

# URANIO

L I M I T E D

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Manager of Company Announcements  
ASX Limited  
Level 6, 20 Bridge Street  
Sydney NSW 2000

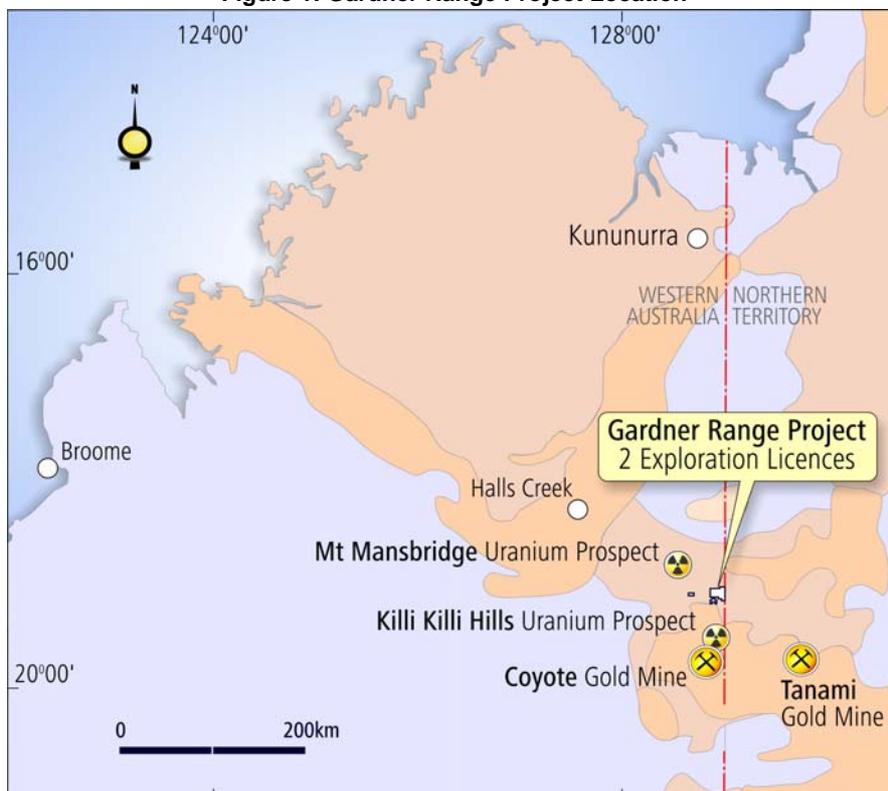
By E-Lodgement

## Conductive Unit identified at the Don Prospect by Airborne VTEM Survey

An airborne versatile time domain electromagnetic (VTEM) survey line was flown over Uranio Limited's ("Uranio") Gardner Range project in September 2008. This line was flown directly over the Don prospect, the site of an historic 44cm drill intersection of 1.5% uranium oxide ( $U_3O_8$ ) and 1.7g/t gold (Au) hosted in graphitic shale at a depth of 40m. The VTEM data shows a large conductive unit lying directly below the location of the Don. This anomaly is interpreted as being indicative of Athabasca Basin style high grade uranium deposition on an unconformity.

Uranio holds a 70% interest (30% Deep Yellow Ltd) in, and is manager of, the Gardner Range project located in the Tanami region of Western Australia (WA). The project area is located 150km southeast of Halls Creek and 120km northwest of the Tanami gold mine. The two licences (E80/1735 and E80/3275) border the Northern Territory and cover 200km<sup>2</sup>.

