,143,008</u>	<u>6,016,821</u>
<b>EQUITY</b>		
Issued capital	14,257,930	17,131,743
Reserves	3,309,090	3,309,090
Accumulated losses	(14,424,012)	(14,424,012)
<b>TOTAL EQUITY</b>	<u>3,143,008</u>	<u>6,016,821</u>

#### 4.4 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offer is set out below, assuming that the Offer is fully subscribed.

##### Shares

	Number
Shares on issue at date of Prospectus	285,125,189
Shares to be issued as consideration for the acquisition of the Zambian manganese projects <sup>1</sup>	80,000,000
Shares to be issued pursuant to the placement outlined in the Company's Notice of General Meeting dated 12 August 2011 <sup>2</sup>	50,000,000
Shares which may be issued to satisfy the Loan as outlined in Section 4.1 of the Notice of Meeting <sup>3</sup>	up to 57,636,364
Shares offered pursuant to the Offer	142,562,594
<b>Total Shares on issue after completion of the Offer</b>	<b>615,324,147</b>

<sup>1</sup> The issue of these Shares is subject to Shareholder approval at the Company's general meeting to be held on 20 September 2011.

<sup>2</sup> The issue of these Shares is subject to Shareholder approval at the Company's general meeting to be held on 20 September 2011.

<sup>3</sup> The issue of these Shares is subject to Shareholder approval at the Company's general meeting to be held on 20 September 2011.

##### Options

	Number
Quoted exercisable at \$0.08 on or before 13 July 2012	89,750,709
Unlisted exercisable at \$0.40 on or before 31 July 2012	250,000
Unlisted exercisable at \$0.60 on or before 31 July 2012	250,000
Options to be issued to Komodo Capital Pty Ltd <sup>1</sup>	9,979,382
Options to be issued to Catherine Hobbs <sup>2</sup>	4,000,000
Options which may be issued to satisfy the Loan as outlined in Section 4.1 of the Notice of Meeting <sup>3</sup>	up to 86,454,545
Options offered pursuant to the Offer (to be quoted)	142,562,594
<b>Total Options on issue after completion of the Offer</b>	<b>333,247,230</b>

<sup>1</sup> The issue of these Options is subject to Shareholder approval at the Company's general meeting to be held on 20 September 2011.

<sup>2</sup> The issue of these Options is subject to Shareholder approval at the Company's general meeting to be held on 20 September 2011.

<sup>3</sup> The issue of these Options is subject to Shareholder approval at the Company's general meeting to be held on 20 September 2011.

#### 4.5 Manganese Project - Background

On 28 December 2010, the Company entered into a heads of agreement with African Asian Mining Development Limited (**AAM**) (**Agreement**) whereby the Company was granted an option acquire 100% of the share capital in AAM (**Uran Option**). AAM is an unlisted company incorporated in Mauritius which has a 51-60% interest in several projects through manganese licences held in Zambia (**Zambian Manganese Projects**) by its wholly owned Zambian subsidiaries (**Subsidiaries**).

Further details in respect of AAM's interest in each of the Zambian Subsidiaries and the Zambian Manganese Projects is set out in Section 4.8 below.

As announced to ASX on 14 June 2011, the Company has elected to exercise the Uran Option and accordingly, proceed with the acquisition of AAM subject to the satisfaction or waiver of the conditions precedent outlined in Section 4.10 below.

Under the Agreement, the Company is also required to enter into a formal share sale agreement with the shareholder of AAM to purchase 100% of the share capital in AAM to obtain the interest in the manganese projects held by its Subsidiaries (**Share Sale Agreement**). The Company anticipates that the formal Share Sale Agreement will be executed within the next few weeks.

The material terms and conditions of the Agreement are summarised in Section 4.10 below.

#### 4.6 Zambia – Country Information

Zambia is an independent Republic with a democratically elected Government and is located in central Africa. It has a substantial mining sector, largely in the Copper Belt in the north west of the country. The nation has a modernised Mines and Minerals Development Act brought into law in 2008, which provides a clear basis for ownership and development of minerals within Zambia.

#### 4.7 Zambian Manganese Projects

The Zambian Manganese Projects consist of 5 Large Scale Prospecting Licenses and 3 Small Scale Mining Licenses covering 2,734 km<sup>2</sup> including large areas known to be prospective for manganese comprising the Emmanuel Project which includes Chowa mining lease, the Peco Project, and the Kanona Project. Uran is completing its review of the Zambian Manganese Projects, including drilling and infrastructure studies. To date Uran's main focus has been on the Chowa mining lease and Peco Project, and details of these projects are set out below.

Manganese occurs in a number of areas within Zambia, usually as sub-vertical veins or in low-angle faulting, some of which can be traced for several kilometres. Zambian manganese is generally high-grade with very low deleterious impurities, making it a premium product for stainless steel manufacture and for blending with lower quality material. Manganese price has recently increased significantly as part of increased demand for steel components.

**Emmanuel Project** is near Kabwe and covers 2,000 km<sup>2</sup>. It includes a granted mining lease 8 km from the railway line and is the focus of current operations.

