

CHAIRMAN'S ADDRESS

The past twelve months has been a period that has demanded patience and perseverance from both the shareholders and management of Uran. This time last year the Company had, through its option to acquire Discovery Minerals Pty Ltd, identified uranium opportunities in both the Ukraine, the Czech Republic, Uzbekistan and Kazakhstan and had the expectation that some of these opportunities would have crystallized early in 2007. This was not to be. However these same opportunities are still open to Uran and through the hard work put in during the year by management the company is very much closer to concluding a project.

I can make that statement with some confidence by reference to the Ukraine as an example. Whilst that opportunity has yet to progress to finalization of the enhanced protocol that will allow the feasibility to commence we have, of very recent time, received from the authorities in that country confirmation that they are anxious to proceed and that the delays are due solely to the disruptions caused by the internal political situation which has only recently been resolved by the election of a new government.

Whilst we are all anxious to see the early consummation of these negotiations, it is, I believe, important to see the timetable in the context of the company's declared strategy. To quote last year's Annual Report *"The Company will have a strong focus on the countries of the former Soviet bloc, now known as the Confederation of Independent States. A vast uranium exploration program was carried during the Soviet era, and the work was generally scientifically excellent and well documented. A number of significant mines were developed, and some of the world's largest uranium producers lie within this region."*

This means your company is seeking opportunities where resources have been positively identified and the exploration already carried out to various degrees. If the company were to take the more traditional route of greenfields exploration it is generally the case that the time frame to commencement of production is eight to ten years and the exploration risks significantly higher. The approach of Uran will see this timeframe reduced significantly, as will be the exploration risks.

The concomitant issues with this strategy are that these resources are still in government ownership and, notwithstanding policies and eagerness to involve the private sector, the wheels of bureaucracy turn no faster in those countries than they do elsewhere. But they are turning.



Some shareholders have asked why there cannot be more information about the resources that we are looking at. Uranium was a strategic resource for the Soviets, with details of the resources held as a state secret. In many cases the information was held in other Soviet Republics and not available to the countries in which the resource was located. The information has largely been returned to those countries but sorting it and declassifying it is still a work in progress. Where Uran has access to that information it is under terms of confidentiality until a formal arrangement between the parties is concluded and resource estimates from the FSU or East Europe are generally not JORC compliant. A Competent Person in the sense of JORC needs to review the data acquisition procedures and practices, and the resource estimates, before a Mineral Resource estimate can be signed off. ASX rules only allow the publication of JORC compliant resource estimates.

For all these issues, which we will overcome, the company will persist because the prizes are worth pursuing.

Notwithstanding that, and whilst those opportunities remain Uran's priority, the company is continuing to seek opportunities in other parts of the globe, but always within its strategy of concentrating on identified resources that can be brought to production expeditiously. The company is of the view that the demand for uranium will remain strong and that will increase in the future. The price will probably stabilize below the recent highs of the recent strong upsurge but will be such to sustain profitable production and exploration.

The company has incurred significant expense in negotiating participation in these resources. Uran and Discovery have agreed in principle to modify the acquisition agreement to reflect this. When, and perhaps if, the proposal to acquire Discovery, is put to shareholders it will have a significant effect on the company's capital structure. It will need to be supported by an independent report substantiating that it is fair to shareholders. More practically, shareholders can be assured that your directors will not recommend the acquisition to shareholders unless it is fair and represents real value.

As a result of a successful fundraising early in calendar 2007, the company is well resourced for the short and medium term. The costs of pursuing opportunities in both Eastern Europe and elsewhere from Perth are not insignificant. Your directors are mindful to husband these financial resources and it is likely that when an agreement is achieved in Eastern Europe it is likely that senior staff will be located there on a more permanent basis, both to oversee the projects and to constrain travel costs.

In this respect I would compliment Kate Hobbs and her management team on their dedication and willingness to accept the disruption to their family life in undertaking the frequent and lengthy travel required to pursue the opportunities on behalf of the company. I also wish to acknowledge Thomas Schrimpf's contribution since joining the management and board. His experience and expertise has, and will, add significant strength to the company's capabilities.

Finally I would thank my fellow non-executive directors for their contribution during the year. In June, for business reasons that subsequently became obvious, our chairman, Michael Kiernan, stepped down from the board and I was invited to assume his role. Michael remains a strong believer and supporter of Uran and its strategy. I have to admit that my style as chairman is less colourful than Michael's, but I hope that it will be as successful. I am confident that the next time I address you it will be to propose the acquisition of Discovery Minerals on the basis of the successful conclusion of a mining agreement in Eastern Europe.

Kate Hobbs, at the conclusion of this meeting, will make a fuller presentation on all the company's activities, which will give you more details on the status of that and the other opportunities.