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ASX ANNOUNCEMENT

EXPLORATION UPDATE – STUART SHELF JV, SA

Latest results confirm significant copper up to 32m @ 0.36% Cu at Glenside

Among best IOCG exploration holes within Stuart Shelf in recent years

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"). Straits has the right to earn a 70% interest in the tenements by spending \$10 million on exploration.

Glenside Drilling for Cu-Au

- **First drill hole at Glenside returns strong geochemical results from broad zones with visible copper mineralisation.**
- **Copper anomalism continues to the bottom of the hole**

The Glenside drill hole UGSDD001, completed in April 2012 (ASX release 23 April 2012), 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). Geochemical results now received have confirmed the presence of broad widths of copper mineralisation from the top to the bottom of this zone.

From (m)	To (m)	Interval (m)	Cu %	Ag ppm
1095	1127	32.0	0.36	
<i>including 1097</i>	1116	19.0	0.54	
<i>including 1100</i>	1101	1.0	1.93	13.9
<i>and 1105</i>	1107	2.0	1.57	10.0
1143	1161	18.0	0.16	
<i>including 1143</i>	1152	9.0	0.26	
Including 1149	1152	3.0	0.63	8.5
1175	1221	46.0	0.13	
Including 1179	1199	20.0	0.16	

Table 1. Significant mineralised intercepts in diamond drill hole UGSDD001.¹

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- ¹ Analyses by ALS Minerals Adelaide using ICP-AES scheme ME-ICP61 (Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, Zn) and ME-MS62S for Ce, Eu, Nb, Tb-pulverised with 4 acid digest (ppm +/- %).

The three main mineralised intersections, although not continuous, (Table 1) in aggregate amount to 96m @ 0.21% Cu. The uppermost intersection of 32m @ 0.36% Cu corresponds to the zone with sporadic visible bornite (copper mineral). Silver (Ag) and gold (Au) values are intermittently anomalous throughout, particularly in the upper mineralised zones, with peak values of 1m @ 14.7 ppm Ag and 0.37 ppm Au from 1150m depth.

The rare earth elements cerium and lanthanum are also anomalous throughout the mineralised zones with a peak interval of 2m @ 1940ppm Ce and 1400 ppm La from 1150m depth. This is important as these elements are considered to be indicators of an IOCG style mineralising system.

A number of samples from the basement intersection will be submitted for petrological analysis to aid in interpretation of alteration mineralogy and mineralisation.

UGSDD001 is the second of three holes planned as part of the 3,600 metre drilling program targeting. The hole was drilled on a large combined gravity and magnetic feature on UXA's Glenside tenement (EL4700, Figure 1) which lies 50km south east of the Olympic Dam mine and 40km north-west of the Carrapateena Cu-Au deposit. 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. The results from UGSDD001 show a considerably stronger zone of mineralisation than in the old WMC hole.

Straits has recently completed drilling of the third hole located at UXA's Oak Dam tenement. Drill hole UODDD001 intersected basement lithologies comprising variably altered granitoid and highly magnetic mafic to ultramafic rocks from 802m, with the hole being terminated at 1104m.

The drill core from Oak Dam has been cut and sampled, with assay results anticipated in approximately 4 weeks, alongside results from Straits' first diamond drill in its current program, UWJD001, drilled on UXA's Winjabbie tenement (ASX release 20 March 2012).

On completion, Straits intends to review the results of all three holes in preparation of the next phase of exploration.

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

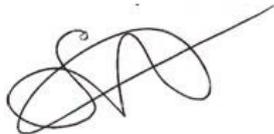
UXA Resources Managing Director Dr Russell Penney commented, "These results are very encouraging, representing one of the best mineralised intercepts in IOCG style mineralisation in any exploration hole drilled on the Stuart Shelf, away from known deposits, in recent years. The Glenside project offers considerable scope for follow up with a large area of geophysical anomaly to be tested."

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- Au analysed via AA-21 (ppm)
 - Samples collected as 1 meter intervals, ½ BQ core.
 - Intercepts calculated using 1,000 ppm Cu cut-off (**Bold**) otherwise 2,000ppm Cu cut-off
 - Maximum of 5.0 m of internal dilution
 - UGSDD001 drilled vertically, and represents first hole into the target area, as such the Company is unable to state if mineralised intercepts approximate true width.



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