Drilling of 7 diamond and 14 RC holes was completed to test for extensions from small-scale mining which began on the Chowa mining lease in 2010. Five RC drill-holes intercepted manganese, with intercepts ranging up to 3.5 metres. The only significant intercept from chemical analysis was 3.5 metres @ 30% Mn.

Two of the drill cores were analysed by XRF with intercepts of 2.15 metres @ 48.42% Mn from 21 metres in depth, and 1.3 metres @ 48.7% Mn, however there was substantial loss of core in this hole which is thought to be due to penetrating old workings. The manganese reef appears to generally exceed 2 metres in thickness.

Dewatering of the pit on the Chowa mining lease was completed in June 2011, and pre-stripping is underway. Trial mining has commenced utilising an excavator, bulldozer, and 2 x 20-ton tipper trucks, but further mining is limited pending arrival of a drill rig suitable for drilling blast holes.

A 500 tonne trial parcel of ore, with grade of 49.5%, sulphur less than 0.01% and phosphorous 0.03% has been bagged and is being held in Kabwe pending sale.

Ground magnetic surveys around the trial pit have been completed over 216 hectares extending 1,300 metres along strike. The survey indicates the possibility of further manganese veining throughout the surveyed area. Airborne magnetic surveys have been completed over a 10km<sup>2</sup> area of the Emmanuel Project and a report is awaited.

The economic potential of the manganese is positive due to the shallow depth to manganese reefs and anticipated high grade. The capital required to start potential full-scale production is expected to be low as mined material can be directly bagged and shipped with no further treatment.

On 1 September 2011 the Company announced the commencement of open pit mining activities on the Chowa mining lease with the first production blast of approximately 2,000 tonnes of ore completed. Assays of two 1kg grab samples taken prior to blasting return MnO<sub>2</sub> grades of 57.71% and 62.11% and confirm the high grade and high quality nature of the ore.

**Peco Project** is near Mansa in northern Zambia consists of 2 granted mining leases and a large area covered by prospecting licenses surrounding current and historic manganese mining. A new road about 30km long has been completed to connect the property directly to Mansa.

Five grab samples were taken from the manganese reefs on Peco mining lease in late 2010, with assays ranging from 49.42% – 60.36% Mn.

Mining by Genesis Procurement has recently ceased adjacent to, and extending across the boundary of the Peco Project, exposing the manganese veins continuing onto the Peco Project.

An airborne magnetic survey has been carried out to prepare for drilling at the Peco Project.

**Kanona Project** is near Serenje in central Zambia, close to the railway line and the Great Northern Highway.

Manganese occurs in veins and rubble zones which appear to be several hundred metres in length. Mapping and surveying has been carried out over parts of the area, and ground magnetic surveys have been completed to date over 3 areas within the Kanona Project.

## **Mine Planning**

Bulk metallurgical studies are being carried out at Mintek in Johannesburg.

No further permits are required to commence mining or export of manganese from the Chowa mining lease. Bulk sampling and preliminary mining have commenced, and Uran anticipates that full scale mining will commence within 3 months of start of excavation.

Negotiations for sales contracts are underway with several parties, and preliminary offers are being evaluated.

### **4.8 Competent Person**

The information in this Prospectus that relates to Exploration Results, Minerals Resources or Ore Resources is based on information compiled by Ms Catherine Hobbs who is a Member or Fellow of the Australasian Institute of Mining and Metallurgy. Ms Hobbs is the Company's Managing Director and 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 this Prospectus of the matters based on her information in the form and context in which it appears.

### **4.9 AAM's interest in Zambian Subsidiaries and Zambian Manganese Projects**

AAM holds the following interests in the Zambian Subsidiaries and Zambian Manganese Projects:

- (a) Zambia Manganese Mining Limited (**Zambian Manganese**): AAM is entitled to a 51% interest in the share capital of Zambia Manganese and an option to acquire a further 24% interest in the share capital of Zambia Manganese. Zambia Manganese holds a 100% interest in Zambian manganese licences 8458-HQ-LPL, 13641-HQ-LPL and 14869-HQ-SML.
- (b) Serenje Manganese Mining Limited (**Serenje**): AAM is entitled to a 60% interest in the share capital of Serenje and an option to acquire a further 20% interest in the share capital of Serenje. Serenje holds a 100% interest in Zambian manganese licence 14784-HQ-LPL.
- (c) Mansa Manganese Mining Limited (**Mansa**): AAM is entitled to a 60% interest in the share capital of Mansa and an option to acquire a further 20% interest in the share capital of Mansa. Mansa holds a 100% interest in Zambian manganese licences 13704-HQ-SML and 13104-HQ-SPP and 8757-HQ-LPL.
- (d) Innovative Mining Limited (**Innovative**): AAM is entitled to a 51% interest in the share capital of Innovative and an option to acquire a further 19% interest in the share capital of Mansa. Mansa holds a 100% interest in Zambian manganese licence 13030-HQ-LPL.
- (e) Impondo Zambia Mining Limited (**Impondo**): AAM is entitled to a 51% interest in the share capital of Impondo. It is intended that AAM will enter into a standard arms length service agreement with Impondo whereby Impondo will provide marketing, geological and mining services in regards to exploration and mining operations in respect of

the **Zambian Manganese Projects**. No such service agreement has been executed yet.

