

2012 URANIUM EXPLORATION PROGRAMME UPDATE

- Following recent release of maiden Mineral Resource Estimate for Likuyu North Prospect the Company has reviewed and in part changed the emphasis of the 2012 exploration programme.
- Objective of the 2012 plan will be to identify higher-grade anomalies, exceeding 400ppm U₃O₈, with less emphasis on drilling to increase the maiden resource at Likuyu North.
- Uranex will focus its exploration activities in 2012 to aggressively evaluate the potential of both the northern and southern portions of the Mkuju tenements, the vast majority of which remains to be explored.

Australian based exploration company Uranex Limited (**ASX: UNX**) (“Uranex” or “the Company”) advises that following the recent release of its maiden Mineral Resource Estimate (“MRE”) for the Likuyu North Prospect (“Likuyu North”), it has extensively reviewed and in part changed the emphasis of its upcoming 2012 exploration programme.

On 30 April 2012 Uranex confirmed that the maiden MRE for Likuyu North, located within the company’s 100% owned Mkuju Uranium Project (“Mkuju”) in southern Tanzania was 6.1m lbs at 237 ppm U₃O₈ (see ASX announcement dated 30 April 2012 for full details).

Following the release of the MRE the Company, together with its technical consultants CSA Global Pty Ltd and SRK Consulting (“SRK”), undertook a detailed review of its 2012 exploration program and determined that the objective of the 2012 plan will be to identify higher grade anomalies, exceeding 400ppm U₃O₈, with less emphasis on drilling to increase the maiden resource.

As such, Uranex will focus its exploration activities in 2012 to aggressively evaluate the potential in the northern and southern portions of the Mkuju tenement that has been largely unevaluated to date.

Likuyu North Prospect

While an important milestone in the development of the Mkuju Project, it is the view of the Company that the maiden MRE fell below expectations in both tonnage and grade. Despite this the Company believes that there remains considerable potential for higher grade zones around the existing resource and as such the Company has committed to the following exploration programme:

Diamond drilling

A programme of approximately 10 diamond core holes will test deeper mineralisation trends. It is also anticipated that these holes will confirm that the main mineralisation trend continues to dip to the south. This deeper mineralisation target was not drill tested in 2011 due to the limitation of the air core drill rig depth capability.

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ASX Code: UNX

Number of Shares
211.6M Ordinary Shares
14.75M Unlisted Options

Market Capital
A\$48.7 Million (@23 cents)

