

NACHU GRAPHITE PROJECT UPDATE

URANEX LIMITED

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ASX Code: UNX

 Number of Shares
 211.5M Ordinary Shares
 43.2M Options

6.75M Unlisted Options

 Market Capital
 A\$7 million @ 3.3cents

Board of Directors

 Johann Jacobs
 Chairman

 Stephen Hunt
 Non-executive Director

 Frank Poullas
 Non-executive Director

 Rodney Chittenden
 Chief Executive Officer

 John Nethersole
 Company Secretary

Highlights:

- **New graphite zone discovered in the SW of the Nachu Tenement**
- **Notably higher grades observed in the SW zone (assays pending)**
- **Several new outcrops consistent with 19km North – South strike**
- **Trenching programme scheduled to begin June 10**
- **Located approximately 40km from Syrah Resources, Nachingwea graphite deposit**

Uranex Limited (ASX: UNX) (“Uranex” or the “Company”) is pleased to report the discovery of a higher grade graphitic schist outcrop on the company’s 100% owned Nachu Tenement in South East Tanzania. This update follows on from the announcements made on 21 March 2013 and 13 May 2013 which reported the first graphite discoveries on this tenement.

During a recent survey, Mr Johan Erasmus of Badger Mining and Consulting Ltd and the Uranex Geology team, identified several new outcrops of graphitic schists, including a narrow seam of what appears to be very high grade graphite. Upcoming trenching and analysis of representative samples will establish the grades accurately of this new discovery. However, visual examination alone suggests that the new SW zone is of a significantly higher grade than all previous discoveries on the tenement.

New higher grade zone discovery

This discovery is in the south west of the tenement (shown in Figure 1 as High Grade Graphite Zone). The graphitic content is visibly significantly higher than other outcrops across the tenement (refer to figure 2 photograph) where previous assays have shown graphitic carbon content up to 13.95 % Cg.

Two outcrops were found in this area and exploration pits to 1.5 m depth were dug on each of them. These pits showed the graphitic zone striking at WNW across the tenement. The dip appears to be relatively flat lying at 25 degrees to the south. Overlaying and underlying the high grade zone there appears to be a larger zone of graphitic schists which are heavily weathered. Comprehensive sampling will be conducted when trenching occurs in June.