#### 4.10 Summary of Agreement

The material terms and conditions of the Agreement are set out in the Notice of Meeting as announced on ASX. Relevantly, the consideration for the acquisition and the conditions precedent are as follows:

- (a) the Company will:
  - (i) expend US\$2,500,000 on the **Zambian Manganese Project** within 2 years from the date of the Agreement (**Farm-In Expenditure**);
  - (ii) issue to Crown Mercantile Limited (the sole shareholder of AAM)(**Crown Mercantile**) or its nominees a total of:
    - (A) 80,000,000 Shares upon completion of the Acquisition;
    - (B) 80,000,000 Shares with 80,000,000 free attaching Options on the date the **Zambian Manganese Projects** achieve a minimum of 10,000,000 tonnes of JORC (or equivalent) manganese resource within 18 months from the execution of the Share Sale Agreement; and
    - (C) 80,000,000 Shares with 80,000,000 free attaching Options on the date the **Zambian Manganese Projects** achieve a minimum manganese production of 30,000tonnes per month of JORC (or equivalent) Saleable Manganese Ore for at least 3 months within any 6 month period, provided that it is achieved within 30 months from the execution of the Share Sale Agreement,

(together, the **Consideration Securities**); and

- (iii) the Company will pay a \$1 per tonne royalty to local partners as identified by AAM.

The free attaching Options to be issued to Crown Mercantile will be exercisable at \$0.08 on or before 31 July 2013. The full terms and conditions of the Options are set out in Schedule 5 of this Notice.

- (b) (**Conditions Precedent**): completion under the Agreement is conditional upon the Company entering into the formal Share Sale Agreement and obtaining all necessary regulatory and shareholder approvals required to complete the acquisition of AAM.

The Company estimates completion of the final conditions precedent either on or shortly after the Meeting Date if Shareholder approval to the acquisition of AAM is obtained.

#### 4.11 Risk Factors

Applicants should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Shares. Potential Applicants should consider that the investment in the Company is speculative and should consult their professional advisers before

deciding whether to apply for New Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### ***Risks Specific to the Company and its Industries***

#### **Material contract risk**

The Company has entered into the Agreement to acquire AAM and the Zambian Manganese Projects however there is a risk that completion under that Agreement will not occur. It is a termination event under the Underwriting Agreement, and the Underwriter in its election may give notice not to proceed if the Company does not obtain Shareholder approval at a general meeting of the Company for the acquisition of AAM and the Zambian Manganese Projects. In that event, the termination of the Underwriting Agreement would be a material adverse event and Shareholders would be given the right to withdraw any application monies provided.

#### **Risks associated with operations in Zambia**

The Company's manganese projects, when acquired, are located in Zambia. The Company will be subject to the risks associated with operating in that country, including various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, terrorism, hostage taking, military repression, extreme fluctuations in currency exchange rates, high rates of inflation, labour unrest, the risks of war or civil unrest, expropriation and nationalization, renegotiation or nullification of existing concessions, licences, permits and contracts, illegal mining, changes in taxation policies, restrictions on foreign exchange and repatriation and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of the Company. The Company has made its investment and strategic decisions based on the information currently available to the Directors, however should there be any material change in the political, economic, legal and social environments in Zambia, the Directors may reassess investment decisions and commitments to assets in Zambia.

#### **Zambian contractual risk**

AAM is a party to various agreements with other Zambian parties (**Zambian Parties**) in respect of its shareholding in each of the Zambian Subsidiaries and interests in the Zambian Manganese Projects. There is a risk that changes in the status of any of the Zambian Parties (including changes caused by financial failure or default by a Zambian Party in respect of an agreement) may adversely affect the operations and performance of AAM. There are also various consents and approvals which are required in respect of AAM's interest in each of the Zambian Subsidiaries and interests in the Zambian Manganese Projects from the Zambian Parties and also the Zambian Ministry of Mines and Minerals Development which may not be obtained.

## **Uranium Risks**

The Company's uranium projects are located in the United States of America. Uranium mining in New Mexico, USA is subject to dual licensing regulation by the federal Nuclear Regulatory Commission and the New Mexico Department of Environmental Quality. One of the requirements to obtaining such licensing is acceptance of a full environmental impact statement. The Nuclear Regulatory Commission additionally regulates the export of uranium from the United States by a system of licensing in accordance with United States foreign policy and regulates the movement of nuclear materials within the United States.

Whilst exploration and mining for uranium is currently permitted in the United States there can be no guarantee that it will continue to be permitted in the future.

## **Exploration Risks**

Exploration is a high risk activity that requires large amounts of expenditure over extended periods of time. There can be no guarantee that planned exploration and evaluation programs will lead to positive exploration and evaluation results and the delineation of a commercial deposit or further, a commercial uranium and/or manganese mining operation.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company and the Company.

