

QUARTERLY REPORT TO SHAREHOLDERS 30 September 2009

ACTIVITIES

EXPLORATION

- ◆ Millionaires Well (Tungsten) Project – Scheelite and bismuth minerals identified.
- ◆ Adnera (Uranium) Project - Granite host to anomalous uranium confirmed as being an alaskite. Further anomalous uranium values obtained from rock chip sampling.
- ◆ Box Hole (MVT style lead-zinc) – Completed data review by independent consulting MVT experts.

CORPORATE

- ◆ \$2.5 million cash on hand as at 30 September 2009.



Figure 1: Adnera Uranium Project – measuring radiation levels of alaskite with scintillometer.

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1 PROJECT AREAS

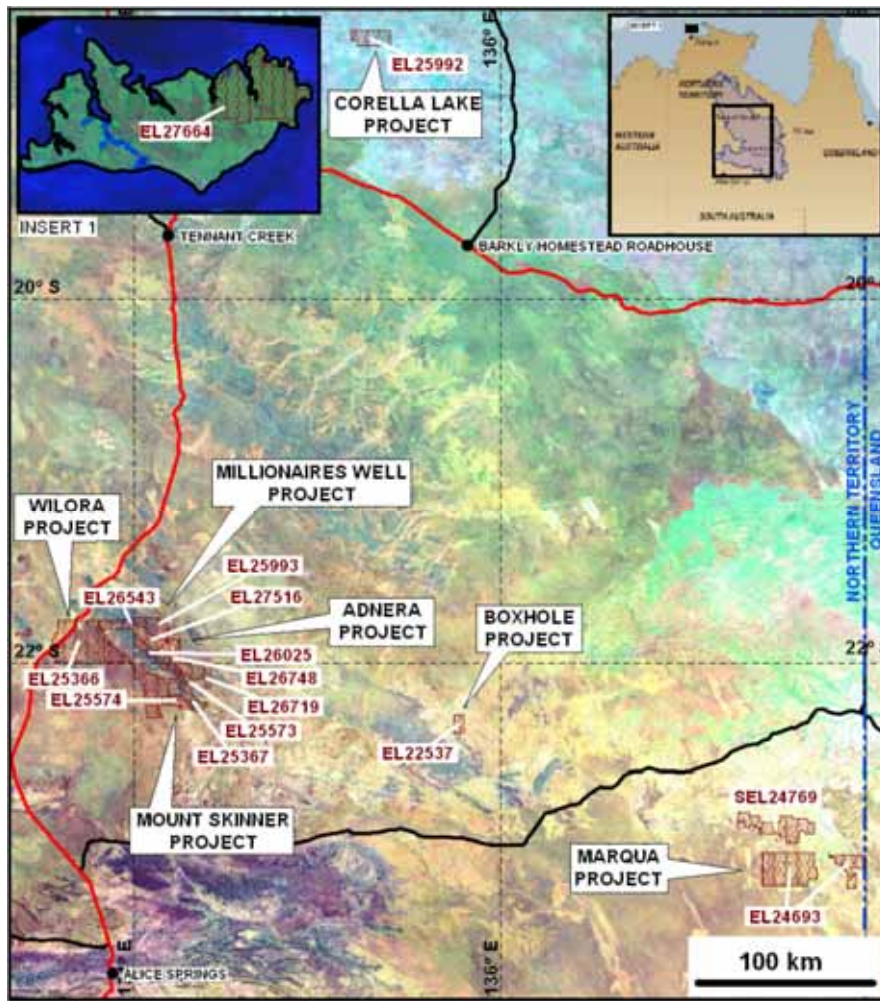


Figure 2: Uramet Minerals' project areas and tenement position as at 30 Sept 2009.

