ASX ANNOUNCEMENT

URANIUM EQUITIES LIMITED ACN 009 799 553

URANIUM EQUITIES

ASX Market Announcements Office via electronic lodgment

30 January 2017

Quarterly Report for the Quarter Ended 31st December 2016

HIGHLIGHTS:

Nabarlek Project:

- Completed interpretation of recent ground gravity surveys.
- Ground gravity surveys have extended areas of prospective geology.
- Scintillometer surveys and field sampling undertaken at Namarrkon and GC-11 prospects.
- Anomalous uranium recorded in a soil sample from eastern part of the 2km-long radon-in-soil anomaly at Namarrkon.
- Scintillometer survey results suggest that radon-in soil anomalies are likely sourced from radon emanating at depth.

Rudall River Project:

- Planned ground gravity surveys over 3 priority target areas.
- Awaiting heritage survey.

1. EXPLORATION ACTIVITIES – ALLIGATOR RIVERS, NORTHERN TERRITORY

The Alligator Rivers Uranium Province (ARUP) in the Northern Territory is a world-class uranium province, comparable to the Athabasca Uranium Province in Canada in terms of its uranium endowment and geological setting. The focus of Uranium Equities' (UEQ, the Company) exploration activities in the ARUP is on the discovery of high-grade Alligator Rivers-style, unconformity and structurally-controlled uranium deposits. The Company has been actively exploring the ARUP region both exclusively and in joint venture with Cameco Australia since 2007, and believes that its consolidated ground position has exceptional potential for discovery.

The Company's extensive tenement holding of 4,680km^2 in the ARUP comprises the 100% owned Nabarlek Mining Lease which contains the historic Nabarlek mine (24Mlbs U_3O_8 production), the West Arnhem JV where the Company is earning 100% (currently Uranium Equities 40%: Cameco Australia 60%; see section 2. Corporate), and exploration licence applications, some of which are located near recent high-grade uranium discoveries (eg., Angularli; Cameco Australia) (see Figure 1). The Company considers its tenement portfolio is well located within the ARUP as to offer a significant opportunity for exploration success.

During the quarter the Company completed the interpretation of ground gravity surveys completed last quarter at SMLB, GC-11 and East QFZ prospects and undertook field activities at Namarrkon and GC-11 prospects which included handheld gamma-ray scintillometer surveys, field sampling and prospecting (see Figure 2). The field program was primarily conducted to follow-up on anomalous radon-in-soil surveys reported last quarter and the Company is encouraged by the results of the field follow-up which includes the identification of elevated uranium-in-soil anomalism localised within the 2km long radon-in-soil anomaly at Namarrkon prospect.

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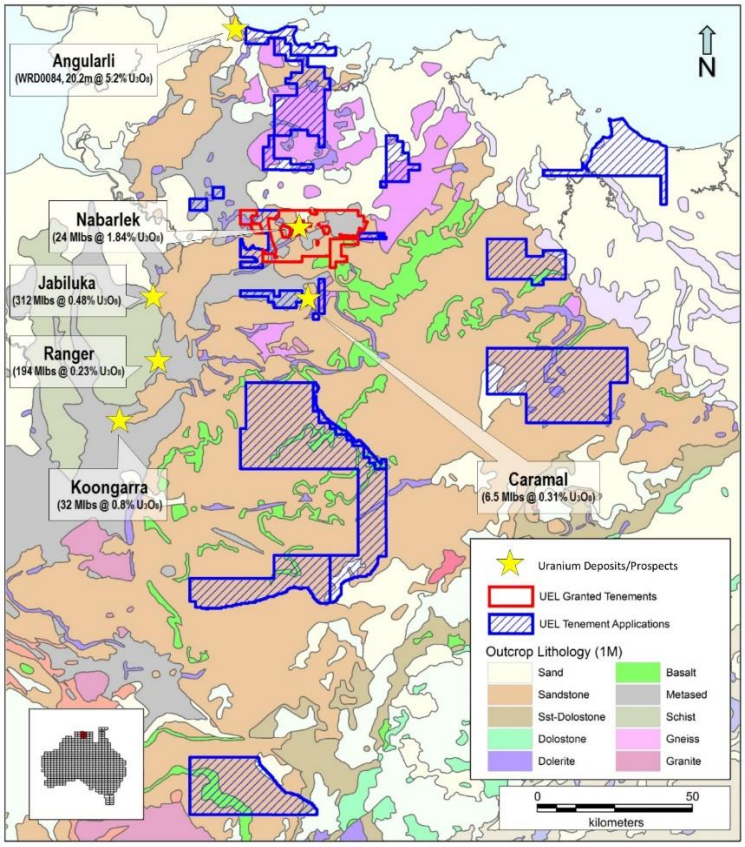

Figure 1. Location map showing the Company's extensive tenement holding in the Alligator Rivers Uranium Province, Northern Territory.