## **Resource Estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

## **Operating and Technical Risks**

The current and future operations of the Company, including exploration, appraisal and possible production activities, may be affected by a range of factors, including:

- (a) start up risks;
- (b) geological conditions;
- (c) limitation on activities due to adverse seasonal weather conditions;
- (d) unanticipated operational and technical difficulties encountered in sampling, drilling and production activities;
- (e) mechanical failure of operating plant and equipment;

- (f) industrial and environmental accidents, industrial disputes and other force majeure events;
- (g) unavailability of drilling equipment;
- (h) unexpected shortages or increases in the cost of consumables, spare parts, plant and equipment;
- (i) prevention of access due to the inability to obtain consents or approvals, including the need to observe the relevant native title legislation applicable to the United States and Zambia;
- (j) access to certain parts of the project area; and
- (k) contracting risk from third parties providing essential services.

### **Reliance on Key Personnel**

The success of the Company in part will depend on the ability of the Directors, management team and other executive personnel (employed by the Company or its business partners) to develop the Company's project portfolio and enhance project value. Should one or more of the key personnel cease to be involved, for whatever reason, then the capability of the Company may be expected to be impaired pending a suitable replacement being identified and retained by the Company or its business partners.

### **General Risks**

#### **Additional Requirements for Capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the capital raising. There can be no assurance that the Company will be able to raise that finance on acceptable terms or in a timely manner. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programs as the case may be.

#### **Commodity Price Volatility and Exchange Rate Risks**

If the Company achieves success the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for commodities, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, or the Euro whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar or the Euro or the Australian dollar as determined in international markets.

## **Environmental Risks**

The Company will be subject to environmental laws and regulations of the United States and Zambia concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws. However, the Company may be the subject of accidents or unforeseen circumstances that could subject the Company to extensive liability.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

## **Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

## **Share Market Conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

The market price of the Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

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## **5. RIGHTS ATTACHING TO NEW SHARES AND UNDERLYING SECURITIES**

### **5.1 Terms of Shares**

The following is a summary of the more significant rights and liabilities attaching to Shares. This summary is not exhaustive and does not constitute a definite statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

The rights, privileges and restrictions attaching to Shares can be summarised as follows:

#### **(a) Notice of Meetings**

Each Shareholder is entitled to receive notice of general meetings of the Company. Except in certain circumstances, Shareholders are entitled to be present in person, or by proxy, attorney or representative to speak or to vote at general meetings of the Company or to join in demanding a poll. Shareholders may requisition general meetings in accordance with the Corporations Act.

#### **(b) Voting**

At a general meeting, on a show of hands, every person present who is a member, a proxy, an attorney or a representative of a Shareholder has one vote. At the taking of a poll, every Shareholder present in person or by proxy, attorney or representative has one vote for each Share held.

#### **(c) Dividends**

The Directors may from time to time authorise and pay dividends. Dividends are payable in proportion to the number of Shares held by Shareholders.

#### **(d) Winding Up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders the whole or any part of the property of the Company. The liquidator may also, with the sanction of a special resolution, vest the whole or any part of the property in a trustee on trust for Shareholders.

#### **(e) Transfer of Shares**

A Shareholder may transfer Shares by a written transfer or by a transfer effected under a computerised or electronic system recognised by the Listing Rules or by the Corporations Act. The Directors may refuse to register a transfer of Shares where the Listing Rules permit the Company to do so. On any refusal to register a transfer of Shares, the Company must give written notice to the transferee and the reasons for the refusal.

(f) **Allotment of Shares**

The Directors may, subject to the Constitution, allot new Shares with such terms and conditions as they think fit.

## 5.2 **Terms of Options**

The Company currently has 90,250,709 Options on issue with various exercise prices and expiry dates as set out in Section 4.4 of this Prospectus. The Options on issue and the Options to be issued pursuant to the Offer entitle, or will entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Option Holder the right to subscribe for one Share. To obtain the right given by each Option, the Option Holder must exercise the Options in accordance with the terms and conditions of the Options.
- (b) The Options will expire on the dates set out in Section 4.4 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option is set out in Section 4.4 (**Exercise Price**).
- (d) The Options held by each Option Holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion. Where less than 1,000 Options are held, all Options must be exercised together.
- (e) An Option Holder may exercise their Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
  - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,(together the **Exercise Notice**).
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) The Options are transferable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank *pari passu* in all respects with other Shares.
- (j) The Company will apply for quotation of the Options on ASX.
- (k) The Company will apply for quotation of all Shares allotted pursuant to the exercise of Attaching Options on ASX within 10 Business Days after the date of allotment of those Shares.

- (l) If at any time the issued capital of the Company is reconstructed, all rights of an Option Holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (m) There are no participating rights or entitlements inherent in the Options and Option Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Option Holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (n) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

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## **6. ADDITIONAL INFORMATION**

### **6.1 Continuous Disclosure Obligations**

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the financial statements of the Company for the financial year ended 30 June 2010 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
  - (ii) any half year financial statements of the Company lodged with ASIC since the lodgement of the last financial statements for

the year ended 31 December 2010 lodged with ASIC before the issue of this Prospectus; and

- (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2011 audited financial statements:

