

URANEX NL

ABN 26 115 111 763

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

DATE AND TIME OF MEETING:

19 NOVEMBER 2010 at 12.30PM (AEST time)

PLACE OF MEETING:

The Menzies Hotel
Canberra Suite
14 Carrington Street
Sydney NSW 2000

IMPORTANT INFORMATION

This is an important document that should be read in its entirety.

If you do not understand it, or any part of it, you should consult your professional advisors.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the fifth Annual General Meeting of members of Uranex NL ("Company") will be held at the Menzies Hotel, Canberra Suite, 14 Carrington Street, Sydney NSW, Australia, on Friday 19 November 2010 at 12:30pm (AEST time) for the purpose of transacting the following business.

An Explanatory Memorandum containing information in relation to the following matters to be considered accompanies, and forms part of, this Notice of Annual General Meeting.

Ordinary Business

Item 1 Financial Statements And Reports

To receive and consider, the Company's Financial Report, Directors' Report and the Auditor's Report on the Financial Report for the year ended 30 June 2010.

Item 2 Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That the Remuneration Report for the Company for the year ended 30 June 2010 be adopted".

Item 3 Election of Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Johann C. Jooste-Jacobs, having been appointed as a Director of the Company since the last Annual General Meeting, who retires in accordance with Rule 11.6 of the Company's constitution, being eligible, be and is hereby elected as a Director of the Company".

Item 4 Election of Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Stephen B. Hunt, having been appointed as a Director of the Company since the last Annual General Meeting, who retires in accordance with Rule 11.6 of the Company's constitution, being eligible, be and is hereby elected as a Director of the Company".

Item 5 Election of Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mark S. Chalmers, having been appointed as a Director of the Company since the last Annual General Meeting, who retires in accordance with Rule 11.6 of the Company's constitution, being eligible, be and is hereby elected as a Director of the Company".

Item 6 Election of Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Frank Poullas, having been appointed as a Director of the Company since the last Annual General Meeting, who retires in accordance with Rule 11.6 of the Company's constitution, being eligible, be and is hereby elected as a Director of the Company".

Item 7 Approval To Grant Options To Matthew Gauci (Managing Director)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of section 208 of the Corporations Act 2001 (Cth), ASX Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant for no consideration within 1 month of the passing of this resolution, 2,000,000 options (in aggregate), for a term of up to five years from grant date, to subscribe for ordinary shares in the Company to Matthew G Gauci, or a controlled entity nominated by him, in the following lots:

- (i) 650,000 options at an exercise of 20 cents;
- (ii) 650,000 options at an exercise of 25 cents; and
- (iii) 700,000 options at an exercise of 31 cents

upon the terms and conditions described in the attached Explanatory Memorandum and that for the purposes of ASX Listing Rule 7.1 and ASX Listing Rule 7.2 Exception 14 approval be and is hereby given to the issue of all such options".

This page has been left blank intentionally

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

Note: The options issued under Resolution 6 will be issued to Matthew Gauci in accordance with his Employment Agreement. Further:

- (a) If Shareholder approval is given under ASX Listing Rule 10.11, Shareholder approval is not required under ASX Listing Rule 7.1;
- (b) Matthew Gauci, or his nominee, will be granted 2,000,000 options the details of which are described above, for no issue price;
- (c) Will be granted within 1 month of the date of this meeting;
- (d) The terms and conditions of the options referred to in this Resolution 6 and other information relevant to shareholders are set out in the attached Explanatory Memorandum;
- (e) Shares issued as a result of the exercise of the options will rank pari passu with ordinary shares in the Company;
- (f) No funds will be raised as a result of the grant of the options; and
- (g) Voting Exclusion Statement: the Company will, for the purposes of the ASX Listing Rules and in accordance with section 224 of the Corporations Act 2001 (Cth), disregard any votes cast on Resolution 6 by any Directors and any associates of a Director. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on a proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Item 8 Approval To Grant Options To Non-Executive Directors

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

- 8.1 "That, for the purposes of section 208 of the Corporations Act 2001 (Cth), ASX Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant for no consideration within 1 month of the passing of this resolution, 500,000 options to subscribe for ordinary shares in the Company to Johann C Jooste-Jacobs or a controlled entity nominated by him at an exercise price of 20 cents per option upon the terms and conditions described in the attached Explanatory Memorandum and that for the purposes of ASX Listing Rule 7.1 and ASX Listing Rule 7.2 Exception 14 approval be and is hereby given to the issue of all such options".
- 8.2 "That, for the purposes of section 208 of the Corporations Act 2001 (Cth), ASX Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant for no consideration within 1 month of the passing of this resolution, 500,000 options to subscribe for ordinary shares in the Company to Stephen B Hunt or a controlled entity nominated by him at an exercise price of 20 cents per option upon the terms and conditions described in the attached Explanatory Memorandum and that for the purposes of ASX Listing Rule 7.1 and ASX Listing Rule 7.2 Exception 14 approval be and is hereby given to the issue of all such options".
- 8.3 "That, for the purposes of section 208 of the Corporations Act 2001 (Cth), ASX Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant for no consideration within 1 month of the passing of this resolution, 500,000 options to subscribe for ordinary shares in the Company to Mark S Chalmers or a controlled entity nominated by him at an exercise price of 20 cents per option upon the terms and conditions described in the attached Explanatory Memorandum and that for the purposes of ASX Listing Rule 7.1 and ASX Listing Rule 7.2 Exception 14 approval be and is hereby given to the issue of all such options".
- 8.4 "That, for the purposes of section 208 of the Corporations Act 2001 (Cth), ASX Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant for no consideration within 1 month of the passing of this resolution, 500,000 options to subscribe for ordinary shares in the Company to Frank Poullas at an exercise price of 20 cents per option upon the terms and conditions described in the attached Explanatory Memorandum and that for the purposes of ASX Listing Rule 7.1 and ASX Listing Rule 7.2 Exception 14 approval be and is hereby given to the issue of all such options".