TABLE 1: TENEMENT SUMMARY AT 30 SEPTEMBER 2009

| Project | Commodity | Tenement Number | Date Granted or Renewed | Area km ² |
|-------------------|------------------------------------|-----------------|-------------------------|----------------------|
| Box Hole | Lead-Zinc ¹ | EL 22537 | 16 Jul 07 | 57 |
| Marqua | Base Metals/Phosphate ¹ | SEL 24769 | 9 Aug 06 | 971 |
| Marqua | Base Metals/Phosphate ¹ | EL 24693 | 13 Dec 05 | 770 |
| Wilora | Uranium ¹ | EL 25366 | 11 Jan 07 | 710 |
| Wilora/Mt Skinner | Uranium/Base Metals ¹ | EL 25367 | 21 Feb 07 | 648 |
| Mt Skinner | Base Metals ¹ | EL 25574 | 30 Jul 07 | 76 |
| Mt Skinner | Base Metals ¹ | EL 25573 | 30 Jul 07 | 41 |
| Mt Skinner | Base Metals/Uranium | EL 26025 | 3 Dec 07 | 108 |
| Millionaires Well | Tungsten | EL 25993 | 19 Nov 07 | 258 |
| Millionaires Well | Tungsten | EL 26543 | 9 Jul 08 | 32 |
| Adnera | Uranium | EL 26719 | 28 Oct 08 | 173 |
| Adnera | Uranium | EL 26748 | 18 Feb 09 | 127 |
| Corella Lake | Uranium ² | EL 25992 | 29 Oct 07 | 199 |
| | | | | 4,170 |

Abbreviations: URM = Uramet Minerals Ltd, EDN = Elkedra Diamonds Pty Ltd, EL = Exploration Licence, SEL = Substitute Exploration Licence and EPM = Exploration Permit Minerals.

Notes

- EDN retains the diamond exploration and mining rights on URM tenements previously owned by EDN.
- Northern Territory Department of Regional Development, Primary Industry, Fisheries and Resources notified on 5 October 2009 of Uramet's intention to relinquish Corella Lake tenement EL 25992.

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Notice was provided to the relevant NT government department of Uramet's intention to relinquish tenements EL 25992 and EL 25610.

Reductions in area from 258 km² to 131 km² were made for EL 25993 (Mt Skinner) and from 971 km² to 389 km² for SEL 24769 (Marqua).

An application has been made for EL 27516 adjacent to the Adnera Uranium project. The tenement is considered to be prospective for uranium.

An application has been made for EL 27664 located on Melville Island in the Northern Territory. The tenement is considered to be prospective for bauxite.

