

# Uranium Oil & Gas Limited

## Year 1 Annual Technical Report for EL 25504 (“Sandover”)

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## CONTENTS

Page

Summary .....	3
1.0 Introduction .....	3
2.0 Geology & Mineralisation... ..	4
3.0 Previous Exploration... ..	4
4.0 Tenure .....	5
5.0 Soil Sampling .....	5
6.0 Scintillometer Survey .....	5
7.0 Discussion.....	6
8.0 Rehabilitation.....	6
9.0 Year 1 Expenditure 2007/2008 .....	7
10.0 Year 2 Planned Expenditure 2008/2009 .....	7

### LIST OF TABLES

<i>Table No</i>	<i>Title</i>	<i>Page No</i>
2.1	Tenure Details	5

### LIST OF FIGURES

<i>Figure No</i>	<i>Title</i>	<i>Page No</i>
1.1	Location of Sandover EL25504	3
2.1	Regional Geology of Sandover EL25504	4
6.1	EL25504 Regional uranium radiometrics (NTGS)	6

### Appendix

1.0	EL25504 Rock chip and soil sample results
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## Summary

This Annual Technical Report documents the 2007/2008 exploration program conducted at the Sandover prospect (EL25504) by Uranium Oil & Gas (UOG) and Broken Range Limited. UOG has an agreement with the tenement holder Bralich Holdings Pty Ltd whereby it could earn 70% by spending the minimum of 2 years expenditure. This 70% UOG ownership will be reduced to 20% with Broken Range gaining its 50% by spending about \$ 60,000 over two years. Bralich Holdings retains its 30% holding. Broken Range is the current tenement operator

The Sandover prospect is located in the central Arunta province 150 km NNE of Alice Springs NT. Previous companies in the area have explored the Tertiary calcretes for uranium. This included drilling and water bore sampling. No economic uranium mineralisation was discovered. There are no known mines or resources established in the area.

UOG and Broken Range's first year activities included literature research, field reconnaissance, soil sampling, rock chip sampling, a ground checking some radiometric granites and calcrete, GIS database, drafting and preparation of a MMP and a site clearance. Broken Range plans to drill test the calcrete areas during 2008.

### 1.0 Introduction

Sandover (EL25504) is located 150 km directly NNE of Alice Springs (figure 1.1). Road access from Alice Springs is by way of the Stuart Highway towards Tennant Creek thence east along the Plenty Highway for 30km, then turn north onto the Sandover Highway for 80km. The Sandover Highway bisects EL25504. Travel time is about 2 hours by vehicle. Access within the tenement is by the way of a number of pastoral station, maintenance tracks that service the numerous water bores within the Woodgreen property.