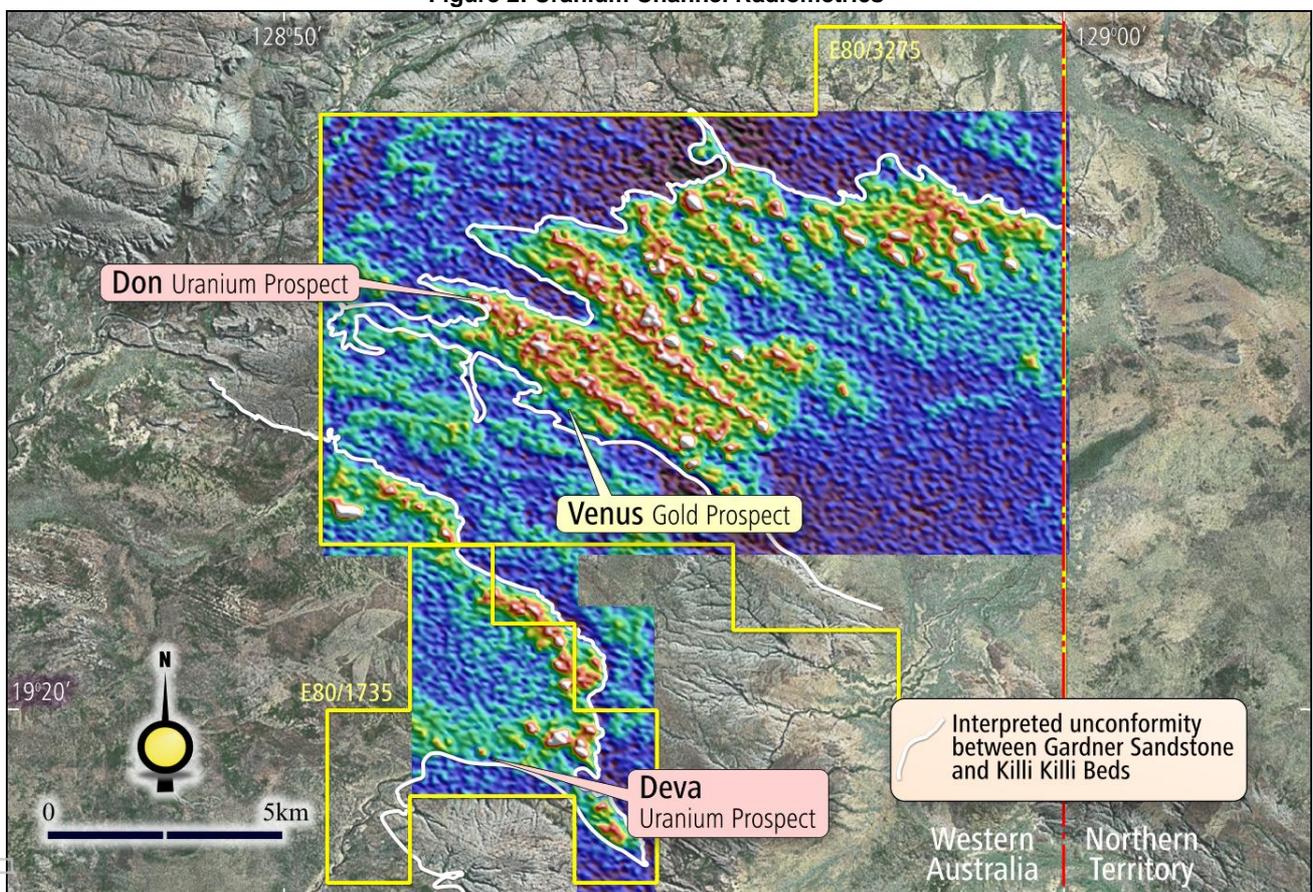
Figure 1: Gardner Range Project Location



The Gardner Range area is known to host unconformity related uranium and gold mineralisation, similar to the uranium deposits at the Ranger and Jabiluka mines in the Northern Territory. In 1980, drilling at the Don uranium prospect by Mineral Reserve Group Inc intersected 0.44m of 1.5%  $U_3O_8$  and 1.7g/t gold (Au) at a depth of 40m. This mineralisation was found to be uraninite within associated graphitic shale beds. Follow up drilling at the Don in 1989 by the Central Electricity Generating Board Exploration (Australia) Pty Ltd discovered further radiometric anomalies in the area including a downhole gamma log intersection measuring 0.3m of 0.17% equivalent  $U_3O_8$  with associated 0.4 g/t Au at a depth of 87m. This result was from a hole lying 1,000m west-northwest along trend from the original Don hole, drilled through the overlying Mesoproterozoic Gardner Sandstone.