<b>Date</b>	<b>Description of Announcement</b>
28/09/2010	Annual report to shareholders
06/10/2010	Competent Person Statement/Schedule of Tenements
14/10/2010	Notice of Annual General Meeting/Proxy Form
19/10/2010	Acquisition of New Mineral Claims, Mesa Montanosa Area
27/10/2010	Quarterly Activities Report
27/10/2010	Quarterly Cashflow Report
12/11/2010	AGM Shareholder Presentation
12/11/2010	Results of Annual General Meeting
12/11/2010	Resignation of Director and Joint Company Secretary
03/12/2010	New Kit Carson Project and Further High-Grade Results
08/12/2010	BRR Interview – New Project and Further High-Grade Results
23/12/2010	Trading Halt
29/12/2010	Zambian Near – Production Manganese
30/12/2010	Securities Trading Policy
07/01/2011	Exploration to Commence on Zambian Near – Production Manganese
07/01/2011	Appendix 3B
07/01/2011	Section 708 Notice
13/01/2011	BRR Interview – Zambian Near – Production Manganese Project
14/01/2011	Appendix 3B and Section 708 Notice
31/01/2011	Quarterly Activities Report
31/01/2011	Quarterly Cashflow Report
16/02/2011	Notice of General Meeting/Proxy Form
16/02/2011	Capacity to issue equity securities
16/02/2011	Investor Presentation – Indaba 2011
25/02/2011	BRR Interview – Presentation on Activities/Company Update
02/03/2011	Company Secretary Appointment/Resignation

09/03/2011	URA Drilling Underway at Emmanuel Manganese Project Zambia
10/03/2011	URA ASX Appendix 3Z – Martinick
11/03/2011	Response to ASX Appendix 3Z Query
11/03/2011	URA Half Year Report 31-Dec-10
21/03/2011	URA Manganese Exploration Update
21/03/2011	URA Competent Persons Statement for Manganese Update
21/03/2011	URA Meeting Results
29/03/2011	Response to ASX Query
28/04/2011	URA Exploration Update and Rights Issue
28/04/2011	URA Quarterly Activities Report Mar-11
28/04/2011	URA ASX Appendix 5B Mar-11
28/04/2011	URA Exploration Update and Rights Issue
28/04/2011	URA Quarterly Activities Report Mar-11
28/04/2011	URA ASX Appendix 5B Mar-11
09/05/2011	URA Managing Director Employment Agreement
14/06/2011	URA Projects Update and Rights Issue
28/07/2011	URA Quarterly Activities Report Jun-11
28/07/2011	URA ASX Appendix 5B Jun-11
12/08/2011	URA Notice of Meeting 20-Sep-11
31/08/2011	Trading halt
01/09/2011	First Production Blast in Zambia and Board Changes
06/09/2011	Change of Registered Office, Appendix 3X's and 3Y's

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website [www.uranlimited.com.au](http://www.uranlimited.com.au).

## 6.2 Material Contracts

The following are summaries of the significant terms of the material agreements which relate to the business of the Company.

### 6.2.1 Komodo Capital Mandate

On 17 March 2011, the Company and Komodo Capital Pty Ltd (**Komodo**) entered into a corporate advisory mandate agreement (**Komodo Mandate**) whereby the Company engaged Komodo as its corporate advisor to manage all aspects of the Entitlement Issue (**Engagement**).

The Company has agreed to pay Komodo or its nominee a fee of 7% of the value of the Entitlement Issue. In addition, the Company has agreed to issue that number of Options equal to 7% of the total number of Shares issued under the Offer, with an exercise price equal to the Share price on completion of the Offer, exercisable on the later of either 3 years from the date of issue of the Options or

30 June 2013. These fees include the Underwriter's fees payable to Komodo pursuant to the Underwriting Agreement summarised in Section 6.2.2 below.

The Komodo Mandate provides that the Company will reimburse Komodo in respect of all reasonable out of pocket expenses incurred in relation to the Engagement, providing expenses in excess of \$2,000 each are not incurred without prior approval of the Company.

The Komodo Mandate also contains indemnities and other terms that are considered standard for an agreement of this type.

## **6.2.2 Underwriting Agreement**

Pursuant to an underwriting agreement dated on or around 21 April 2011 between Oracle Securities (as Komodo's nominee) (**Underwriter**) and the Company (**Underwriting Agreement**), the Underwriter has agreed to underwrite the Entitlement Issue for 142,562,594 New Shares (**Underwritten Shares**).

The Company has agreed to pay the Underwriter the fees set out in Section 6.2.1 in relation to Underwriting Agreement and the Komodo Mandate (i.e. the Underwriter's fees form part of the fees payable to Komodo under the Komodo Mandate).

The Underwriting Agreement permits the Underwriter, in consultation with the Company, to nominate and determine who receives the Shortfall Shares. The Underwriting Agreement also allows the Underwriter to appoint a Sub-underwriter at its sole discretion.