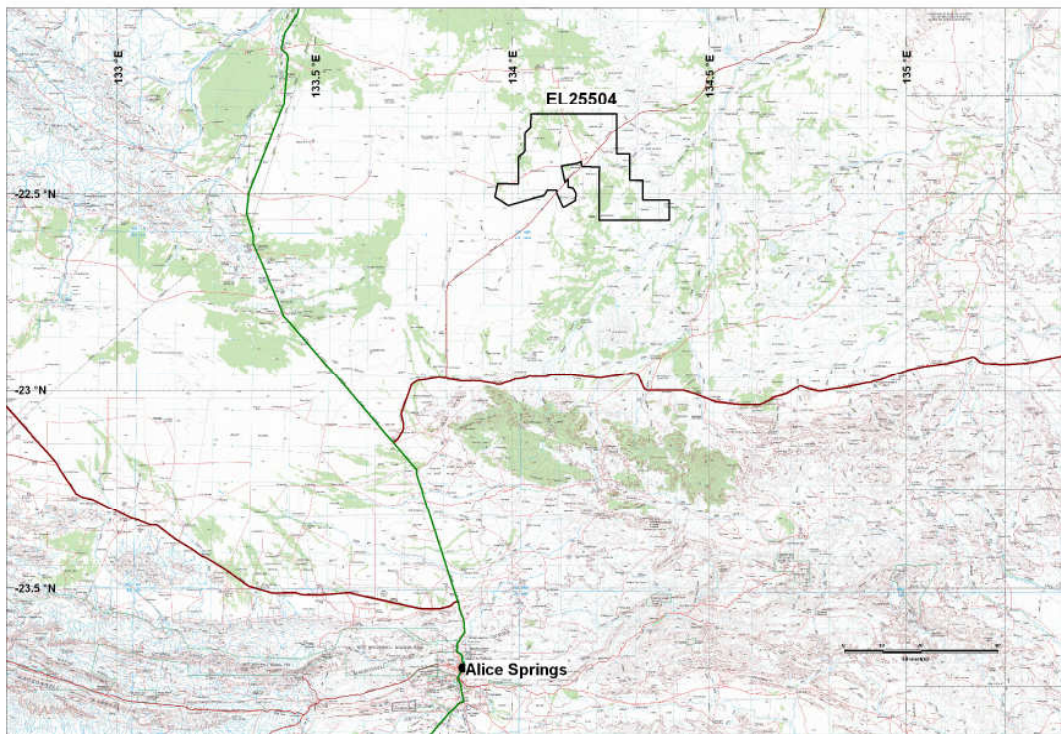


Figure 1.1 Location of Sandover EL25504 (GDA94)

## 2.0 Geology and Mineralisation

The regional geological setting comprises elongate and discontinuous belts of travertine and calcrete, within an enclave of Tertiary-aged sediments defined by fringing Proterozoic-aged Woodgreen Granite complex porphyritic gneissic granites, adamellites and gneisses.

The Tertiary sediments comprise calcretes, silty sandstones and mudstones of the Waite Formation that in turn are overlain by red clayey soils and sand (Figure 2.1).

The calcretes range between 3-12 metres in thickness. There is reportedly no visible expression of the uranium mineralisation, which has a background value of between 1-3 ppm U over the project area.