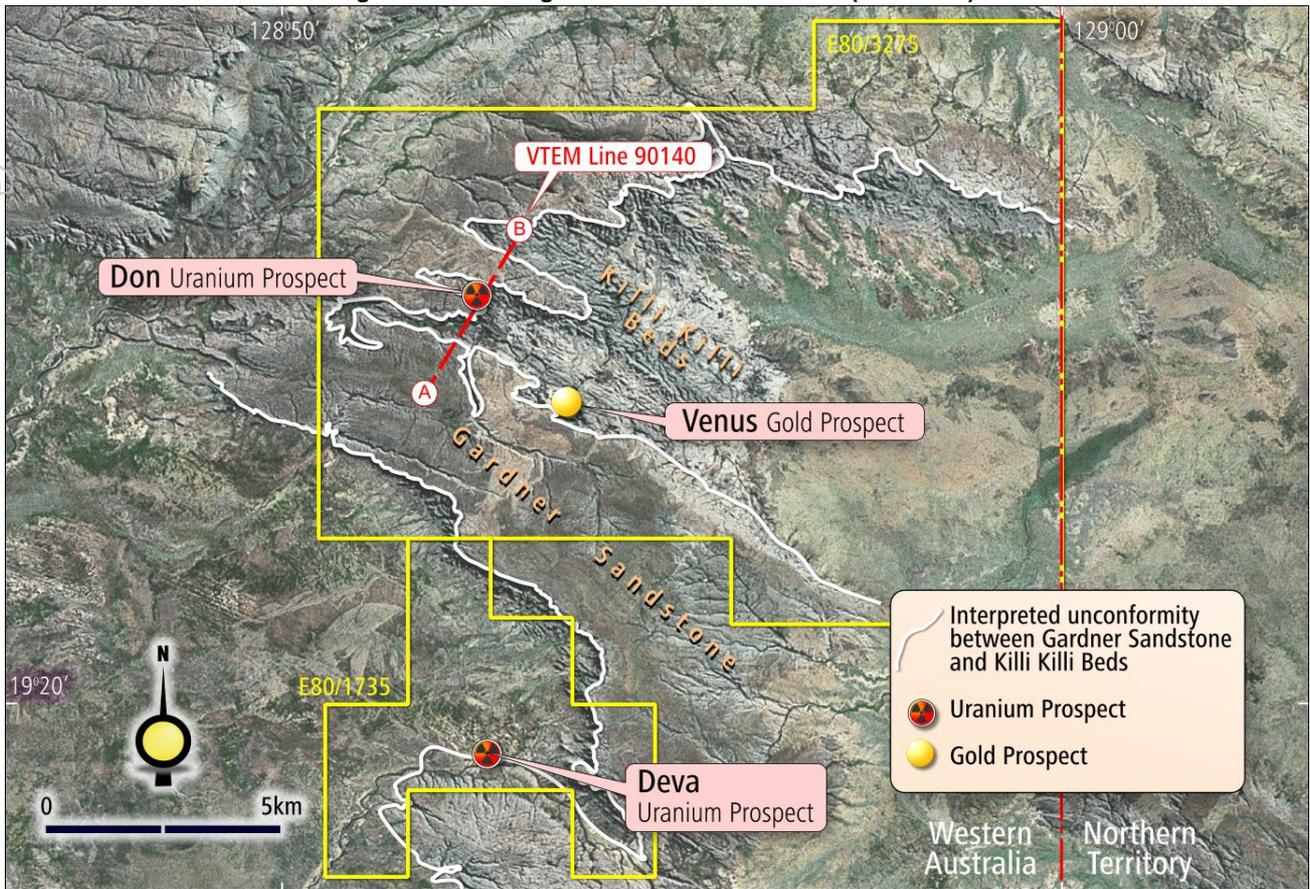
Uranio's recent airborne radiometric survey found patterns of significant uranium responses apparently parallel to lithological layering of the Palaeoproterozoic Killi Killi Beds, below the unconformity with the Mesoproterozoic Gardner Range Sandstone, including a response at the Don prospect area (see Figure 2).

