



**UXA Resources
Limited**

ABN 65 112 714 397

23 April 2012

The Manager
Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

ASX ANNOUNCEMENT

EXPLORATION UPDATE – STUART SHELF JV

Drilling at Glenside intersects visible copper mineralisation and strong alteration over 150m interval

UXA Resources Limited (ASX: UXA) is pleased to provide an update on the drilling at the Stuart Shelf project which is targeting iron oxide copper gold (IOCG) deposits within the Olympic Dam/Prominent Hill region of South Australia.

The program is led by joint venture partner Straits Resources Ltd (ASX: SRQ, "Straits").

Glenside Drilling for Cu-Au

- **First drill hole at Glenside UGSDD001 has returned strong alteration and some copper mineralisation.**

The Glenside drill hole UGSDD001 has intersected altered and visibly mineralised basement rocks over 149.6m from 1081.7m to the end of hole at 1231.3m depth (vertical drill hole). Alteration intensity decreased from approximately 1210m downhole, with the hole ending in fine to medium grained, highly magnetic equigranular mafic rocks.

The Mesoproterozoic aged basement rocks include variably altered granitoids, mafics and gneisses including members of the Donnington Suite granitoids, brecciated in places. The alteration assemblage is typical of IOCG alteration systems including magnetite, hematite, k-spar and pyrite. The presence of visible copper minerals bornite and chalcopyrite is described as follows: "Bornite was occasionally noted predominantly in what appears to be a highly altered mafic rock from 1097.5m to 1107.45m as blebs within magnetite-hematite-pyrite-carbonate veins. Chalcopyrite was noted from 1107.45m sporadically in trace amounts associated with magnetite-hematite-pyrite veins and more rarely as fine grained disseminations in altered rocks."

This Glenside drill hole is the second of three holes in Straits' planned 3600 metre program targeting IOCG deposits. The second target is a combined gravity and magnetic feature on UXA's Glenside tenement (EL4700, Figure 1). Previous drilling by WMC (1978) in drill hole DRD1, located 8km to the north of Straits' drill hole, intersected anomalous Cu mineralisation (6.0m @ 0.37% Cu from 1140m depth) in the same geophysical feature. Straits' drill target lies 50km south east of the Olympic Dam mine and 40km north-west of the Carrapateena Cu-Au deposit.

The drill core will soon be cut and sampled, with assay results anticipated in 4-6 weeks, alongside results from Straits' first diamond drill in its current program, UWJD001, drilled on UXA's Winjabbie tenement (ASX release 20 March 2012).



UGSDD001 – Altered granitoid with magnetite-hematite-pyrite-carbonate veining from 1161m (BQ core)



UGSDD001 – Close up of magnetite-pyrite-hematite-carbonate- chalcopyrite (minor) vein at 1161m (BQ core) in altered granitoid.



UGSDD001 – 1107.4m. Close up of bornite within magnetite-hematite-pyrite-carbonate veining in altered mafic(?) rock (BQ core)



UGSDD001 – 1142.4m – Hematite breccia showing angular clasts of quartz and granitoid (BQ core)

The drill rig has commenced drilling at UXA's Oak Dam tenement to test the third geophysical target. On completion, Straits intends to review the results of all three holes in preparation of the next phase of drilling.

The joint venture comprises 9 tenements spanning some 3,300km² in the highly prospective Olympic Dam-Prominent Hill area.

UXA Resources Managing Director Dr Russell Penney commented, "This drill hole is a very encouraging start to the current exploration programme being undertaken by the Stuart Shelf Joint Venture Partners. The Stuart Shelf is located in one of the most highly prospective regions for world class copper gold deposits in the world today, and so we are excited to see drilling continuing on the project."