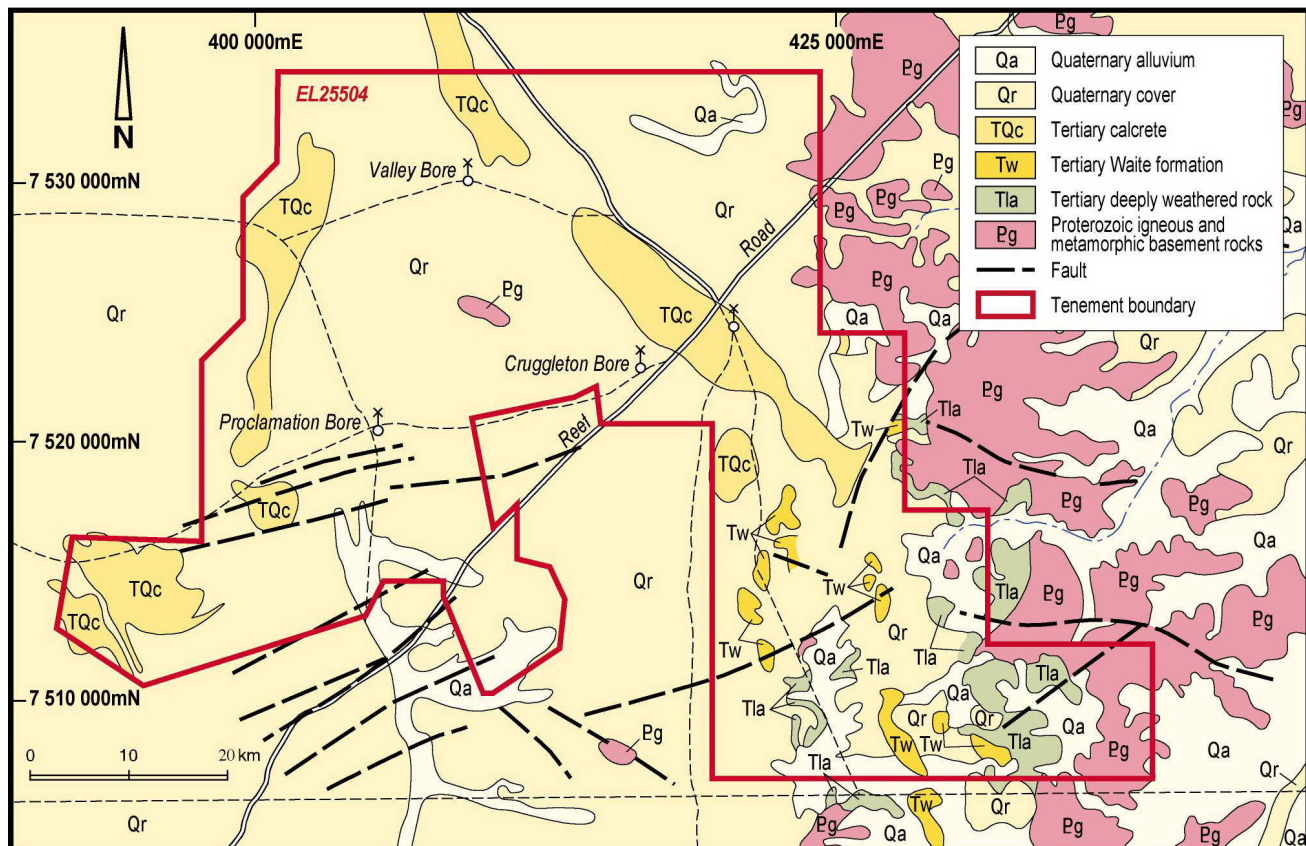


Figure 2.1 Regional Geology of Sandover EL25504 (MGA 94/53)

## 3.0 Previous Exploration

In 1972, CRA Exploration Pty Ltd (CRA) carried out exploration in EL's 52 and 53. EL 53 covered most of the northern half of Aluminex's EL25504.

CRA's exploration programme included water-bore sampling, airborne radiometric surveys using handheld Scintrex BGS1-S scintillometers, and exploratory auger drilling of 32 holes for 250.5 m. The uranium content from drill cuttings was reportedly uniformly less than 5 parts per million. The drilling was located along tracks bordering the edge of the calcrete.

Water-bore hole samples ranged up to 13 ppm U within CRA's EL 53.

#### 4.0 Tenure

UOG has an agreement with the tenement holder Bralich Holdings Pty Ltd whereby it can earn 70% by spending the minimum of 2 years expenditure after granting. UOG was the initial tenement operator. However in September 2007, UOG and Broken Range reached an agreement whereby Broken Range would earn 50% equity by spending approximately \$60,000 and payment of \$25,000 to UOG.

Tenure details are tabled below.

Table 4.1 Tenure Details

Tenement	Owner <sup>1</sup>	Date Granted	Tenure	Size	Rent	Expenditure Commitment
EL 25382	Bralich Holdings 100%	5/2/2007	6 Years	246 blocks	\$2706	\$40,000

1. Current operator is Broken Range Limited who can earn upto 50%
2. UOG will retain 20%, and Bralich Holdings will hold 30%

#### 5.0 Soil Sampling

A contractor was engaged was to take some samples in the South East corner of the tenement near Arno Peak bore. The target was a tungsten occurrence that is located on the 1:250,000 Alcoota geology map. A total of 13 rock chips and 17 soils were taken and analysed for Cu, Fe, Mo, Pb, U, W, and Zn by ME-ICP at ALS Chemex in Perth.

No anomalies or tungsten outcroppings were found. The soils would indicate that the immediate area does not contain significant tungsten. The results are shown in Appendix 1.

#### 6.0 Scintillometer Survey

During the reporting period, UOG conducted a field examination of the calcretes and the "hot" granites on the eastern edge of the tenement. This was mainly driving around the pastoral tracks and noting the total count (U, K, and Th). The background count over the calcrete was typically less than 150 cps. However there were several areas in the south west corner that contained low order anomalies upto 300cps. This confirms the regional radiometric map (fig 6.1). No rock chips were taken. The hot granites had a maximum value of 700 cps.