Note: The options issued under Resolutions 7.1 to 7.4 (inclusive) will be issued to the Non-executive Directors or their nominees (as the case may be). Further:

- (a) If Shareholder approval is given under ASX Listing Rule 10.11, Shareholder approval is not required under ASX Listing Rule 7.1;
- (b) The Non-executive Directors described above or their nominees (as the case may be) will be granted up to 2,000,000 options (in aggregate) the details of which are described above, for no issue price and a term not exceeding 5 years from grant date;
- (c) The options will have no vesting hurdle and will be granted within 1 month of the date of this meeting;
- (d) The terms and conditions of the options referred to in these Resolutions 7.1 to 7.4 (inclusive) and, other information relevant to shareholders, are set out in the attached Explanatory Memorandum;
- (e) Shares issued as a result of the exercise of the options will rank pari passu with ordinary shares in the Company;
- (f) No funds will be raised as a result of the grant of the options; and
- (g) Voting Exclusion Statement: the Company will, for the purposes of the ASX Listing Rules and in accordance with section 224 of the Corporations Act 2001 (Cth), disregard any votes cast on Resolutions 7.1 to 7.4 (inclusive), by any Directors and any associates of a Director. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on a proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

Explanatory Memorandum

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

Voting Entitlements

The time nominated by the Board for the purpose of determining the voting entitlements at the meeting is 12:30pm (AEST time) on 18 November 2010.

Voting By Proxy

A member entitled to attend and vote is entitled to appoint not more than two proxies to attend and vote on behalf of the member. A proxy need not be a member of the Company. A proxy may also be appointed by reference to an office held by the proxy (e.g. "the Company Secretary").

Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. If no such proportion is specified, each proxy may exercise half of the member's votes.

A proxy form is enclosed. A separate form must be used for each proxy. An additional form can be obtained by writing to the Company at Level 3, 15 Queen Street Melbourne 3000 Victoria Australia or by fax to +61 3 9621 1544. Alternatively, you may photocopy the enclosed form.

A duly completed proxy form and (where applicable) any power of attorney or a certified copy of the power of attorney must be received by the Company at its registered office at the address or fax number set out below, not less than 48 hours before the time for commencement of the meeting. Please send your proxy by post or deliver in person to Uranex NL, Level 3, 15 Queen Street Melbourne 3000 Victoria Australia or by fax to +61 3 9621 1544.

The Company will accept proxy appointments by a corporate member executed in accordance with either section 127(1) (not under seal) or section 127(2) (under seal) of the Corporations Act 2001 (Cth).

Body corporate representatives

Any corporate member or proxy will be required to complete a "Certificate of Appointment of Corporate Representative" in accordance with section 250D of the Corporations Act 2001 (Cth) to enable a person to attend on their behalf. A form of this Certificate may be obtained from the Company's share registry and is required to be provided prior to the meeting.

By Order Of The Board



John Nethersole

Company Secretary

11 October 2010

Melbourne, Victoria, Australia

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010

This Explanatory Memorandum has been prepared for the information of shareholders in Uranex NL ("Uranex" or "Company") in connection with the Company's Annual General Meeting to be held at the Menzies Hotel, Sydney on 19 November 2010 at 12.30pm (AEST time).

This Explanatory Memorandum is an important document and should be read carefully in its entirety by all shareholders. Shareholders are strongly advised to consult their legal or financial advisors if they require further advice in connection with the matters contained in this Explanatory Memorandum. This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

Item 1 To Receive And Consider The Financial Statements And Reports For The Year Ended 30 June 2010

The Corporations Act 2001 (Cth) ("Corporations Act") requires:

- the reports of the Directors and Auditor; and
- the Annual Financial Report, including the financial statements of the Company for the year ended 30 June 2010

to be tabled at the Annual General Meeting. The Annual Financial Report for the year ended 30 June 2010 has been sent to all shareholders, or where appropriate, notice has been given to shareholders that it was available on the Company's website (www.uranex.com.au), and will be tabled at the meeting. There is no legal requirement for a formal resolution to accept the financial statements and reports. However, shareholders will be given an opportunity at the meeting to ask questions about or make comments on the management of the Company.

Also, a reasonable opportunity will be given to members as a whole at the meeting to ask the Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

Item 2 (Resolution 1) – Adoption Of The Remuneration Report

Section 250R of the Corporations Act 2001(Cth) ("Corporations Act") requires that a resolution be put to the members at the Annual General Meeting to adopt the Remuneration Report as disclosed in the Directors' Report contained in the Annual Report 2010.

The vote on this resolution is advisory only and non-binding on the Company or its Directors. The resolution gives members the opportunity to ask questions or make comments concerning the Remuneration Report during the meeting.

Item 3 (Resolution 2) – To Elect Johann C. Jooste-Jacobs As A Director

Johann Jooste-Jacobs having been appointed a director since the last Annual General Meeting under rule 11.6 of the Company's Constitution and, being eligible, offers himself for election.

Qualifications: B.Acc, MBL, FCA, FAICD

Career:

Johann Jacobs has more than 30 years experience in the resource sector where he has managed established companies and acquisitions, expansions or start-up mining operations in Australia, South Africa and Indonesia. His more recent roles have included Chairman of IMX Resources Limited, Managing Director of the ASX listed coal producer CIM Resources Ltd and Managing Director of the ASX listed mineral sands developer Australian Zircon N.L. In addition, he holds various Directorships in private resource focused companies active in Australia and Internationally.

Item 4 (Resolution 3) – To Elect Stephen B. Hunt As A Director

Stephen Hunt having been appointed a director since the last Annual General Meeting under rule 11.6 of the Company's Constitution and, being eligible, offers himself for election.

Qualifications: B.Bus (Marketing)

Career:

Stephen Hunt has more than 20 years experience in the minerals marketing industry, including 16 years at BHP Billiton Ltd. In addition, Stephen has been a Director of Australian Zircon NL, DCM Australia Limited and more recently through his own trading business, Minerals and Metals Marketing Pty Ltd. He is a Non-Executive Director of IMX Resources Limited.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

Item 5 (Resolution 4) – To Elect Mark S. Chalmers As A Director

Mark Chalmers having been appointed a director since the last Annual General Meeting under rule 11.6 of the Company's Constitution and, being eligible, offers himself for election.