Figure 2: Uranium Channel Radiometrics



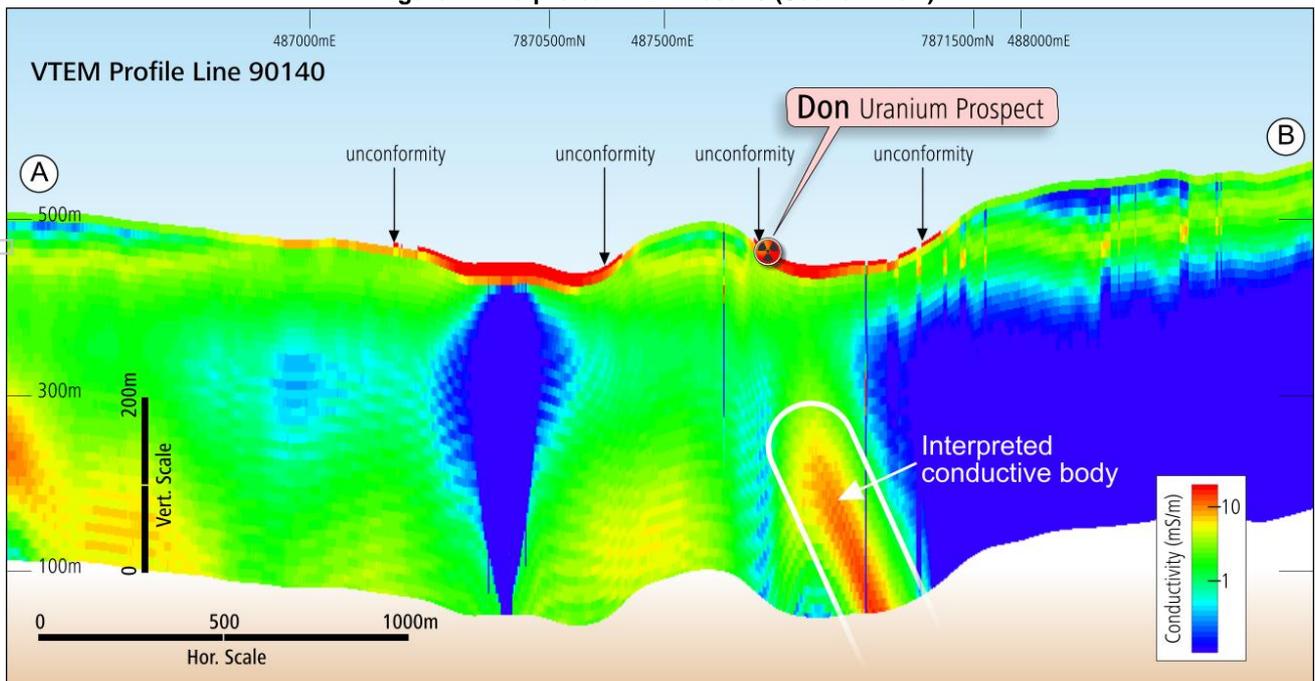
In September 2008, Areva NC Australia Pty Ltd (Areva), which is managing the exploration of the neighbouring Gardiner-Tanami super project in alliance with Northern Uranium Limited, flew a VTEM survey line directly over the Don prospect perpendicular to the interpreted geological strike (as shown in Figure 3). The raw data from this survey was provided to Uranio by Areva in October 2008 and was processed and interpreted during November and December.

Figure 3: VTEM Flight Line shown on Landsat (Plan View)



The interpreted VTEM section is shown in Figure 4. A significant down dip anomaly, indicating a conductive unit, is located directly below the Don prospect.

Figure 4: Interpreted VTEM Results (Section View)



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It is worth noting that the vertical depths shown on Figure 4 are interpreted depths only and that the true depths are likely to be shallower.

The Don prospect continues to reflect an unconformity related model of uranium deposition and the known high grade intersection combined with the presence of an associated graphitic host suggest the potential for a similar style of mineralisation to that observed in the high grade uranium deposits of Canada's Athabasca Basin. The VTEM results outlined in this report suggest the presence of an underlying conductive unit, further supporting this model of mineralisation and giving depth extent to the project.

In summary, this VTEM survey result has further enhanced the prospectivity of the Don and has yielded some deeper potential drill targets. The highly prospective areas identified along strike from the Don (and parallel to this trend close to the unconformity), as can be seen from the radiometric survey results shown in Figure 2, remain the primary drill targets.

Uranio's Program of Work (PoW) for exploration drilling at Gardner Range was approved by the Department of Industry and Resources of Western Australia in early October of this year. With the onset of the wet season in the western Tanami, it is now intended to progress this drill program in 2009.

For and on behalf of the board,



Dr Robert Wrixon  
**Managing Director**  
**Uranio Limited**

For further information please contact:

**Uranio Limited**  
Tel: +61 9486 8788  
Fax: +61 9322 1961  
Email: [rwrixon@uranio.com.au](mailto:rwrixon@uranio.com.au)  
Web: [www.uranio.com.au](http://www.uranio.com.au)

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Robinson, who is a Fellow of The Australasian Institute of Mining and Metallurgy, a Member of the Mining Industry Consultants Association and a Chartered Professional Geologist.*

*Mr Peter Robinson is employed by Peter F Robinson & Associates Pty Ltd.*

*Mr Peter Robinson has sufficient 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'. Mr Peter Robinson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*