The Underwriting Agreement also provides that within 6 months from the date the Underwriter's obligations expire under the Underwriting Agreement (either through the Underwriter fulfilling its obligations or by termination of the Underwriting Agreement in accordance with the provisions summarised below):

- (a) the Company is not permitted to do any of the following, except with the written consent of the Underwriter:
  - (i) alter its capital structure other disclosed in this Prospectus;
  - (ii) amend its Constitution, except as required by the Corporations Act, or by ASX to comply with the ASX Listing Rules;
  - (i) pass or take any steps to pass or take any steps to pass a resolution under Section 260B of the Corporations Act;
  - (ii) dispose or agree to dispose of the whole or a substantial part of its business or property; or
  - (iii) charge or agree to charge the whole or a substantial part of its business or property; and
- (b) the Company is not permitted to propose or activate any share buy-back scheme or arrangement or issues or agrees to issue, or indicates in any way that it will or might issue, or grants an option to subscribe for any shares or other securities or securities convertible into shares or other securities except:
  - (i) as referred to in the Underwriting Agreement or this Prospectus; or

- (ii) with the prior written consent of the Underwriter.

The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (a) **(Indices fall)**: the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
- (b) **(Prospectus)**: the Company does not lodge the Prospectus on the lodgement date of the Prospectus or the prospectus or Offer is withdrawn by the Company;
- (c) **(No Shareholder approval)**: the Company does not obtain Shareholder approval at a general meeting of the Company for the acquisition of the **Zambian Manganese Projects**;
- (d) **(No Listing Approval)**: the Company fails to lodge an Appendix 3B in relation to the Underwritten Shares and Options with ASX within 7 days of the lodgement date of the Prospectus;
- (e) **(Non-compliance with requirements)**: it transpires that the Offer Document does not contain all the information required by the Corporations Act;
- (f) **(Supplementary prospectus)**:
  - (i) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of a termination event, forms the view on reasonable grounds that a supplementary prospectus should be lodged with ASIC for any of the reasons referred to in Section 719 of the Corporations Act and the Company fails to lodge a supplementary prospectus in such form and content and within such time as the Underwriter may reasonably require; or
  - (ii) the Company lodges a supplementary prospectus without the prior written agreement of the Underwriter;
- (g) **(Non-compliance with disclosure requirements)**: it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
  - (ii) the rights and liabilities attaching to the Underwritten Shares and Options;
- (h) **(Misleading Prospectus)**: it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of Sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;

- (i) **(Restriction on allotment):** the Company is prevented from allotting the Underwritten Shares and Options within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (j) **(Withdrawal of consent to Prospectus):** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (k) **(ASIC application):** an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the Shortfall notice deadline date has arrived, and that application has not been dismissed or withdrawn;
- (l) **(ASIC hearing):** ASIC gives notice of its intention to hold a hearing under Section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under Section 739 of the Corporations Act;
- (m) **(Takeovers Panel):** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in the Underwriter's reasonable opinion has a Material Adverse Effect;
- (n) **(Hostilities):** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (o) **(Authorisation):** any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;
- (p) **(Indictable offence):** a director of the Company is charged with an indictable offence; or
- (q) **(Termination Events):** if any of the following termination events occurs, the Underwriter is not entitled to terminate the Underwriting Agreement unless, in the reasonable opinion of the Underwriter reached in good faith, one of these events or the events together have, or could reasonably be expected to have a material adverse effect or could give rise to liability of the Underwriter under the Corporations Act:
  - (i) **(Default):** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;

- (ii) **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;  
  
**(Contravention of constitution or Act):** a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (iii) **(Adverse change):** an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- (iv) **(Error in Due Diligence Results):** it transpires that any of the due diligence results or any part of the verification material was materially false, misleading or deceptive or that there was a material omission from them;
- (v) **(Significant change):** a "new circumstance" as referred to in Section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (vi) **(Public statements):** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer, the issue or the Prospectus;
- (vii) **(Misleading information):** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (viii) **(Official Quotation qualified):** the official quotation is qualified or conditional other than as set out in clause 1.3 of the Underwriting Agreement;
- (ix) **(Change in Act or policy):** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (x) **(Prescribed Occurrence):** a prescribed occurrence occurs, other than as disclosed in the Prospectus;
- (xi) **(Suspension of debt payments):** the Company suspends payment of its debts generally;
- (xii) **(Event of Insolvency):** an Event of Insolvency occurs in respect of a Relevant Company;

- (xiii) **(Judgment against a Relevant Company):** a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (xiv) **(Litigation):** litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any Relevant Company, other than any claims foreshadowed in the Prospectus;
- (xv) **(Change in shareholdings):** there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Issue, a matter disclosed in the Offer Document) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (xvi) **(Timetable):** there is a delay in any specified date in the Timetable which is greater than 3 Business Days;
- (xvii) **(Force Majeure):** a Force Majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (xviii) **(Certain resolutions passed):** the Company passes or takes any steps to pass a resolution under Section 254N, Section 257A or Section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xix) **(Capital Structure):** the Company alters its capital structure in any manner not contemplated by the Prospectus;
- (xx) **(Breach of Material Contracts):** any of the Contracts are terminated or substantially modified;
- (xxi) **(Investigation):** any person is appointed under any legislation in respect of companies to investigate the affairs of a related Company; or
- (xxii) **(Market Conditions):** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The Underwriter has waived the termination event in clause paragraph (a) above in respect of any instance up to 8 September 2011 where the S&P ASX 200 Index was at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the business day prior to the date of the Underwriting Agreement.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

### 6.3 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Offer pursuant to this Prospectus.

Directors' interests in securities of the Company at the date of this Prospectus are:

Name	Shares	Options	Entitlement <sup>1</sup>	Remuneration <sup>2</sup> (\$)
Catherine Hobbs	8,082,262	2,020,566	4,041,131	\$250,000
Jason Brewer	Nil	Nil <sup>3</sup>	Nil	\$45,000
Shannon Robinson	Nil <sup>4</sup>	Nil <sup>4</sup>	Nil	\$30,000

**Notes:**

- 1. Each of the Directors has indicated that it is their present intention to subscribe for their full Entitlement under the Offer, where applicable.
- 2. Contracted annual directors' fees for the financial year ended 30 June 2012 are inclusive of superannuation, excluding intrinsic option valuation.
- 3. Mr Brewer may obtain an indirect interest in 9,979,382 Options (exercisable at \$0.022 on or before the later of 3 years from the date of their issue or 30 June 2013) by virtue of Mr Brewer being a director of Komodo Capital Pty Ltd if Shareholders approve Resolution 2 in the Notice of Meeting at the Company's general meeting scheduled to be held on 20 September 2011.
- 4. Ms Robinson may obtain a direct interest in 681,818 Shares with 681,818 free attaching Options if there is a Shortfall under the Offer by virtue of the Shortfall being used to repay the Loan provided by clients of Oracle Securities. Refer to Note 1 to the Table in Section 4.1 and also Section 3.1 of this Prospectus for details on the use of the Shortfall to repay the Loan.

The Constitution of the Company provides that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per

annum as may be determined by the Company in general meeting, to be divided among the Directors and in default of agreement then in equal shares.

The Company paid to the Directors a total of \$328,868 in the year ended 30 June 2010 (including fees to previous directors Mr W Martinick, Mr P Ryan and Mr S Hartwig) and \$325,313 for the year ended 30 June 2011 (including fees to previous directors Mr W Martinick, Mr P Ryan and Mr S Hartwig). In addition to the above, the Directors have been paid fees totalling \$41,667 (inclusive of superannuation) from the end of the previous financial year until the date of this Prospectus. Directors, companies associated with the directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

#### **6.4 Interests and Consents of Experts and Advisers**

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities pursuant to this Prospectus; or
- (c) the Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Oracle Securities has given and has not withdrawn its consent to being named as Underwriter to the Offer in the Corporate Directory of this Prospectus in the form and context in which it is named. Oracle Securities has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Oracle Securities has acted as underwriter to the Offer and will be paid an underwriting fee of approximately \$219,546 (before GST) in consideration for services provided.

Pursuant to Section 716 of the Corporations Act, Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Steinepreis Paganin has not caused or authorised the issue of this

Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Steinepreis Paganin act as solicitors to the Company. Steinepreis Paganin will be paid approximately \$15,000 for services in relation to this Prospectus.

## **6.5 Legal Proceedings**

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

## **6.6 Estimated Expenses of Offer**

In the event that the Offer is fully subscribed, the estimated expenses of the Offer are as follows:

	\$
ASIC fees	2,137
ASX fees	10,881
Legal expenses	15,000
Printing and other expenses	15,000
Underwriting Fees	<u>219,546</u>
<b>Total</b>	<b><u>262,564</u></b>

## **6.7 Market Price of Shares**

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.034 on 12 July 2011

Lowest: \$0.017 on 29 August 2011

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.023 on 8 September 2011.

## **6.8 Electronic Prospectus**

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the application form. If you have not, please phone the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an application form from a person if it has reason to believe that when that person was given access to the

electronic application form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

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**7. AUTHORITY OF DIRECTORS**

**7.1 Directors' Consent**

Each of the Directors of Uran Limited has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act

Dated the 9 September 2011



**Signed for and on behalf of  
Uran Limited  
Catherine Hobbs  
Managing Director**

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## 8. DEFINITIONS

**Applicant** means a Shareholder who applies for Securities pursuant to the Offer.

**ASIC** means the Australian Securities and Investments Commission.

**ASTC Settlement Rules** means the settlement rules of the securities clearing house which operates CHESS.

**ASX** means the ASX Limited (ACN 008 624 691).

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Closing Date** means the closing date of the Offer, being 5.00pm (WST) on 11 October 2011 (unless extended).

**Company** or **Uran** means Uran Limited (ACN 107 316 683).

**Constitution** means the Company's Constitution as at the date of this Prospectus.

**Corporations Act** means the *Corporations Act 2001*(Cth).

**Directors** mean the directors of the Company at the date of this Prospectus.

**Dollar** or "\$" means Australian dollars.

**Entitlement** means the entitlement of a Shareholder who is eligible to participate in the Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form either attached to or accompanying this Prospectus.

**Issue** means the issue of New Shares and New Options offered by this Prospectus.

**Lenders** means the clients of Oracle Securities. Refer to Section 4.1 of the Notice of Meeting for further details.

**Listing Rules** or **ASX Listing Rules** means the Listing Rules of the ASX.

**Loan** means the loan of \$1,200,000 plus 12% interest per annum provided to the Company by the Lenders to fund the Company's exploration activities in relation to the Zambian Manganese Projects in the interim period before funds are raised under the Offer. Further details of the Loan are set out in Section 4.1 of the Notice of Meeting.