Qualifications: BSc, PE, SME

Career:

Mark Chalmers, a Mining Engineer, is currently Principal of Uranium Associates Pty Ltd, a uranium industry consulting/advisory company. He was previously Managing Director of Uranium Equities Limited (ASX: UEQ) a uranium explorer and uranium technology development company and is currently Managing Director of Urtek LLC, a global leader in uranium recovery technology from phosphoric acid. Currently he Chairs the Australian Government's Uranium Council, an initiative focused on removing impediments to the advancement of the uranium industry in Australia. Prior to this role, Mark held a number of executive positions including Senior Vice President and General Manager of Heathgate Resources Limited, the operator of the Beverley ISL uranium mine in Australia and was Vice President - Operations of Cameco Corporation's USA subsidiary uranium operations. Over the course of his career, he has been involved with over a dozen uranium producing projects.

Item 6 (Resolution 5) – To Elect Frank Poullas As A Director

Frank Poullas having been appointed a director since the last Annual General Meeting under rule 11.6 of the Company's Constitution and, being eligible, offers himself for election.

Career:

Frank Poullas is employed by a major investment fund and in his personal capacity is a professional investor specialising in the uranium sector. For the last eight years he has been involved in various ventures increasing shareholder value in the uranium sector.

Item 7 (Resolution 6) – To Grant 2,000,000 Options To Matthew Gauci, Managing Director

Shareholders' approval is sought to grant certain options to subscribe for ordinary shares in the Company to the Managing Director, Matthew Gauci, for nil consideration, in accordance with his Employment Agreement. For clarity, these options are not granted under the Uranex Employee Incentive Option Plan.

A. Corporations Act 2001 (Cth): Related Party Transactions

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

1. the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
2. prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Directors are considered to be a related party of the Company.

Resolution 6 provides for the grant of options to a related party that is a financial benefit which requires shareholder approval. For the purpose of Chapter 2E of the Corporations Act the following information is provided:

The Related Party To Whom The Proposed Resolution Would Permit The Financial Benefit To Be Given

The 2,000,000 options (the financial benefit) will be issued to Matthew Gauci, Managing Director of the Company or any controlled entities nominated by him within 1 month of the passing of this Resolution. He has nominated a controlled entity ("nominee") which will be entitled to be granted and issued options in its own name. The proposed Resolution 6 permits the financial benefit to be given to the nominated controlled entity of Macrocon ABN 32 909 081 685 as trustee for the Mocondo Family Trust. Matthew Gauci is both a trustee and a beneficiary respectively of these entities.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

The nature of the financial benefit

The terms of his Employment Agreement dated 2 August 2010, the Company (amongst other things) agreed, subject to the prior approval of shareholders, to grant to Matthew Gauci, or his nominee, 2,000,000 unlisted options to acquire ordinary shares in the Company.

The terms and conditions attaching to those options are set out in Appendix "A" to this Explanatory Memorandum. In particular, the options will have a five year term from grant date and will not be transferable except with the prior approval of Directors (which approval will not be unreasonably withheld). It has been agreed by the Company that Matthew Gauci, or his nominee, will have 90 days after ceasing employment with the Company to exercise any options held by him, after which time they will lapse. The options would form part of the Managing Director's reward for his efforts in acting as an executive Director of the Company, providing an incentive for continuing and future efforts.

The financial benefit is the grant to Matthew Gauci, or his nominee, the Managing Director, for no issue price, 2,000,000 options (also see Table 3 below). Each option will allow Matthew Gauci to subscribe for one ordinary fully paid share in the Company. The exercise prices for each option are also detailed in Table 3.

The exercise prices for the options to be granted to Matthew Gauci, or his nominee, have been determined by the Board, as follows:

VWAP and value

For the purposes of the grant to Matthew Gauci, or his nominee, of options as contemplated by this Resolution 6, the Board has determined exercise prices for those options (as detailed in Table 3) based on the volume weighted average price ("VWAP") of the sale of the Company's shares for the 2 months ended 30 July 2010. The Board on 11 October 2010 resolved to grant, after shareholder approval had been given, the options described in this Explanatory Memorandum and the Notice of Meeting to which it relates, and 30 July 2010 had been considered to be the appropriate date to be utilized for the calculation of VWAP). In that regard, the Directors have, in determining an appropriate exercise price for options, used a VWAP of \$0.172 per share.

However, for the purposes of valuing the options proposed to be granted (see Table 3) the Company's consultants have advised that the appropriate current market value of shares in the Company as at 1 October 2010 is \$0.176 per share. This value has been used to calculate the premium described in Table 3. The Company's consultants have calculated the VWAP (based on closing daily prices) of Uranex shares for the 90 day period ended 1 October 2010 the result of which was \$0.169 per share based on a volume of 12,916,908 shares. The VWAP for the 30 day period ended 1 October 2010 was \$0.173 per share based on a volume of 2,960,581 shares. The most recent price sensitive announcement was released by Uranex on 15 September 2010. The VWAP since the release of that announcement was \$0.176 per share. Based on the above information, the Company's consultants consider that the current market value of shares in Uranex as at 1 October 2010 is \$0.176 per share.

Exercise Prices of options to be granted would be at a "Premium"

The Board determined that it is appropriate for the options to be granted (upon shareholder approval being obtained) at a premium to the current market value utilised by the Company's consultants of \$0.176. Namely, premiums respectively of 13.63% (for an exercise price of \$0.20), 42.05% (for an exercise price of \$0.25) and 76.13% (for an exercise price of \$0.31) based on that current market value is also detailed in Table 3.

The premium calculations are more if the VWAP of \$0.172, utilised by the Directors to calculate the exercise prices for options, is used.

Directors' recommendations

None of the Directors wish to make a recommendation about the proposed Resolutions 6. As each Director may potentially receive a financial benefit from the passing of the Resolutions relating to the grant of the options (Resolutions 6 and 7.1 to 7.4) (as the case may be) they do not consider themselves sufficiently independent to make a recommendation. All of the Directors were available to consider the proposed Resolutions.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

Interests of Directors

Matthew Gauci has noted his interest in the approval of Resolution 6 in relation to the options.

Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its Directors

- (a) The proposed Resolution 6 would have the effect of giving power to the Directors to grant 2,000,000 free options over unissued shares in the Company, to Matthew Gauci (Managing Director) or his nominee;
 - I. The options and the exercise of the options are issued subject to the terms and conditions set out in Appendix "A" to this Explanatory Memorandum;
 - II. The Directors, in conjunction with the Company's advisors, have valued the options by reference to the Binomial Option Valuation Model valuation method, based upon the assumptions outlined in Table 4;
 - III. The values of the options to be granted are outlined in Table 3. If options granted to Directors (including Matthew Gauci) or their nominees are exercised, the effect would be to dilute the shareholdings of the existing shareholders;
 - IV. As at 30 September 2010, the issued capital of the Company comprised 123,836,427 ordinary fully paid shares, 4,340,000 partly paid shares and 4,400,000 options. On a fully diluted basis, the grant of options to Matthew Gauci or his nominee represents approximately 1.51% of the Company's issued capital;
 - V. As at the date of the Notice of Meeting to which this Explanatory Memorandum relates, Matthew Gauci holds an indirect interest in 271,000 securities of the Company;
 - VI. The market price of the Company's shares during the term of the options will normally determine whether or not the holder of the option exercises the option. At the time any options are exercised and shares issued pursuant to the exercise of the options, the Company's ordinary shares may be trading on the ASX at a price which is higher than the exercise price of the options;
 - VII. The options will not be quoted on the ASX and as such have no actual market value. The fully paid ordinary shares of the Company have been traded on the ASX since 2006. Over the last 12 months (9 October 2009 to 8 October 2010) the shares have traded in the range between \$0.39 and \$0.12. The most recent closing price prior to printing of the Notice to which this Explanatory Memorandum relates was \$0.175 per share. The options are capable of being converted to shares by payment of the exercise price;
 - VIII. Under the Company's current circumstances, the Directors consider that an incentive to Matthew Gauci which would be represented by the options will be a cost-effective and efficient reward for the Company as opposed to alternative forms of incentives;
 - IX. Matthew Gauci currently receives \$260,000 per annum inclusive of statutory superannuation (9%), excluding any performance bonuses and subject to annual review, for fulfilling his role as the Managing Director;
 - X. Under the Australian equivalent of IFRS, the Company would be required to expense the value of the options in its income statement over the relevant vesting periods. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in issuing the options to Matthew Gauci or his nominees pursuant to Resolution 6;
 - XI. Neither the Directors nor the Company are aware of any other information that would be reasonably required by shareholders to make a decision in relation to the financial benefits contemplated by this Resolution 6.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

B. Australian Securities Exchange (ASX) Listing Rules – Further requirements

If an issue of securities is made with the approval of holders of ordinary shares under ASX Listing Rule 10.11, then those securities will be considered as an exception to Listing Rule 7.1. (that is provided for in Listing Rule 7.2 Exception 14). Listing Rule 7.1 broadly provides, subject to certain exceptions, that a company may not issue or agree to issue securities which represent more than 15% of the nominal value of the company's issued capital at the beginning of any 12 month period without obtaining shareholder approval. If Shareholders approve this resolution, then the securities (options and any resulting ordinary shares) issued would not be included in calculating the 15% limit imposed by Listing Rule 7.1. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

The proposed allocation of options to subscribe for ordinary shares in the issued capital of the Company to Matthew Gauci or his nominee requires approval by the Shareholders of the Company.

Under ASX Listing Rule 10.11, the Company cannot issue options to Directors without shareholder approval (because the Directors are "related parties" of the Company). There are exceptions to this Listing Rule and, in that regard, the Company seeks to apply Exception 10 of ASX Listing Rule 10.12, namely "An agreement to issue equity securities that is conditional on holders of ordinary securities approving the issue before the issue is made. If an entity relies on this exception it must not issue the equity securities without approval". As noted above, in terms of his Employment Agreement, the Company (amongst other things) agreed, subject to the prior approval of shareholders, to grant to Matthew Gauci 2,000,000 unlisted options to acquire ordinary shares in the Company.

No options have been granted or issued to Matthew Gauci or his nominee.

To obtain approval under ASX Listing Rule 10.11, the Company must provide certain information to the shareholders as prescribed under ASX Listing Rule 10.13. The Company now provides the following information to shareholders as prescribed by ASX Listing Rule 10.13:

1. It is intended that up to 2,000,000 options to subscribe for shares in the Company will be granted and issued to Matthew G. Gauci or his nominee, for no issue price.
2. Matthew Gauci or his nominee may acquire a maximum number of 2,000,000 options pursuant to Resolution 6.
3. The exercise prices for each of the 2,000,000 options to be acquired by Matthew Gauci or his nominee are set out in Table 3. The terms of issue of the options to be granted to Matthew Gauci or his nominee are set out in Appendix "A" to this Explanatory Memorandum.
4. No persons have received or have been granted options.
5. The person requiring approval under ASX Listing Rule 10.13 who is, or who will be, entitled to be granted options is Matthew Gauci or his nominee.
6. No funds will be raised as a result of the grant of options to Matthew Gauci or his nominee.
7. The Company will issue the 2,000,000 options to Matthew Gauci or his nominee within 1 month of the passing of the relevant resolution by Shareholders. Shareholders are referred to the Voting Exclusion Statement set out in Resolution 6 of the Notice of Meeting to which this Explanatory Memorandum relates.

Item 8 (Resolution 7) – To Grant Options To Non-Executive Directors

Shareholders' approval is sought to grant certain options to subscribe for ordinary shares in the Company to the Company's Non-executive Directors or their nominated controlled entities (as the case may be) for nil consideration. Such grant of options is intended to provide additional incentives to the Non-executive Directors to participate in the Company's future growth. In that regard, on 11 October 2010, the Directors resolved that, subject to shareholder approval, the Company grant unlisted options to subscribe for shares in the capital of the Company to the Non-executive Directors or their nominees (as the case may be), details of which are set out in Table 3. For clarity, these options are not granted from the Employee Incentive Option Plan.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

A. Corporations Act 2001 (Cth): Related Party Transactions

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

1. the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
2. prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Directors are considered to be related parties of the Company. An entity controlled by a Director is also a related party of the Company.