2 MILLIONAIRES WELL PROJECT – TUNGSTEN

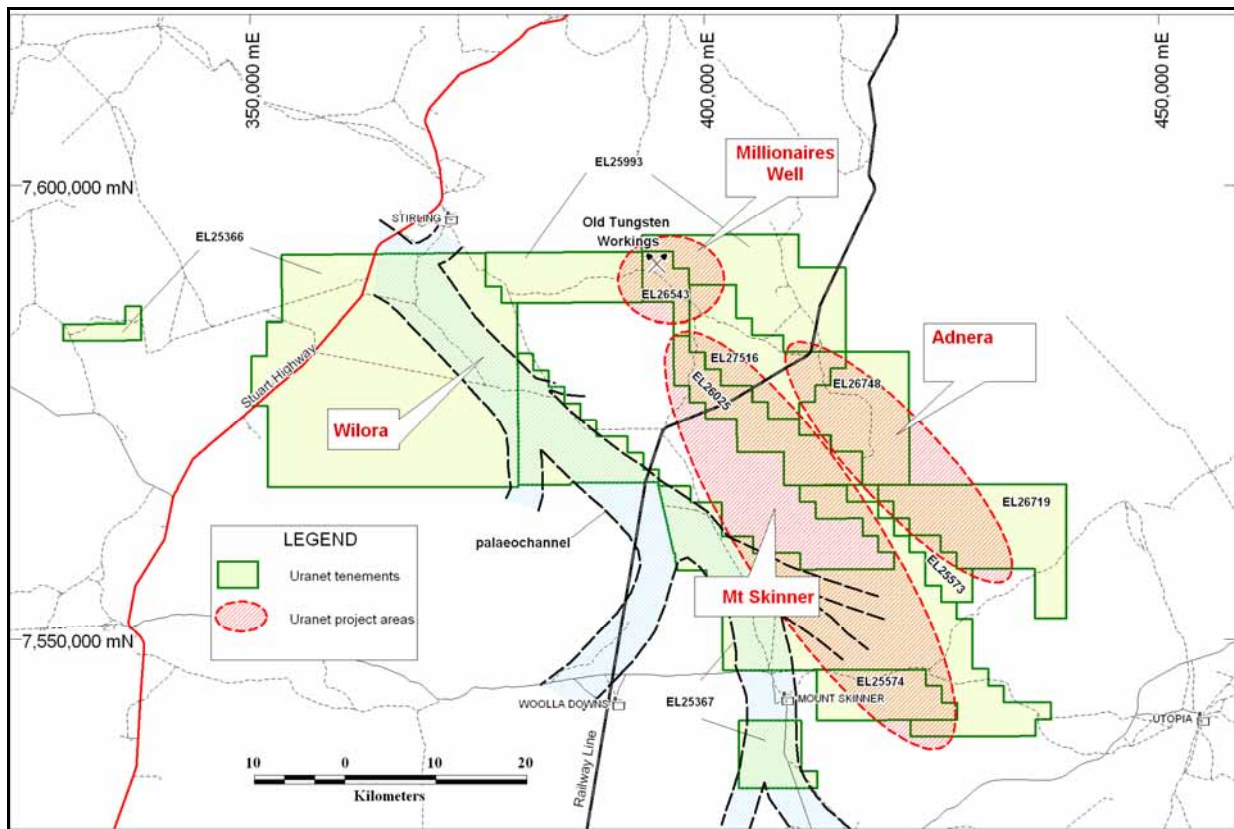


Figure 3: Tenement Plan showing the location of the Millionaires Well, Adnera, Mt Skinner, and Wilora projects.

Mineralogical studies of remnant ore samples from artisanal workings at Millionaires Well have identified the ore minerals scheelite (calcium tungstate), powellite (calcium molybdate), native bismuth, and russellite (bismuth tungstate).

Consultation and field work by the Aboriginal Areas Protection Authority (AAPA) has been completed at the Millionaires Well tungsten project, with an Authority Certificate expected to be issued within the December Quarter.

A costeaning program to identify tungsten bearing quartz veins is likely to be completed early in the following dry season around March/April 2010. It was hoped to complete the costeaning during the current dry season, however the delayed receipt of the AAPA Authority Certificate has necessitated deferring this field work until the following dry season.

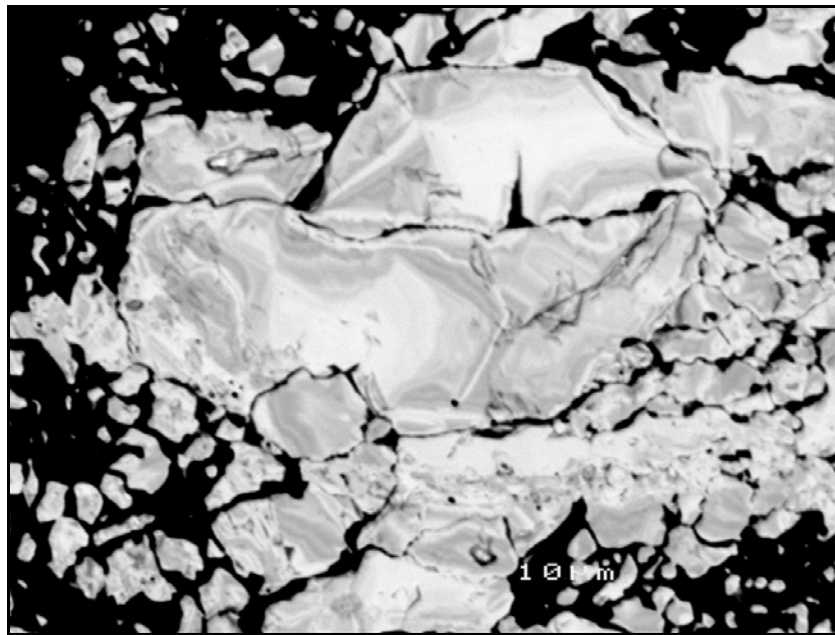


Figure 4: Complex growth zoning in scheelite from the Millionaires Well deposit. White zones: scheelite; grey zones: scheelite containing a significant component of powellite (calcium molybdate); black: quartz matrix.

3 ADNERA PROJECT – URANIUM (previously Millionaires Well – Uranium Project)

The Adnera Uranium project is located within the Arunta Province of the NT, adjacent to Uramet’s Mt Skinner base metal project, and the Wilora uranium project, and to the south of Uramet’s Millionaires Well tungsten project. The area also has potential for gold and base metals.

Further field reconnaissance and rock chip sampling undertaken during August 2009 extended the area of known anomalous uranium at surface within outcropping granite of approximately 600m by 600m size. Analyses by a Perth Laboratory returned mineralisation up to 540 ppm uranium. Laboratory results in excess of 100ppm U are reported below.