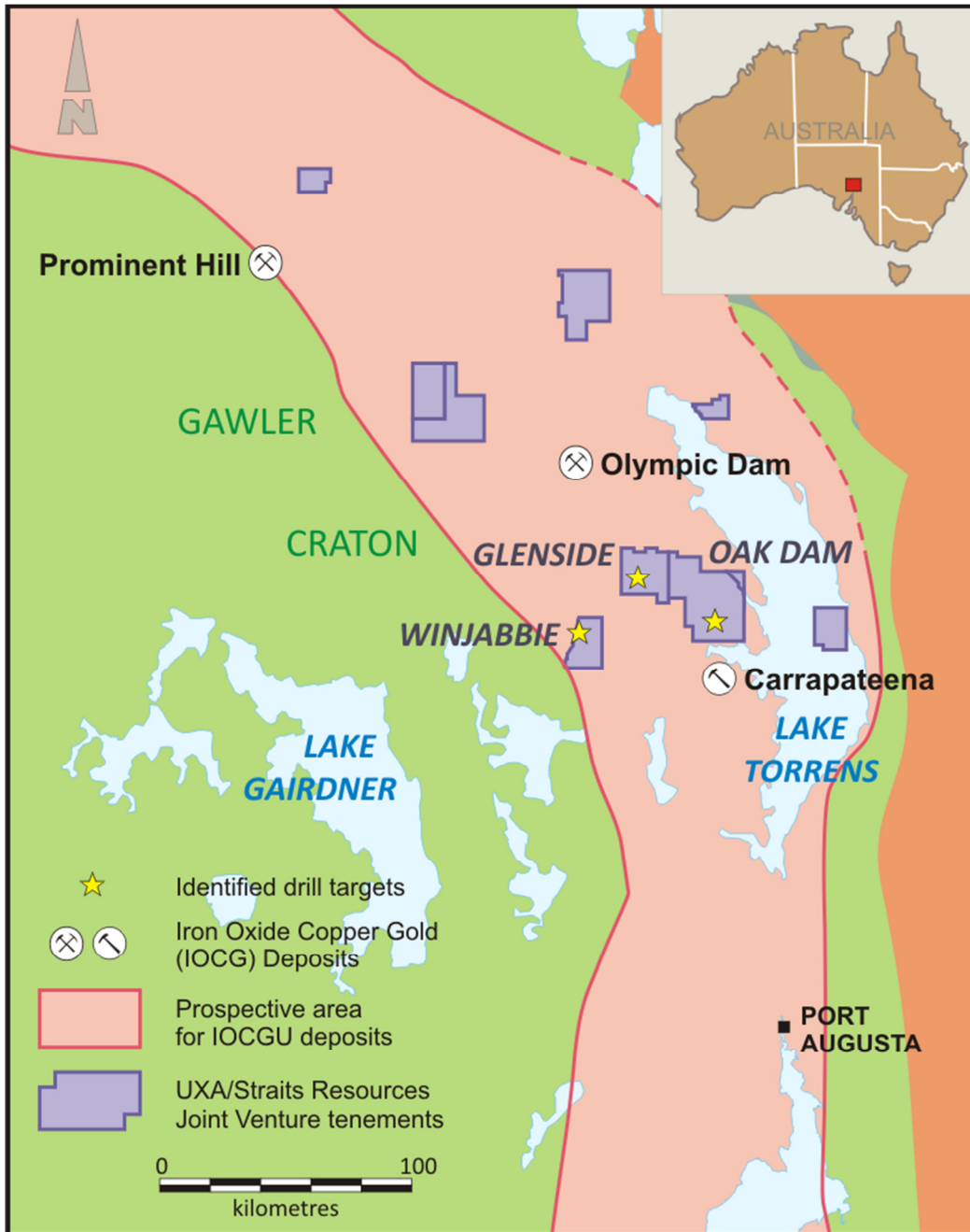
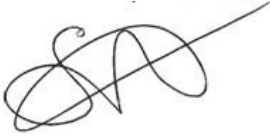


Figure 1. Drill targets Stuart Shelf Cu-Au JV Project South Australia

For further information, contact.



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Technical Information in this report is based on information compiled by Mr. Lyle Thorne who is a Member of The Australasian Institute of Mining and Metallurgy, and a consultant to Straits Exploration (Australia) Pty Ltd. Mr. Thorne has sufficient exploration experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC 2004"). Mr. Thorne consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

ABOUT UXA RESOURCES

UXA Resources Limited (ASX:UXA) is a diversified explorer that has assembled a pipeline of highly prospective tenements throughout Australia, all located within world class mining provinces and near existing infrastructure. UXA also owns GAA Wireline an independently managed borehole wireline logging company operating in Australia and the United States of America.

The company has a three-pronged strategy to deliver growth and increase shareholder value, via:

1. Development of its flagship assets, Mundi Plains zinc-lead-silver project in NSW and SA and the Nabarlek uranium project in NT;
2. Retained exposure to advanced exploration projects via strategic joint ventures; and
3. Expanding markets for its 100%-owned GAA Wireline borehole logging business, which has exclusive global rights to the increasingly utilised PFN technology

As a testament to the quality of UXA's exploration portfolio, the company has attracted several highly regarded strategic partners from among the world's most renowned and prominent resources companies, including Reliance Industries of India, and Teck Resources of Canada, as well as ASX-listed Straits Resources. These partners provide additional capital, scope and expertise to accelerate UXA's major exploration programs.

More information on UXA can be found on our website at www.uxa.com.au