**Meeting Date** means the date of the general meeting of the Company schedule for 20 September 2011.

**New Option** an Option to be granted pursuant to the Offer and on the terms and conditions set out in Section 5.2 of this Prospectus.

**New Share** means a Share issued pursuant to the Offer and on the terms and conditions set out in Section 5.1 of this Prospectus.

**Notice of Meeting** means the Company's notice of meeting dated 12 August 2011 as announced to ASX on that same date.

**Offer** means the offer pursuant to the Prospectus on the basis of one (1) New Share for every two (2) Shares held by a Shareholder on the Record Date at an issue price of \$0.022 per New Share, together with one free attaching New Option (to be quoted) exercisable at \$0.03 on or before 30 June 2013, to raise up to \$3,136,377.

**Official List** means the official list of ASX.

**Option** means an option to acquire a Share.

**Prospectus** means this prospectus.

**Quotation** and **Official Quotation** means official quotation on ASX.

**Record Date** means 5.00pm (WST) on 20 September 2011.

**Related Corporation** has the meaning given to that term in the Corporations Act.

**Securities** means Shares and Options.

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Sale Agreement** has the meaning given to it in Section 4.10.

**Shareholder** means a shareholder of the Company.

**Shortfall** means those Securities under the Offer not applied for by Shareholders under their Entitlement.

**WST** means Western Standard Time.

**Zambian Manganese Projects** means the 51-60% interest in the manganese projects located in Zambia which the Company has entered into a heads of agreement dated 28 December 2010 to acquire, as announced to ASX.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

URAN LIMITED

ABN

93 107 316 683

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | Ordinary Fully Paid Shares<br>New Options (\$0.03, 30 June 2013)                         |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 142,562,594 Ordinary Fully Paid Shares<br>142,562,594 New Options (\$0.03, 30 June 2013) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 142,562,594 Ordinary Fully Paid Shares<br>142,562,594 New Options (\$0.03, 30 June 2013) |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes - Ordinary Fully Paid Shares  No - New options</p>
<p>5 Issue price or consideration</p>	<p>142,562,594 Ordinary Fully Paid Shares - \$0.022 per share</p> <p>142,562,594 New Options (\$0.03, 30 June 2013) – Free attaching</p>
<p>6 Purpose of the issue  (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Securities to be issued pursuant to the Company's pro rata non-renounceable entitlement issue on the basis of one Share for every two Shares held together with one free attaching New Option. The funds raised will be used for:</p> <ol style="list-style-type: none"> <li>1. exploration and development of manganese projects in Zambia and the continuation of exploration of the Company's uranium projects in USA;</li> <li>2. administration expenses</li> <li>3. working capital purposes; and</li> <li>4. expenses of the offer.</li> </ol>
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>18 October 2011</p>

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<sup>+</sup> See chapter 19 for defined terms.

8	Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX (including the securities in clause 2 if applicable)	Number	<sup>+</sup> Class
		427,687,782	Ordinary fully paid shares
		89,750,709	Listed Options expiring 13 July 2012 (exercise price 8 cents)
		142,562,594	New Options expiring 30 June 2013 (exercise price 3 cents)
9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	<sup>+</sup> Class
		250,000	Options expiring 31 July 2012 (exercise price 40 cents)
		250,000	Options expiring 31 July 2012 (exercise price 60 cents)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the <sup>+</sup> securities will be offered	One Ordinary Fully Paid share for every two Ordinary Fully Paid Shares held together with one free attaching New Option (\$0.03, 30 June 2013)
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	Ordinary Fully Paid Shares New Options (\$0.03, 30 June 2013)
15	<sup>+</sup> Record date to determine entitlements	20 September 2011
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Round down to the next whole number

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

18	Names of countries in which the entity has <sup>+</sup> security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	Singapore, United States of America, Switzerland, Hong Kong, Vanuatu, United Arab Emirates, Canada, Germany, Malaysia, Philippines, Austria, Dominica, Fiji, Jersey, Japan, Monaco, Maldives, Netherlands, Peru, Papua New Guinea.
19	Closing date for receipt of acceptances or renunciations	11 October 2011
20	Names of any underwriters	Oracle Securities
21	Amount of any underwriting fee or commission	7% of the value of the Entitlement Issue
22	Names of any brokers to the issue	None
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	A commission of 6% is payable to brokers who place Ordinary Fully Paid Shares and New Options under the Shortfall.
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	13 September 2011
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A

<sup>+</sup> See chapter 19 for defined terms.

30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	26 September 2011

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
- 1,001 - 5,000

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+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

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5,001 - 10,000  
10,001 - 100,000  
100,001 and over

- 37 ☐ A copy of any trust deed for the additional +securities

#### Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought

- 39 Class of +securities for which quotation is sought

- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 

- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another security, clearly identify that other security)
- 

Number	+Class
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+ See chapter 19 for defined terms.

42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)		
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### Quotation agreement

- 1      +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
  
- 2      We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  
  - There is no reason why those +securities should not be granted +quotation.
  
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
  
- 3      We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
  
- 4      We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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9 September 2011

Sign here: ..... Date: .....

(Joint Company Secretary)

Jane Flegg

Print name: .....

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