**TABLE 2: ADNERA URANIUM PROJECT - AUGUST 2009
ROCK CHIP SAMPLE LABORATORY URANIUM RESULTS**

| Sample_No | MGA_E | MGA_N | U ppm |
|-----------|--------|---------|-------|
| MWRW04 | 420242 | 7569012 | 140 |
| MWRW07 | 420300 | 7568922 | 540 |
| MWRW09a | 420489 | 7568787 | 240 |
| MWRW09b | 420489 | 7568787 | 190 |
| MWRW10 | 420602 | 7568815 | 360 |
| MWRW11 | 420570 | 7568983 | 140 |
| MWRW14 | 418049 | 7573403 | 100 |

**TABLE 3: ADNERA URANIUM PROJECT - JUNE 2009
ROCK CHIP SAMPLE LABORATORY URANIUM RESULTS**

| Sample_No | E_MGA | N_MGA | U ppm |
|-----------|--------|---------|-------|
| MMRW056a | 420244 | 7568965 | 70 |
| MMRW057 | 420302 | 7568922 | 360 |
| MMRP062 | 417075 | 7576825 | 30 |
| MMRP066 * | 418066 | 7573428 | 50 |

* Averaged value

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XRF analysis has confirmed the granite host to be an alaskite which is a type of alkali feldspar granite containing less than 10% mafic minerals. Alaskites are the host rock at Rio Tinto's Rössing uranium mine in Namibia, one of the largest open pit uranium mines in the world, where the alaskite intrusions host large tonnages of uranium mineralisation. Uraniferous alaskites do not appear to have been previously reported within the Arunta Province of the NT.

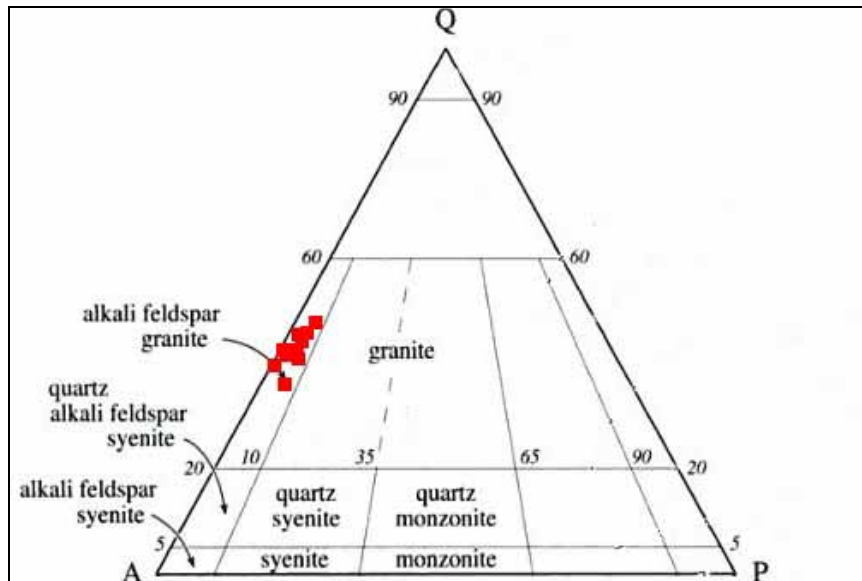


Figure 5: Ternary diagram, A = alkali feldspar, Q = quartz, P = plagioclase; with the Uramet rock chip samples plotted (red squares) showing they fall within the field of alkali feldspar granites (alaskite).

Analysis utilising a scanning electron microscope (SEM) has revealed the uranium minerals detected within the surface alaskite rock chip samples are secondary uranium phosphate minerals. The uranium minerals occur as accessory minerals at crystal interfaces, as inclusions within rock-forming minerals or as yellowish coatings on fracture surfaces. The identified minerals include the calcium uranium phosphate minerals phosphuranylite and autunite; a variety of unidentified uranium phosphate minerals are also present. In the Namibian alaskite uranium deposits similar secondary minerals are also reported to be present; they are alteration products after primary uraninite.