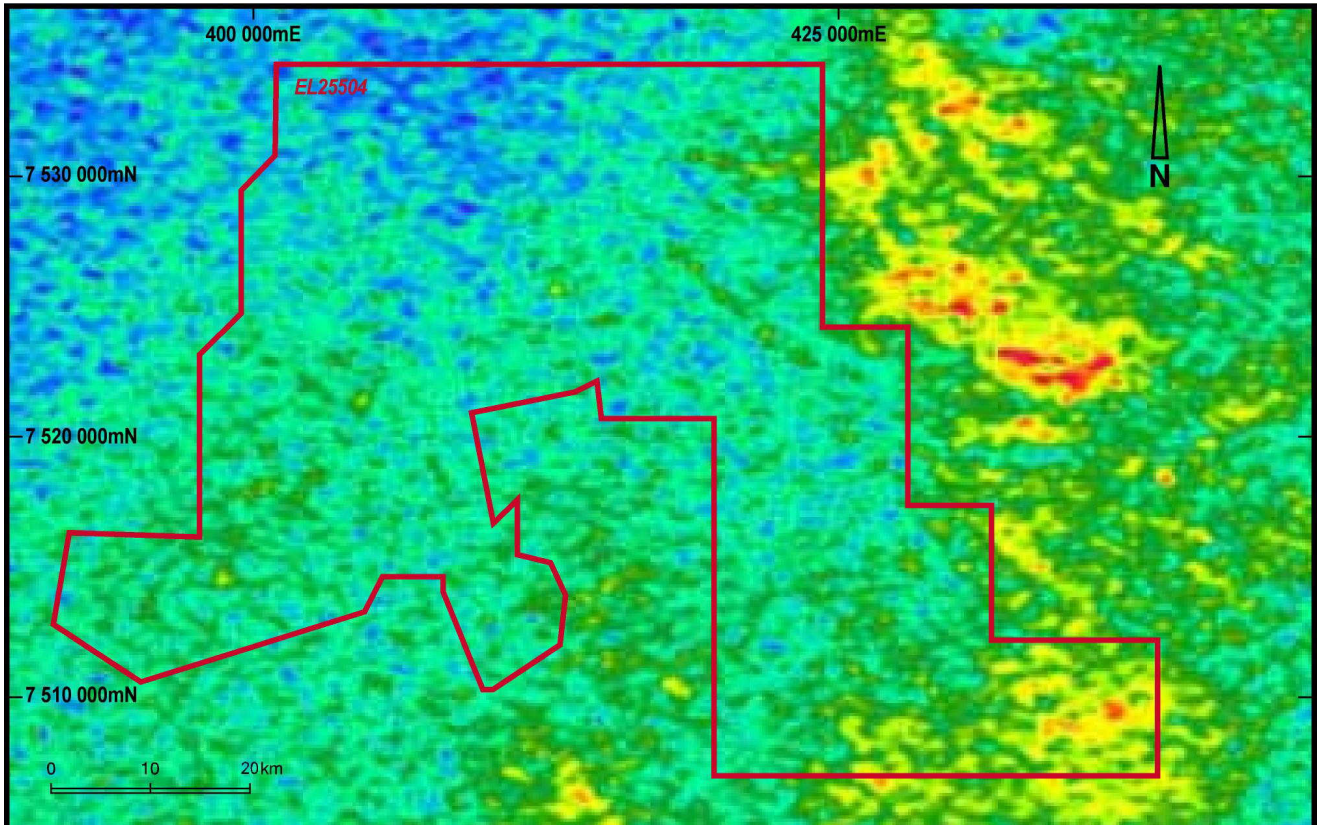


Figure 6.1 EL25504 Regional uranium radiometrics (NTGS)

## 7.0 Discussion

The Sandover prospect has untested radiometric anomalies associated with strike extensive calcrete bodies. Calcrete is a well known host for uranium e.g. Yeelirrie in WA. Previous work by CRA only drilled the edge of one of these calcrete bodies at Sandover. UOG and Broken Range have agreed to test drill this prospect during 2008 and will be reported in Year 2. Broken Range has obtained an MMP authorization and CLC site clearance.

## 8.0 Rehabilitation

No ground disturbing work was undertaken, therefore no rehabilitation was necessary.

