

14 September 2016

**UraniumSA Limited
("UraniumSA")**

ASX Code: USA

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BOARD OF DIRECTORS

Alice McCleary Chairman
Martin Janes Director
David Paterson Director &
Acting CEO

Russel Bluck
Geoscience Manager

PROJECTS

South Australia

Whymlet ELA 2015/00126
Lock ELA 2015/00114
Sheoak Hill ELA 2015/00113
Muckanippie EL 4694

ISSUED CAPITAL

14 Sept 2016
Shares on Issue: 231,170,536
Quoted shares: 231,170,536
Unlisted Options: 5,000,000

INVESTOR INQUIRIES

executive@uraniumsa.com.au

**Inquiries regarding this report
and company business may be
directed to:**

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VISIT OUR WEBSITE

www.uraniumsa.com.au

PLACEMENT

UraniumSA is pleased to announce it has arranged a placement of shares to sophisticated investors to raise \$240,000.

The placement involves the issue of 34,285,714 fully paid ordinary shares at a price of \$0.007. Application will be made to the ASX for listing of the 34,285,714 shares which will rank equally with the existing 231,170,536 ordinary shares.

This issue of new securities will fall within the company's placement capacity available under ASX Listing Rule 7.1.

The funds raised will assist evaluation of new project opportunities, finance exploration and/or joint venture partner identification on existing titles and provide general working capital.

UraniumSA also notes that discussions with Taylor Collison regarding a further capital raising continue. On 22 June 2016 shareholders approved a placement of shares to raise up to \$1 million. The 3 month approval window for this transaction is nearing expiry and pricing terms of the approval have unexpectedly made it difficult to progress a transaction pursuant to the Taylor Collison mandate.

Your directors are very mindful of the discount involved in the placement announced today. Subject to share price movements, discussions with Taylor Collison and general market conditions UraniumSA will progress a rights issue to all shareholders recognising today's discounted placement price. An announcement regarding the rights issue will be released in the coming days.

About UraniumSA Limited

UraniumSA is an Adelaide based explorer with a portfolio of properties in South Australia's Gawler Craton and Eyre Peninsula.

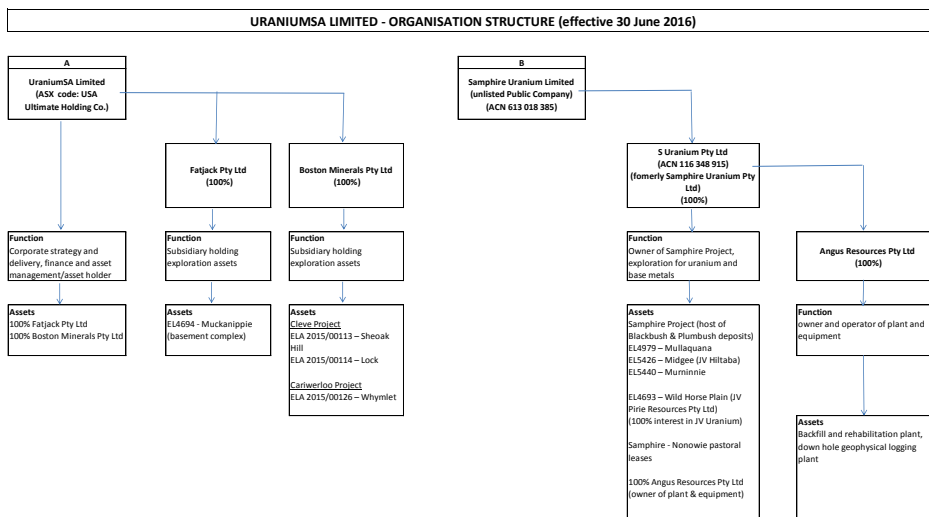
On the 27th June 2016, following shareholder approval, the Company effected the demerger of Samphire Uranium Limited ('SUL') as a separate standalone unlisted public company. SUL is now the owner of the Samphire Project Uranium Assets. This has resulted in the following structure that sees UraniumSA shareholders (who owned shares on the 27th June 2016) owning shares in both entities pro-rata to their holding in UraniumSA as at 27th June 2016.



The demerger outcome is summarised in the table below.

Discussions continue with Taylor Collison with regard to their assistance with identifying new investments capable of adding significant value (ASX 6th April 2016). The Company is also pursuing its own investigations in this regard.

The exploration results and mineral resources reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr Russel Bluck an employee of UraniumSA Limited and Member of the Australian Institute of Geoscientists with sufficient experience relevant to the style of mineralisation and type of deposits being considered, and to the activity which is reported to qualify as a Competent Person as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 Edition). Mr Bluck consents to the inclusion in the report of matters based on his information in the form and context in which it appears. It should be noted that the above mentioned exploration results are preliminary.



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