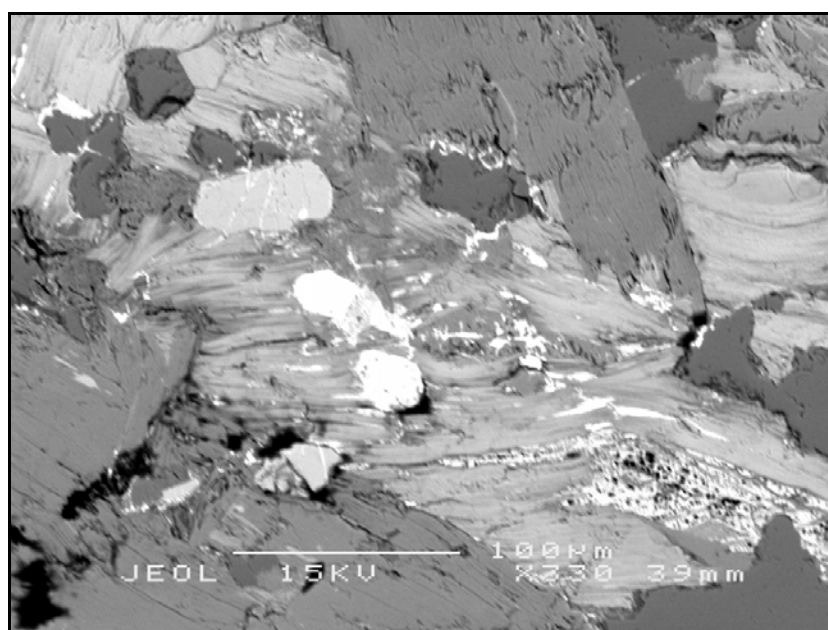


Figure 6: SEM image of a polished section of sample MMRW-66 showing uranium phosphate (white crusts and microfracture fillings); biotite (light grey platy); K-feldspar (medium grey); quartz (dark grey); apatite (light grey).

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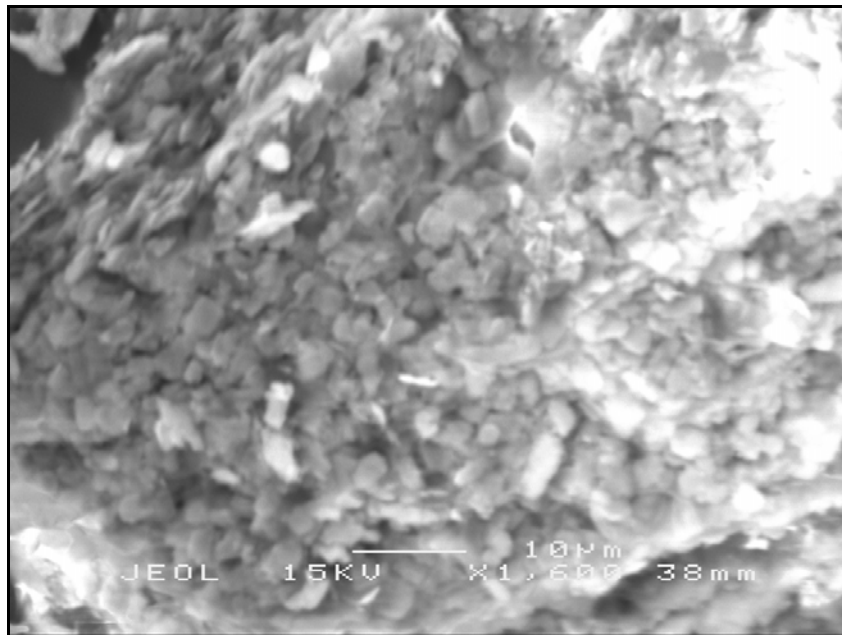


Figure 7: SEM secondary electron image of sample MWRW04d showing fine crystallites of autunite associated with kaolinite on a fracture plane.

A review of the regional aeromagnetic data over the area has revealed a NE trending magnetic anomaly 2.5 km long, and over 0.5 km wide located just over 1 km to the west of the southern alaskite. This magnetic feature presents a favourable target for gold and base metal mineralisation, as well as a possible structure to accumulate secondary uranium mineralisation derived from the nearby alaskite. Modelling of the magnetic data by a consulting geophysicist will be undertaken to ascertain the depth to the magnetic anomaly.