Board of Directors and CEO

Johann Jacobs
Chairman

Rod Chittenden
Acting CEO

Alastair Clayton
Non-executive Director

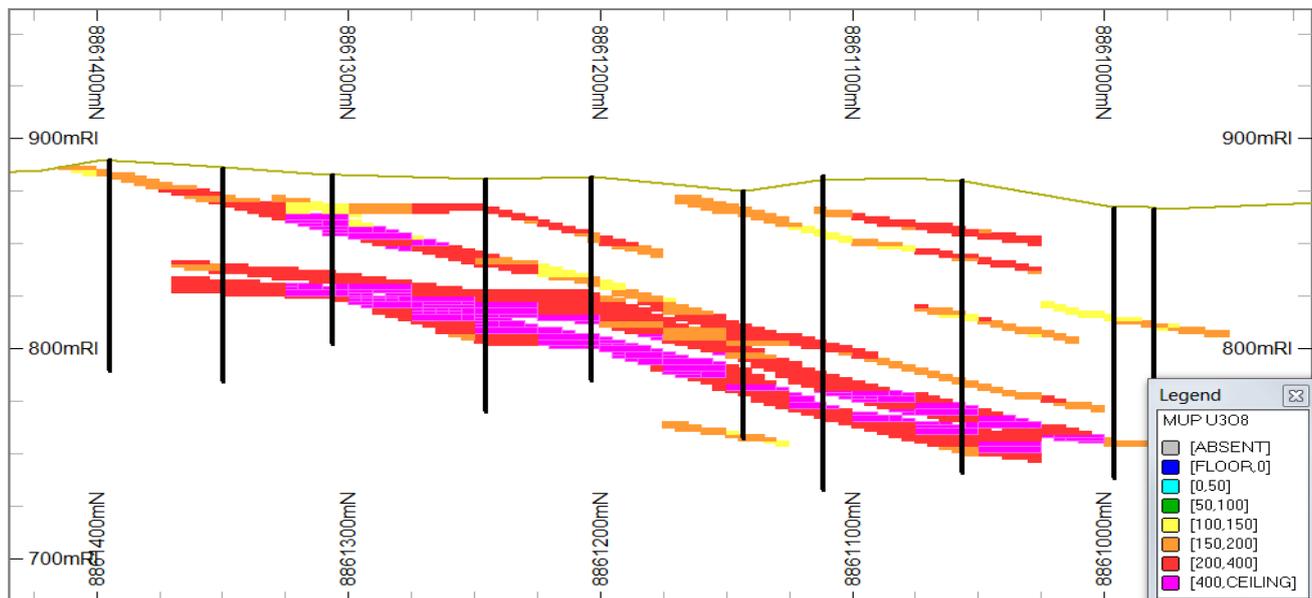
Stephen Hunt
Non-executive Director

Frank Poullas
Non-executive Director

John Nethersole
Company Secretary

Figure 1 shows a north to south section through the centre of the MRE deposit showing this southern dip of the deposit. The diamond core has arrived and will commence drilling during this week.

Figure 1. An example of the MRE block model, North to South cross section on 222,000E with drilling and model U₃O₈ grades



An air core rig is expected on site in the second week of May and will commence a drilling program to extend the likely mineralisation trend at Likuyu North.

Likuyu South – Surface mapping and drilling activities

Surface mapping surveys will be conducted by an experienced team from SRK to identify the source and nature previous airborne high radiometric anomalies to the NE and SW of the MRE zone were identified. They will be using a differential spectrometer that measures not only the daughter products of uranium but also those of thorium and potassium to cull false targets. This work is scheduled to commence this week with emphasis on Likuyu South. The Likuyu South gross gamma surface anomalies are more than 10 times in size than those exhibited at Likuyu North. Apart from a few rotary drill holes in 2009, only a few shallow auger holes and pits have tested mineralisation at the surface.

A soil gas radon survey will be conducted to identify drill targets that may not be detected during the radiometric surveys. Radon gas, unlike surface and airborne radiometric surveys, has been shown to be highly successful for delimiting tabular uranium deposits at depth.

A programme of air core drilling will then test these more highly prospective targets to augment the Company's understanding of uranium chemistry. Uranex is attempting to bring into Tanzania a PFN probe that can measure the chemistry of the mineralisation.

Mkuju licence area regional exploration

A programme of ground based exploration will commence on the other areas of the Mkuju Uranium Project area in May 2012. This will be targeting the previously known anomalies of Likuyu South, Mterimwahi, Matemanga and Grand Central as well as looking for other prospective areas in the general licence area that have thus far been untested.

- Key aspects of this programme will be:
 - Surface mapping by SRK commencing in early May 2012. As described above, this will look for true anomalies and provide targets for follow up exploration;
 - Surface geological mapping will discriminate between airborne radiometric anomalies associated with granitic and metamorphic source rocks for the Karoo deposits of interest;
 - Surface electromagnetic surveys will be conducted to better delimit paleochannels that are the prime targets for the large ore bodies;
 - Soil gas Radon surveys will be conducted extensively;
 - An airborne electromagnetic and radiometric survey will be conducted. Availability of aircraft may delay this until after mid year; and
 - Air core drilling to test the most prospective areas.

The newly appointed exploration management team of highly experienced professionals is now based in Tanzania and will be on site to coordinate and manage this exploration program. This team consists of an Exploration Manager with 35 years of experience and 6 other Uranex uranium geologists. The Uranex team is supported by the consultants from SRK and CSA Global.

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Information in this report relating to the Exploration programme and prospectivity at the Mkuju Uranium Project is based on information compiled by Mr Sean Muller who is a Member of the American Institute of Professional Geologists and Registered Member of the Society of Mining Engineers that is fully recognized by JORC and Exploration Manager and full time employee of the Company. Mr Muller has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Muller consents to the inclusion of the data in the form and context in which it appears.