Resolutions 7.1 to 7.4 (inclusive) provide for the grant of options to related parties that are a financial benefit which require shareholder approval. For the purpose of Chapter 2E of the Corporations Act the following information is provided:

The related parties to whom the proposed resolutions would permit the financial benefit to be given

Up to 2,000,000 options in aggregate (the financial benefit) will be issued to each of the current Non-executive Directors or any controlled entities nominated by them within 1 month of the passing of these Resolutions (also see Table 1 for details). The Directors listed below nominate the controlled entity described next to their names. Frank Poullas, a Non-executive Director, does not nominate any controlled entity, so he will be entitled to be granted and issued options in his own name. The proposed Resolutions 7.1 to 7.4 (inclusive) would permit the financial benefits to be given to the three nominated controlled entities described in Table 1 and Frank Poullas.

In that regard, the following related party details are provided:

TABLE 1: DIRECTORS AND NOMINEES ("CONTROLLED ENTITIES")		
NAME OF DIRECTOR ¹	OR	NAME OF DIRECTOR'S NOMINATED CONTROLLED ENTITY ²
Johann C Jooste-Jacobs		FinMin Solutions Pty Ltd ACN 070 381 850 as trustee for the Jacobs Family Superannuation Fund
Stephen B Hunt		Minerals and Metals Marketing Pty Ltd ACN 108 174 849
Mark S Chalmers		Mark S Chalmers as trustee for the M & R Chalmers Family Trust
Note 1: Each person named as a Director is a related party of the Company: see section 228(2)(a) of the Corporations Act		
Note 2: Each entity named is controlled by the Director named opposite to him and each such entity is a related party of the Company: see section 228(4) of the Corporations Act.		

The nature of the financial benefit

It is intended that the options would form part of the Non-executive Directors' reward for their efforts in acting as Directors of the Company, providing an incentive for continuing and future efforts, and to add value for shareholders.

The financial benefit is the grant to the Non-executive Directors or their respective nominated controlled entities (as the case may be), for no issue price, that number of options shown beside their names in Table 3 below. Each option will allow the Directors or their nominees (as the case may be) to subscribe for one ordinary fully paid share in the Company. The exercise prices for each option are also detailed in Table 3.

The terms and conditions attaching to the options are set out in Appendix "A" to this Explanatory Memorandum. In particular, the options will have an expiry date of five years from the date of grant and will not be transferable except with the prior approval of Directors (which approval shall not unreasonably be withheld). Consistent with the Employee Option Plan, it has been agreed by the Company that the Non-executive Directors (as grantees of the options), or their nominees (as the case may be) will have 90 days after ceasing to be a Director of the Company to exercise any options, after which time they will lapse. The exercise prices for the options to be granted to the Non-executive Directors have been determined by the Board, as follows.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

Exercise Prices of options to be granted would be at a "Premium"

For the purposes of the grant to the Non-executive Directors of options as contemplated by Resolutions 7.1 to 7.4 (inclusive) the Board has determined exercise prices for the options (as detailed in Table 3) based on the volume weighted average price ("VWAP") of the sale of the Company's shares for the 2 months ended 4 October 2010 (in that regard, the Board on 11 October 2010 resolved to grant, after shareholder approval had been given, the options described in this Explanatory Memorandum and the Notice of Meeting to which it relates, and 4 October 2010 had been considered to be the appropriate date to be utilized for the calculation of VWAP. In that regard, the Directors have, in determining an appropriate exercise price for options, used a VWAP of \$0.163 per share.

However, for the purposes of valuing the options proposed to be granted (see Table 3) the Company's consultants have advised that it is appropriate that the current market value of shares in the Company as at 1 October 2010 is \$0.176 per share. That value is also used to calculate the premium described in Table 3. The Company's consultants have utilised the VWAP (based on closing daily prices) of Uranex shares for the 90 day period ended 1 October 2010 which was \$0.169 per share on a volume of 12,916,908 shares. The VWAP for the 30 day period ended 1 October 2010 was \$0.173 per share on a volume of 2,960,581 shares. The most recent price sensitive announcement was released by Uranex on 15 September 2010. The VWAP since the release of that announcement was \$0.176 per share. Based on the above information, the Company's consultants consider that the current market value of shares in Uranex as at 1 October 2010 is \$0.176 per share.

Exercise Price of options to be granted would be at a "Premium"

The Board has determined that it is appropriate for options to be granted (upon shareholder approval being obtained) at a premium to VWAP utilised by the Company's consultants of \$0.176. Namely, a premium of 13.63% (at an exercise price of \$0.20) to that VWAP. This is detailed in Table 3. The premium calculations are more if the VWAP of \$0.163 utilised by the Directors to calculate the exercise prices for options, is used.

Directors' recommendations

None of the Directors wish to make a recommendation about the proposed Resolutions 7.1 to 7.4 (inclusive). As each Director may potentially receive a financial benefit from the passing of the Resolutions relating to the grant of the options (Resolutions 6 and 7.1 to 7.4) (as the case may be) they do not consider themselves sufficiently independent to make a recommendation. All of the Directors were available to consider the proposed Resolutions.

Interests of Directors:

The Non-executive Directors (namely, Messrs Jooste-Jacobs, Hunt, Chalmers and Poullas) have noted their interests in the approval of at least one of the Resolutions 7.1 to 7.4 (inclusive) in relation to the options.

Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its Directors:

(a) The proposed Resolutions 7.1 to 7.4 (inclusive) would have the effect of giving power to the Directors to grant up to a total of 2,000,000 free options over unissued shares in the Company as follows: 500,000 free options to each of Johann Jooste-Jacobs (Non-executive Chairman) and 3 Non-executive Directors or their respective nominated controlled entities (if any). For this purpose, the following Non-executive Directors have nominated certain controlled entities to be granted options (see Table 2):

TABLE 2: RELATIONSHIP BETWEEN DIRECTORS AND NOMINEES				
NAME OF DIRECTOR ¹	NOMINATED CONTROLLED ENTITIES TO BE GRANTED OPTIONS	RELATIONSHIP	NUMBER OF OPTIONS TO BE ISSUED AND GRANTED	DIRECTORS' FEES (INCLUDING SUPERANNUATION)
JOHANN C JOOSTE-JACOBS	FinMin Solutions Pty Ltd ACN 070 381 850 as trustees for the Jacobs Family Superannuation Fund	J.C. Jooste-Jacobs is a trustee and a member/beneficiary of the Jacobs Family Superannuation Fund	500,000	\$109,000pa
STEPHEN B HUNT	Minerals and Metals Marketing Pty Ltd ACN 108 174 849	S.B. Hunt is a Director and member of the Company	500,000	\$54,500pa
MARK S CHALMERS	Mark S Chalmers as trustee for the M & R Chalmers Superannuation Fund	M.S. Chalmers is a trustee and a beneficiary of the M & R Chalmers Family Trust	500,000	\$54,500pa

Note 1: Frank Poullas has not nominated a controlled entity, but would be entitled to be issued and granted 500,000 options. He is paid a Director's fee of \$54,500 (including superannuation) per annum.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

- (b) The options and the exercise of the options are issued subject to the terms and conditions set out in Appendix "A" to this Explanatory Memorandum;
- (c) The Directors, in conjunction with the Company's consultants, have valued the options by reference to the Binomial Option Valuation Model valuation method, based upon the assumptions outlined in Table 4;
- (d) The values of the options to be granted are outlined in Table 3. If options granted to the Non-executive Directors or their nominees are exercised, the effect would be to dilute the shareholdings of the existing shareholders;
- (e) As at 30 September 2010, the issued capital of the Company comprised 123,836,427 ordinary fully paid shares, and 4,340,000 partly paid shares and 4,400,000 unlisted options. On a fully diluted basis, the grant of options to all of the Non-executive Directors (or their nominees) (also see Resolution 6) represents approximately 1.51% of the Company's issued capital;
- (f) Of the Non-executive Directors, as at the date of the Notice of Meeting to which this Explanatory Memorandum relates, only Frank Poullas hold interests in securities of the Company (directly 1,033,250 fully paid ordinary shares and indirectly 120,100 fully paid ordinary shares);
- (g) The market price of the Company's shares during the term of the options will normally determine whether or not the holder of the option exercises the option. At the time any options are exercised and shares issued pursuant to the exercise of the options, the Company's ordinary shares may be trading on ASX at a price which is higher than the exercise price of the options;
- (h) The options will not be quoted on the ASX and as such have no actual market value. The fully paid ordinary shares of the Company have been traded on the ASX since 2006. Over the last 12 months (9 October 2009 to 8 October 2010) the shares have traded in the range between \$0.39 and \$0.12. The most recent closing price prior to printing of the Notice to which this Explanatory Memorandum relates was \$0.175 per share. The options are capable of being converted to shares by payment of the exercise price;
- (i) Under the Company's current circumstances, the Directors consider that the incentive to Directors which would be represented by the options would be a cost-effective and efficient reward for the Company as opposed to alternative forms of incentives;
- (j) The Company's Non-executive Directors (including the Chairman) currently receive total remuneration of \$272,500 per annum inclusive of statutory superannuation (9%) for fulfilling their roles;
- (k) Under the Australian equivalent of IFRS, the Company would be required to expense the value of the options in its income statement over the relevant vesting periods. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in issuing the options to the Non-executive Directors or their nominees (as the case may be) pursuant to Resolutions 7.1 to 7.4 (inclusive);
- (l) Neither the Directors nor the Company are aware of any other information that would be reasonably required by shareholders to make a decision in relation to the financial benefits contemplated by Resolutions 7.1 to 7.4 (inclusive).

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

B. Australian Securities Exchange (ASX) Listing Rules – Further requirements

If an issue of securities is made with the approval of holders of ordinary shares under ASX Listing Rule 10.11, then those securities will be considered as an exception to Listing Rule 7.1 that is provided for by Listing Rule 7.2 Exception 14. Listing Rule 7.1 broadly provides, subject to certain exceptions, that a company may not issue or agree to issue securities which represent more than 15% of the nominal value of the company's issued capital at the beginning of any 12 month period without obtaining shareholder approval. If Shareholders approve this resolution, then the securities (options and any resulting ordinary shares) issued would not be included in calculating the 15% limit imposed by Listing Rule 7.1. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

The proposed allocation of options to subscribe for ordinary shares in the issued capital of the Company to the Non-executive Directors requires approval by the Shareholders of the Company.

Under ASX Listing Rule 10.11, the Company cannot issue options to Directors without shareholder approval (because the Directors are "related parties" of the Company). There are exceptions to this Listing Rule. Accordingly, the Company seeks to apply Exception 10 of ASX Listing Rule 10.12, where in it states that "An agreement to issue equity securities that is conditional on holders of ordinary securities approving the issue before the issue is made. If an entity relies on this exception it must not issue the equity securities without approval". As noted above, on 11 October 2010, the Directors resolved that, subject to shareholder approval, the Company grant unlisted options to subscribe for shares in the capital of the Company to the Non-executive Directors (or their nominees, as the case may be), as described in this document.

No options have been granted or issued to the Non-executive Directors, namely, Messrs Jooste-Jacobs, Hunt, Chalmers and Poullas (or their controlled entities).

To obtain approval under ASX Listing Rule 10.11, the Company must provide certain information to the shareholders as prescribed under ASX Listing Rule 10.13. The Company now provides the following information to shareholders as prescribed by ASX Listing Rule 10.13:

1. Certain Non-executive Directors have nominated controlled entities (also related parties to the Company) to which options shall be granted (subject to shareholder approval). Details of those controlled entities are set out in Tables 1 and 2 above. It is intended that up to 2,000,000 options (in aggregate) will be granted and issued in terms of Resolutions 7.1 to 7.4 (inclusive) to the Non-executive Directors, namely, Messrs Jooste-Jacobs, Hunt and Chalmers (500,000 options each) (or their respective nominated controlled entities) and Mr Poullas (500,000 options), for no issue price.
2. The Non-executive Directors and/or the controlled entities nominated by them (as the case may be) may acquire a maximum number of up to 2,000,000 options (in aggregate) pursuant to Resolutions 7.1 to 7.4 (inclusive). See Tables 1 and 2 for details.
3. The exercise prices for each of the 2,000,000 options in aggregate to be acquired pursuant to Resolutions 7.1 to 7.4 (inclusive) are set out in Table 3. The terms of issue of the options to be granted to the Non-executive Directors, namely, Messrs Jooste-Jacobs, Hunt and Chalmers (or their controlled entities) and Mr Poullas are as set out in Appendix "A" of this Explanatory Memorandum.
4. No person has received or has been granted options.
5. No funds will be raised as a result of the grant of options to the Non-executive Directors, namely, Messrs Jooste-Jacobs, Hunt and Chalmers (or their controlled entities) and Mr Poullas.
6. The Company will issue up to 2,000,000 options (in aggregate) to the Non-executive Directors or their nominees (as the case may be) within 1 month of the passing of the relevant resolution by Shareholders. Shareholders are referred to the Voting Exclusion Statement set out in Resolutions 7.1 to 7.4 (inclusive) of the Notice of Meeting to which this Explanatory Memorandum relates.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

TABLE 3: DETAILS OF OPTIONS TO BE ISSUED TO DIRECTORS OR THEIR NOMINEES						
DIRECTOR	NUMBER OF OPTIONS	EXERCISE PRICES DETERMINED BY THE DIRECTORS	PREMIUM TO VWAP OF \$0.176 (%)	EXPIRY DATE	HURDLE	VALUE ¹ AS DETERMINED BY BINOMIAL MODEL VALUATION ²
JOHANN C JOOSTE-JACOBS (OR NOMINEE: FINMIN SOLUTIONS PTY LTD ATF JACOBS FAMILY SUPERANNUATION FUND)	500,000	20 cents	13.63%	19 November 2015	No hurdle	\$40,000
MATTHEW G GAUCI (OR NOMINEE: MACROCON ATF MOCONDO FAMILY TRUST)	650,000 650,000 700,000	20 cents 25 cents 31 cents	13.63% 42.05% 76.13%	19 November 2015 for all option lots	No hurdle No hurdle No hurdle	\$52,000 \$50,050 \$51,800
STEPHEN B HUNT (OR NOMINEE: MINERALS AND METALS MARKETING PTY LTD.)	500,000	20 cents	13.63%	19 November 2015	No hurdle	\$40,000
MARK S CHALMERS (OR NOMINEE: MS CHALMERS ATF M&R CHALMERS FAMILY TRUST)	500,000	20 cents	13.63%	19 November 2015	No hurdle	\$40,000
FRANK POUILLAS	500,000	20 cents	13.63%	19 November 2015	No hurdle	\$40,000

TABLE 4: OPTION VARIABLES DETAILS	
DETAILS	INPUT
VWAP	17.6 cents
Exercise prices	As detailed in the Table 3
Risk Free Rate ²	4.9%
Volatility (Annualised)	83%
Time (years) to expiry	5 years from date of grant

Note 1: Any changes in the variables listed between the date of valuation and the date the options are granted would impact on their values
Note 2: Risk free rates are reflected by Treasury bond yields with maturities approximating the theoretical expiry dates of the options

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

APPENDIX "A"

The following are the rights attaching to the Options granted by and on issue in the Company.

1. Entitlement

- 1.1 Each Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share.
- 1.2 Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by ASX.

2. Exercise of Option

- 2.1 The Options have a term of five (5) years from date of grant but are exercisable at any time from the date of issue. The exercise of Options shall at all times be subject to the Company's Policy from time to time on dealings in securities ("Securities Dealing Policy"). Without limiting the foregoing, if the exercise of an Option (and subsequent allotment of Shares) during the term of the Option ("Exercise Period") would cause or result in the Option holder being in breach of the Company's Securities Dealing Policy or if an Option would lapse during any "blackout" period prescribed by any Securities Dealing Policy were they not to be exercised by the Option holder then, at the request of the Option holder, the Board may, in its sole discretion and by notice to that Option holder vary (by shortening or extending as the case requires) the Exercise Period so that were the relevant Options to be exercised then no such breach would occur and/or the Options do not lapse. Notwithstanding the foregoing the Exercise Period must not be varied by a period of more than 90 days.
- 2.2 The exercise price of each Option is 20, 25 or 31 cents (\$0.20, \$0.25 or \$0.31) as the case may be, as determined by the Directors of the Company.]
- 2.3 Each Option is exercised by the Option holder signing and delivering a notice of exercise of Option together with payment of the exercise price for each Share to be issued upon exercise of each Option to the Company or the Company's share registry.
- 2.4 If the Option holder is a Director or full-time or part-time executive or employee of the Company (or the Option holder is a person related to or controlled by that Director or full-time or part-time executive or employee, as the case may be) then the Options shall expire on the earlier of either five (5) years from date of grant or 90 days after the date the Director or full-time or part-time executive or employee (as the case may be) ceases to be a Director, executive or employee (as the case may be) of the Company.
- 2.5 If, in the reasonable opinion of the Board, a Director or full-time or part-time executive or employee of the Company (or the Option holder is a person related to or controlled by that Director or full-time or part-time executive or employee, as the case may be) acts fraudulently or dishonestly in any material respect or is in material breach of his or her obligations to any Group Company, then, notwithstanding any other provision in these Rules, the Board may deem any unexercised Options of the Director or full-time or part-time executive or employee of the Company (or the Option holder is a person related to or controlled by that Director or full-time or part-time executive or employee, as the case may be) to have lapsed, whereupon those unexercised Options automatically lapse and shall not be capable of exercise.
- 2.6 In the event of liquidation of the Company, all unexercised Options will lapse.

3. Quotation

- 3.1 The Company will not apply to ASX for official quotation of the Options and they will remain unlisted.
- 3.2 If the Shares of the Company are quoted on ASX, the Company will apply to ASX for, and will use its best endeavours to obtain quotation of all Shares issued on the exercise of any Options within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

APPENDIX "A"

4. Participation in Securities Issues

- 4.1 The holder of an Option is not entitled to participate in new issues of securities without exercising the Options, subject to the statements set out in clause 5 (Participation in a Reorganisation of Capital) below.