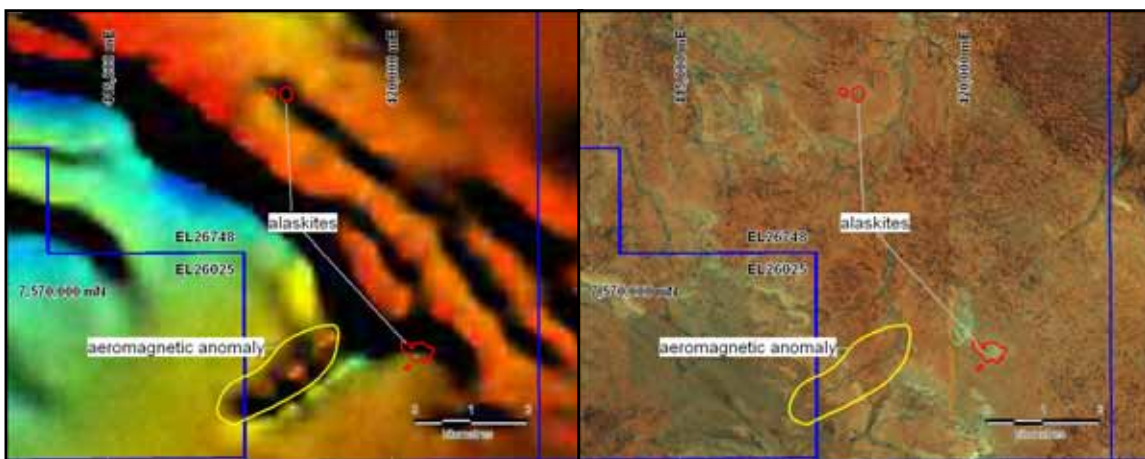


Figure 8: Aeromagnetic TMI image (left) and Google Earth image (right) of the Adnera Uranium project area showing aeromagnetic anomaly, and location of alaskites.

Auger drilling of the area surrounding the alaskite, targeting secondary uranium mineralisation, and over the magnetic anomaly targeting base metals, gold and uranium is planned for the December 2009 quarter, weather conditions permitting.

4 WILORA PROJECT – URANIUM

A detailed review of all available data has been undertaken during the September 2009 quarter. The study has suggested that further test work is recommended to ensure that uranium was not lost in the fine dust fraction during the drilling process within the paleochannel. Further test work required involves disequilibrium analysis and down-hole gamma probing, which is planned for the start of the next dry season (March/April 2010).

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The Company is also seeking joint venture partners to assist with funding a drilling campaign to test the sandstone and lignite as potential trap sites for the uranium.

5 MT SKINNER PROJECT – BASE METAL

Shallow trench sampling of the sub-soil was completed over a VTEM anomaly in the southern part of the Mt Skinner project. No significant anomalism was encountered.

6 MARQUA PROJECT - BASE METALS AND PHOSPHATE

6.1 Base Metals

During June 2009 Uramet drilled a 262m hole (240m of RC drilling with a 22m diamond tail) to test the Marqua M1 magnetic anomaly (as reported in the June 2009 Quarterly Report). The hole was drilled in collaboration with, and partly funded (50% of all direct drilling costs) by the Northern Territory Geological Survey (NTGS). As previously reported, no significant mineralisation was encountered at M1.

6.2 Phosphate

No field exploration activities were undertaken at the Marqua phosphate project during the quarter.

7 BOX HOLE PROJECT– LEAD-ZINC (MVT STYLE)

During the September 2009 quarter MVT experts of geological and mining consultant group CSA Global undertook a review of all available data. CSA are of the opinion that exploration has largely been focused closely within the area of outcropping mineralisation, with potential for mineralisation to occur in areas that to date have been inadequately tested. Also that significant targets are likely to exist at deeper stratigraphic levels, with the known mineralisation possibly representing leakage from a more substantial mineralising system at depth.

8 CORPORATE

During the quarter 16,630 shares were issued upon the exercise of 16,630 25 cent options. At 30 September 2009 the Company had 65,016,771 shares on issue.

21,649,236 unlisted 25 cent options were cancelled upon their expiry on 19 September 2009. At 30 September 2009 the Company had 3,550,000 unlisted options on issue.

The Company retained \$2.5 million cash at 30 September 2009.