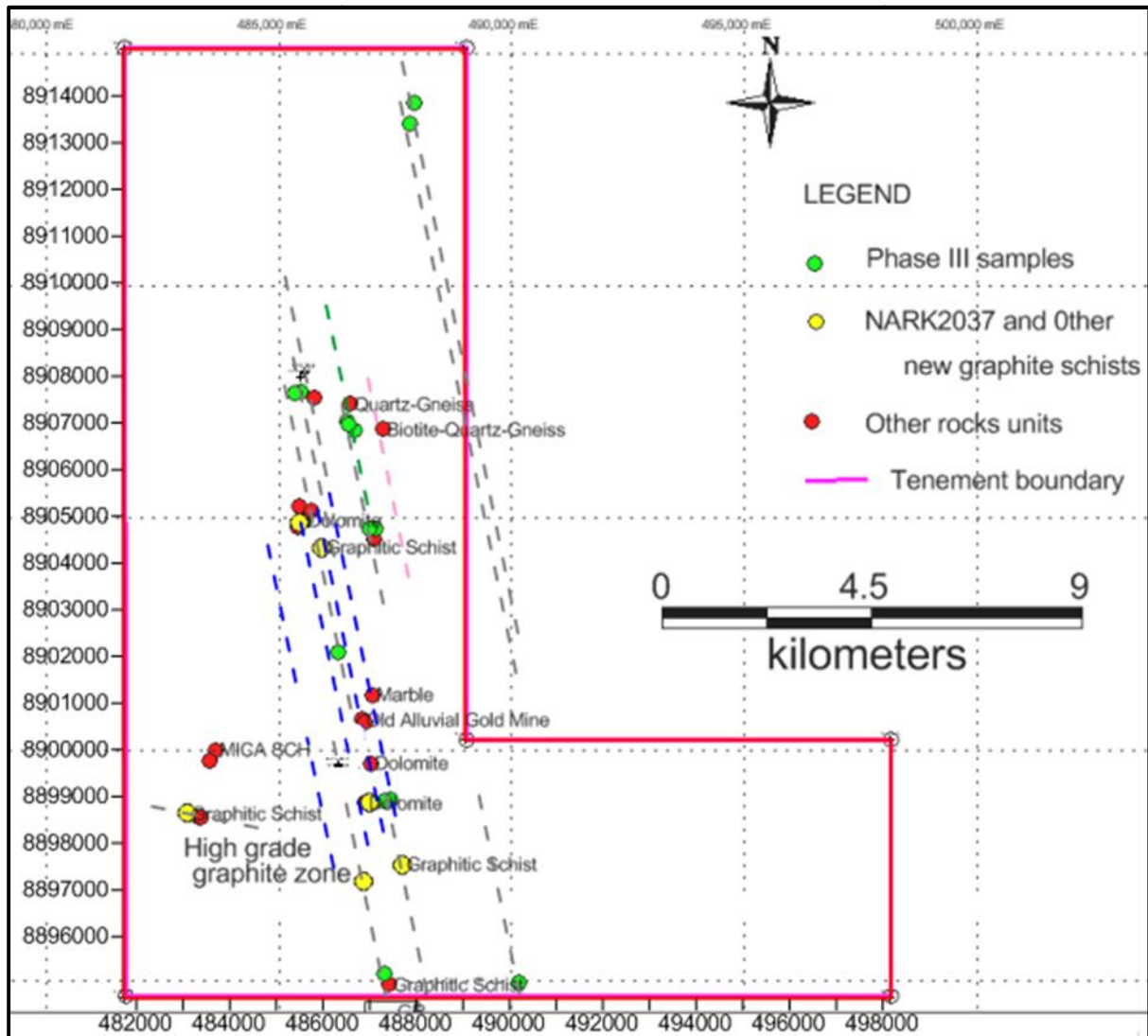
More outcrops discovered

Elsewhere in the tenement another 6 significant outcrops of graphitic schists were identified (Yellow points in Figure 1). The discovery of these outcrops has added to the understanding of the deposit’s geometry. The indications are that the main graphitic schist zone trends approximately North – South for 19km on the tenement with the mineralisation dipping at 20 degrees to the west. In one area the team has found outcrops extending over a 1 km distance perpendicular to the strike. However, a few dolomite outcrops have also been seen in this area which may be indicating an alternating assemblage of graphitic schists and dolomite.

A separate zone of graphitic schists with a similar strike and dip has also been found close to the eastern boundary of the tenement.

All of the outcrops on the tenement are showing flake graphite in the medium to coarse size range.

Figure 1 – Nachu tenement map showing graphitic outcrops and the initial interpretation of the geology



Next phase of exploration

Mr Johan Erasmus of Badger Mining and Consulting Ltd has been contracted as the Geology Manager for Uranex for the remainder of the 2013 exploration season. Johan has a degree in Geology from the University of Port Elizabeth in South Africa and is a member of the South African Council of Natural Scientific Professions (SACNASP). He has wide experience in both exploration and mine operations geology on a variety of minerals.

The next phase of exploration on this tenement will begin on 10 June 2013 with the commencement of a pitting and trenching programme. The aim of the programme will be to confirm initially the width of the mineralised zones in the various areas and provide representative samples for analysis. Composite samples of the various areas will also be taken for metallurgical investigation.

The initial series of trenches will be dug at approximately 2 km intervals. Infill trenching will then be focused on the most prospective areas.

It has been estimated that this initial programme of work will take approximately 8 weeks.

Figure 2 – High grade graphite sample



Rod Chittenden
Chief Executive Officer

For further information, please contact: Tel: + 61 (0)3 9621 1533

Information in this report that relates to Exploration Targets, Exploration results, Mineral resources or Ore reserves is based on information compiled by Mr. Johan Erasmus, a Competent Person who is a registered member of the South African Council for Natural Scientific Professions (SACNASP) which is an Recognised Professional Organisation (RPO) included in a list posted on the ASX website. Mr. Erasmus is an consultant of Badger Mining and Consulting, Johannesburg, South Africa who were engaged by the company to undertake this work. Mr. Erasmus 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 by the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Erasmus consents to the inclusion of the data in the form and context in which it appears.