

## CORPORATE UPDATE

- **Strategic review completed by newly appointed Board of Uranex NL**
- **Focus on the Mkuju Uranium Project in Southern Tanzania**
- **Review of the Manyoni Uranium Project PFS underway to assess leach test results**
- **Exploration to advance remaining tenements**
- **Capital Raising mechanism being finalised allowing all current shareholders to participate**
- **Review of cash burn rate and focus of expenditure, under review**

Uranex NL ("Uranex") is pleased to advise that the newly appointed Board recently completed a comprehensive strategic review of all the Company's assets. As a result the Company will now focus primarily on the Mkuju Uranium Project in Southern Tanzania, where a 5000m drilling programme is underway.

The first Diamond drill hole has been successfully completed to a depth of 150m at Mkuju, with results released to the market as and when they become available.

### Mkuju Uranium Project

The new drilling activity will focus on the three zones over a total strike extent of 5km at the Likuyu North prospect, with 15-20 diamond drillholes to be completed, and 2 zones over a total strike of 2km at the Grand Central Prospect with a further 5 diamond drillholes to be completed (as previously announced on 15<sup>th</sup> September 2010).

The primary purpose of the programme is to extend known mineralised horizons identified during the 2008 and 2009 programmes within these prospects. The diamond drilling will also allow confirmation of the reliability of the RC drilling method used in the previous programme, and provide detailed information on the geological environment in which the mineralisation is present.

It is anticipated the drilling program will take approximately 6 weeks to complete. The core samples will be submitted to SGS Laboratories in Johannesburg for assay. Results will be released to the market as and when they become available.

The Mkuju Uranium project adjoins Mantra Resources' Mkuju River Project, where a Mineral Resource of 84.3 million pounds @ 464ppm U<sub>3</sub>O<sub>8</sub> has been defined at the Nyota prospect, located 30km NE of the planned drilling program at Likuyu North.

### URANEX NL

ABN 26 115 111 763

Level 3  
15 Queen Street  
Melbourne VIC 3000  
Australia

Ph: (03) 9621 1533  
Fax: (03) 9621 1544

[info@uranex.com.au](mailto:info@uranex.com.au)  
[www.uranex.com.au](http://www.uranex.com.au)

ASX Code: UNX

Number of Shares  
123.8M Ordinary Shares  
4.4M Unlisted Options

Market Capital  
A\$21.5 Million (@0.175c)

### Board of Directors

**Johann Jacobs**  
Chairman

**Matthew Gauci**  
Managing Director

**Stephen Hunt**  
Non-executive Director

**Frank Poullas**  
Non-executive Director

**Mark Chalmers**  
Non-executive Director

**John Nethersole**  
Company Secretary

The programme will be supported by an Airborne Electromagnetic (AEM) survey covering approximately 200km<sup>2</sup>, which will assist in defining the Karoo sandstone sequences and channels hosting the uranium mineralisation, as well as a further 2,000m of auger drilling to assist in determining the trend and orientation of the mineralised units.

## Manyoni Uranium Project Pre Feasibility Study (PFS)

The Company had previously advised the market that the Manyoni PFS would be completed by the end of September and that that study was predicated on conventional heap leach which would result in low operating and capital costs. The results thus far are currently under evaluation and the company is not in a position to comment as the new management comes up to speed on the project. However, some of the most recent metallurgical test results may not react as first anticipated. As a result the Company has embarked on further review and metallurgical testing in conjunction with ANSTO Minerals to ascertain what process would be the most appropriate for Manyoni. Accordingly it is anticipated that the PFS will now not be finalised until the second quarter of 2011.

## Other Uranium Projects

The Company has a number of tenements outside of Thatcher Soak (WA) and Manyoni and Mkuju in Tanzania, which are relatively unexplored – as a result the Company will be expending some monies and effort to undertake some exploration work during the coming year to evaluate there prospectivity.

## Capital Raising

The Board has resolved to undertake a fully underwritten rights issue in the next month - details are currently being negotiated with underwriters, clearly as soon as these have been concluded shareholders will be advised.

## Cash Burn Rate

Management are currently reviewing the cash burn rate with the view of reducing the same, whilst focusing on maximising the expenditure on exploration. The Company will also review alternatives of spreading exploration risks to reduce the cash burn rate of the Company.



**Matthew Gauci**  
**Managing Director**

For further information, please contact:      Tel: + 61 (0)3 9621 1533

Information in this report relating to exploration results is based on data compiled by Mr. Brendan Borg who is a Member of the Australasian Institute of Mining and Metallurgy, and who is a full-time employee of the Company. Mr. Borg has sufficient relevant experience to qualify as a Competent Person under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Borg consents to the inclusion of the data in the form and context in which it appears.