For and on behalf of the Board



S Randazzo
Executive Chairman
28 October 2009

This report is issued with the prior written consent of Mr Paul Penna, Exploration Manager, a full time employee of Uramet Minerals Ltd and a Member of the Australian Institute of Geoscientists with more than 5 years experience in the fields of activity reported. Mr Penna has read and given his consent to the release of this report in this form.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

URAMET MINERALS LIMITED

ABN

16 124 251 396

Quarter ended ("current quarter")

30 September 2009

Consolidated statement of cash flows

| | | Current quarter | Year to date (3 months) |
|---|--|-----------------|----------------------------|
| | | \$A'000 | \$A'000 |
| Cash flows related to operating activities | | | |
| 1.1 | Receipts from product sales and related debtors | - | - |
| 1.2 | Payments for: (a) exploration and evaluation (net) | (124) | (124) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) administration (net) | (161) | (791) |
| 1.3 | Dividends received | - | - |
| 1.4 | Interest and other items of a similar nature received | 19 | 19 |
| 1.5 | Interest and other costs of finance paid | - | - |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Other – trade creditors, taxes etc | 8 | 8 |
| Net Operating Cash Flows | | (258) | (258) |
| Cash flows related to investing activities | | | |
| 1.8 | Payment for purchases of: (a) prospects (net) | - | - |
| | (b) equity investments | - | - |
| | (c) other fixed assets | - | - |
| 1.9 | Proceeds from sale of: (a) prospects (net) | - | - |
| | (b) equity investments | - | - |
| | (c) other fixed assets | - | - |
| 1.10 | Loans to other entities | - | - |
| 1.11 | Loans repaid by other entities | - | - |
| 1.12 | Other (provide details if material) | - | - |
| Net investing cash flows | | - | - |
| 1.13 | Total operating and investing cash flows (carried forward) | (258) | (258) |

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| | | | |
|------|--|--------------|--------------|
| 1.13 | Total operating and investing cash flows (brought forward) | (258) | (258) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issues of shares, options, etc. (net) | 4 | 4 |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other – capital raising costs | - | - |
| | Net financing cash flows | - | - |
| | Net increase (decrease) in cash held | (254) | (254) |
| 1.20 | Cash at beginning of quarter/year to date | 2,780 | 2,780 |
| 1.21 | Exchange rate adjustments to item 1.20 | - | - |
| 1.22 | Cash at end of quarter | 2,526 | 2,526 |

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 47 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

1.23 Being an Executive Director's salary and superannuation plus Non Executive Directors' fees and superannuation.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

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Financing facilities available

Add notes as necessary for an understanding of the position.

| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | - | - |
| 3.2 Credit standby arrangements | - | - |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 143 |
| 4.2 Development | - |
| Total | 143 |

Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank | 2,486 | 2,740 |
| 5.2 Deposits at call | 40 | 40 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other (provide details) | - | - |
| Total: cash at end of quarter (item 1.22) | 2,526 | 2,780 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|-----|---|---|----------------------------------|----------------------------|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed | Refer covering quarterly report attached hereto | | |
| 6.2 | Interests in mining tenements acquired or increased | | | |

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|--------------------------|---------------|---|--|
| 7.1 +Preference securities <i>(description)</i> | - | - | - | - |
| 7.2 Changes during quarter | | | | |
| (a) Increases through issues | - | - | - | - |
| (b) Decreases through returns of capital, buy-backs, redemptions | - | - | - | - |
| 7.3 +Ordinary securities | 65,016,771 | 65,016,771 | | |
| 7.4 Changes during quarter | | | | |
| (a) Increases through issues | 16,630 | 16,630 | 25 cents | 25 cents |
| (b) Decreases through returns of capital, buy-backs | (options exercised) - | | | |
| 7.5 +Convertible debt securities | - | - | | |
| 7.6 Changes during quarter | | | | |
| (a) Increases through issues | - | - | | |
| (b) Decreases through securities matured, converted | - | - | | |
| 7.7 Options | | | <i>Exercise price</i> | <i>Expiry date</i> |
| | 800,000 | - | 25 cents | 19 June 2012 |
| | 800,000 | - | 30 cents | 19 June 2012 |
| | 800,000 | - | 40 cents | 19 June 2012 |
| | 350,000 | - | 25 cents | 19 June 2010 |
| | 350,000 | - | 30 cents | 19 June 2010 |
| | 250,000 | - | 40 cents | 19 June 2010 |
| | 200,000 | - | 25 cents | 31 January 2010 |
| | <u>3,550,000</u> | - | | |
| 7.8 Issued during quarter | - | - | - | - |
| | - | - | - | - |
| | - | - | - | - |
| 7.9 Exercised during quarter | 16,630 | - | - | - |
| 7.10 Cancelled during quarter | 21,649,236 (expired) | - | - | - |
| 7.11 Debentures <i>(totals only)</i> | - | - | | |
| 7.12 Unsecured notes <i>(totals only)</i> | - | - | | |

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: (Company Secretary)

Print name: K Manson

Date: 28 October 2009

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.