## 9.0 Year 1 Expenditure 2007/2008

Salaries	\$11,200
Geophysics	\$2,800
Travel & Accommodation	\$4,280
Assays	\$1,050
Equipment Hire & Purchases	\$1,500
Site Clearance	\$9,500
Tenement Administration	\$4,500
GIS Database	\$4,400
Drafting	\$2,100

Total 2007/2008 expenditure **\$41,330**

## 10.0 Year 2 Planned Expenditure 2008/2009

The following activities and budgeted expenditure details are shown below:

Drilling	\$ 20,000
Salaries	\$ 18,000
Travel and Accommodation	\$ 5,000
Assays	\$ 10,000

Proposed 2008/2009 Expenditure **\$53,000**

No relinquishment will be necessary until Year 3.

Appendix 1 EL25504 Rock chips and soil sample assays (MGA94, Zone 53)

			Cu	Fe	Mo	Pb	U	W	Zn	
SAMPLE	East	North	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	Observations - Count range
DESCRIPTION			ppm	%	ppm	ppm	ppm	ppm	ppm	
SPR501	436455	7505593	7	2.57	1	3	<10	<10	43	R/chip, Range: b/ground 50, sample 100
SPR502	437720	7506858	6	2.27	1	5	<10	<10	33	R/chip, Range: sample 200
SPR503	437270	7505172	22	3.7	<1	3	<10	<10	58	R/chip, Range: sample 180/190
SPR504	436835	7505225	2	1.24	<1	14	<10	<10	26	R/chip, Range: sample 200
SPR505	436992	7508217	2	3.96	<1	2	<10	<10	40	R/chip, Arno Peak Bore, sample: 100/110
SPR506	434170	7506267	10	1.62	<1	11	<10	<10	54	R/chip, Range: sample 110/115
SPR507	432799	7505200	5	1.84	<1	7	<10	<10	37	R/chip, Range: sample 130/145
SPR508	432535	7505232	31	3.12	<1	4	<10	<10	62	R/chip, Range: sample:150
SPR509	432517	7505816	61	24.3	<1	23	10	<10	16	R/chip, Hematite, mild magnetic: 120/150
SPR510	432497	7505826	44	24.2	1	26	10	<10	13	R/chip, Hematite, mild magnetic: 120/150
SPS001	436200	7506670	13		<1	6	<10	<10	24	Soil, near road, close Camp-1
SPS002	435340	7506280	14		<1	8	<10	<10	27	Dave's marked soil, water exits - 50 range
SPS003	436062	7505475	49		1	9	<10	<10	46	Soil, low background - 25/30 range
SPS004	434730	7505160	15		1	11	<10	<10	43	Soil, flat plain area, 40/45 range
SPS005	436644	7505624	27		<1	10	<10	<10	53	Soil, flat ground east SPR501 hill: 90 range
SPS006	437242	7505077	80		<1	18	<10	<10	50	Soil, close hills, b/ground 200, sample 200
SPS007	433655	7505230	14		<1	9	<10	<10	31	Soil, flat ground, south off drains, 100/125
SPS008	432550	7505190	24		<1	11	<10	<10	40	Soil, flat, rocky outcrops, 130/145 range
SPS009	433030	7506389	16		<1	7	<10	10	27	Soil, taken off main drainage, 125 range
SPS010	431878	7507607	23		1	26	<10	<10	54	Soil, 85mts south off road, 50/70 range
SPS011	431197	7505691	8		<1	7	<10	<10	27	Soil, 110/120 range
SPS012	434100	7506540	16		<1	10	<10	<10	33	Soil, flood out area, flat ground, 100/105
SPS013	433340	7508020	15		<1	8	<10	<10	24	Soil, on fence line, 110/120 range
SPS014	435110	7508083	8		<1	5	<10	<10	13	Soil, 120 range. Hill 50mt north: same as
SPS015	437625	7506865	8		<1	7	<10	<10	18	Soil, flat ground off SPR015 hill, 125 range.
SPS016	435090	7508325	7		<1	5	<10	<10	20	Soil, 110/120 range.
SPS017	436810	7505150	20		<1	14	<10	<10	76	Soil, B/ground range 180, sample:180/190
SPS018	437656	7504884	14		<1	13	<10	10	76	Soil, B/ground range 200, sample: 200
SPS019	437060	7508103	8		<1	7	<10	<10	22	Soil, N-W Arno Peak Bore, 50/70 range