5. Participation in a Reorganisation of Capital

- 5.1 In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the Listing Rules of ASX applying to a restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Option holder which is not conferred on shareholders of the Company.
- 5.2 In any reorganisation as referred to in paragraph 5.1, Options will be treated in the following manner:
 - (a) in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (b) in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (c) in the event of a return of the share capital of the Company, the number of Options will remain the same and exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
 - (d) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;
 - (e) in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and
 - (f) in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on the holders of Shares.

6. Adjustment to Options and Exercise Price

- 6.1 Adjustments to the number of Shares over which Options exist and/or the exercise price may be made as described in paragraph 5.2 to take account of changes to the capital structure of the Company by way of pro-rata bonus and cash issues.
- 6.2 The method of adjustment for the purpose of paragraph 5.2 shall be in accordance with the Listing Rules of ASX from time to time.
- 6.3 Pro-Rata Bonus Issues If there is a bonus issue to the holders of the underlying securities, on the exercise of any Options, the number of Shares received will include the number of bonus Shares that would have been issued if the Options had been exercised prior to the record date (within the meaning of the Listing Rules) for bonus issues. The exercise price will not change.

7. Takeovers and Schemes of Arrangement

- 7.1 If during the currency of any Options and prior to their exercise a market bid or an off-market bid (both within the meaning of the Corporations Act) is made to holders of Shares then the Option holder may exercise the Options notwithstanding any other terms and conditions applicable to the Options.
- 7.2 If an offer for Shares is made to Shareholders pursuant to a scheme of arrangement which has been approved in accordance with the Corporations Act, the Option holder will be entitled to exercise Options held by it at any time or within the period notified by the Company, whichever period is lesser.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS ACCOMPANYING
THE NOTICE OF ANNUAL GENERAL MEETING FOR 2010 (CONTINUED)

APPENDIX "A"

8. Transfers not permitted without prior consent

8.1 The Options are not transferable except with the prior approval of the Directors of the Company (which approval shall not unreasonably be withheld).

9. Definitions

9.1 Terms used in this document have the following meanings:

ASX means Australian Securities Exchange Limited ACN 008 624 681

Company means Uranex NL ACN 115 111 763

Corporations Act means the Corporations Act 2001 (Cth)(as amended)

Listing Rules means the listing rules of ASX as amended from time to time

Options means an option to subscribe for a Share, the rights attaching to which options are described herein

Option holder means a holder of an Option

Share means a fully paid ordinary share in the Company.

This page has been left blank intentionally

PROXY FORM
ANNUAL GENERAL MEETING 19TH NOVEMBER 2010

URANEX NL
ABN 26 115 111 763

I/We (name of shareholder)	
Of (address)	
Being member/members of Uranex NL HEREBY APPOINT	
(name)	
of (address)	
Or failing him/her (name)	
Of (address)	

Or failing that person then the Chairman of the meeting as my/our proxy to vote for me/us and on our/my behalf at the General Meeting of the Company to be held on 19 November 2010 and at any adjournment thereof. My/our proxy is also authorised to agree on my/our behalf that the meeting is duly convened notwithstanding that less than the requisite period of notice may be given.

If you do not wish to direct your proxy how to vote please insert "X" in the box. By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the Resolution and votes cast by him other than as a proxy holder will be disregarded because of that interest. The Chairman has advised that his intention is to vote in favour of all the Resolutions.

Should you desire to direct the Proxy how to vote, you should place an "X" in the appropriate box(es) below.

I/We direct my/our Proxy to vote in the following manner:

		FOR	AGAINST	ABSTAIN
Resolution 1	Adopt 2010 Remuneration Report			
Resolution 2	Elect Johann C. Jooste-Jacobs as a Non-Executive Director			
Resolution 3	Elect Stephen B. Hunt as a Non-Executive Director			
Resolution 4	Elect Mark S. Chalmers as a Non-Executive Director			
Resolution 5	Elect Frank Poullas as a Non-Executive Director			
Resolution 6	Grant 2,000,000 options to Matthew Gauci, Managing Director			
Resolution 7.1	Grant 500,000 options to Johann C Jooste-Jacobs, Non-Executive Chairman			
Resolution 7.2	Grant 500,000 options to Stephen Hunt, Non-Executive Director			
Resolution 7.3	Grant 500,000 options to Mark S Chalmers, Non-Executive Director			
Resolution 7.4	Grant 500,000 options to Frank Poullas, Non-Executive Director			

If no directions are given, my proxy may vote as the proxy thinks fit or may abstain from voting.

Dated

If two Proxies are appointed, this Proxy is appointed to represent % of my voting right.

My total voting right is shares

PROXY FORM
ANNUAL GENERAL MEETING 19TH NOVEMBER 2010

URANEX NL
ABN 26 115 111 763

If the shareholder is an individual or joint holders	
Signature:	Signature: (Joint shareholder)
Name: (please print)	Name: (please print)
Date:	Date:
If the shareholder is a company: THE COMMON SEAL of) was) Hereunto affixed by authority of the) Directors in the presence of:)	
Director / Sole Director / Sole Secretary	Director / Secretary
Name: (please print)	Name: (please print)
Contact telephone number:	

VOTING BY PROXY:

General

A member entitled to attend and vote is entitled to appoint not more than two proxies to attend and vote on behalf of the member. A proxy need not be a member of the Company. A proxy may also be appointed by reference to an office held by a proxy (e.g. "the Company Secretary").

Where more than one proxy is appointed, each proxy may be appointed to represent a specified portion of the member's voting rights. If no such portion is specified, each proxy may exercise half of the member's votes.

A separate form must be used for each proxy. An additional form can be obtained by writing to the Company at Level 3, 15 Queen Street, Melbourne 3000 Victoria or by fax to +61 3 9621 1544. Alternatively you may photocopy the enclosed form.

A duly completed proxy form and (where applicable) any power of attorney or a certified copy of the power of attorney must be received by the Company at its registered office at the address or fax number set out below, not less than 48 hours before the time for commencement of the meeting. Please send your proxy by post to Uranex NL, Level 3, 15 Queen Street Melbourne 3000 Victoria Australia or by fax to +61 3 9621 1544.

The time nominated by the Board for the purpose of determining the voting entitlements at the meeting is 12:30PM (AEST time) on 18 November 2010.