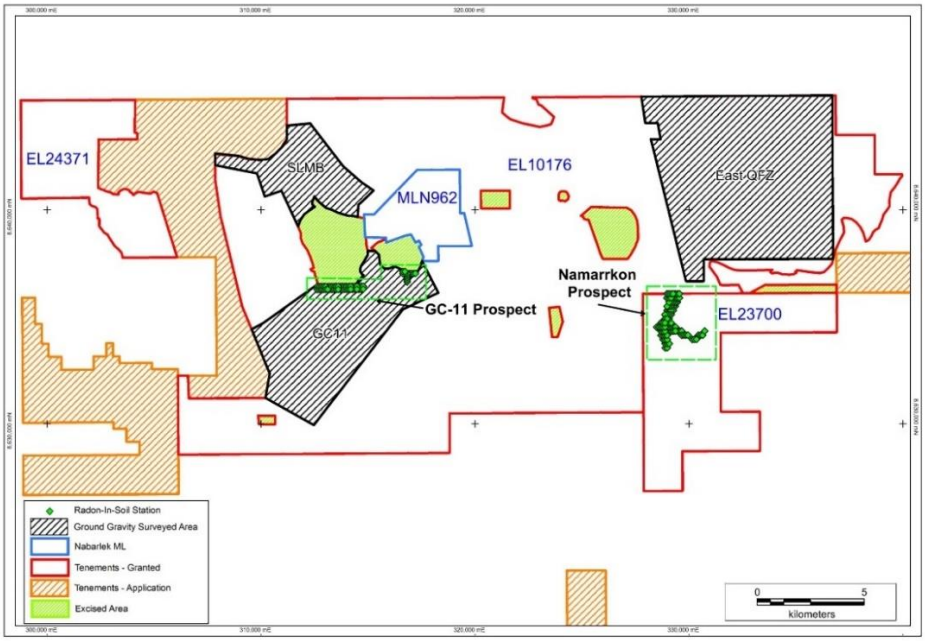

Figure 2. Location map showing areas of follow-up field activities completed at Namarrkon and GC-11 prospects and ground gravity surveys at SLMB, GC-11 and East QFZ prospects.

Namarrkon (EL 23/700; West Arnhem Joint Venture)

A scintillometer survey was conducted over an area encompassing all anomalous radon-in-soil activity concentrations stations (see Figures 3, 4). During the course of traversing the survey area by foot, any other elevated scintillometer readings were recorded in addition to general prospecting and rock-chip sampling.

Surface scintillometer readings were recorded at the radon-in-soil stations and show only a weak association between elevated radon-in-soil activity concentrations and elevated surface radioactivity levels (see Figure 4). Surface radioactivity is generally low with only a 2-3 times range across the entire survey area. Stations were read over a wide variety of soil-types including valley-fill sands, residual clay loams, and creek bed deposits along semi-permanent water courses. The variation in soil medium generally accounts for the localised differences in surface radioactivity recorded at survey stations, with elevated responses associated with creek beds or interpreted residual clay loams and lower responses from valley-fill sands. It is noted that stations reporting high radon-in-soil activity concentrations are not discernibly different to stations with low radon-in-soil activity concentrations which suggests that local soil type is not the main factor in the development of the extremely elevated radon-in-soil anomaly. The low overall surface radioactivity over the radon-in-soil anomaly is interpreted to show that radon is likely to be sourced at depth.

Two isolated areas of elevated radioactivity (each up to 10m x 10m in area) were detected along the southeastern margin of the radon-in-soil anomaly adjacent to an escarpment of Kombolgie Sandstone (see Figure 4). The surface radioactivity recorded at station NM007 is up to a maximum of approximately 970cps (counts per second) and station STN1 of approximately 600cps and both are associated with clay loams developed along higher levels of the valley floor. One soil sample taken at site NM007 returned 88ppm U and Pb^{207}/Pb^{206} of 0.12, both of which are both considered strongly anomalous. These discrete areas of enhanced radioactivity are interpreted to represent localised faults in the underlying geology where uranium mineralisation has been mobilised to surface.

A total of 6 rock samples (NM001-6) were collected from outcrop, drill spoil, or locally derived float during field reconnaissance along the Quarry and Lightning fault valleys. Two rock samples (NM002, 005) and 1 soil sample (NM007) returned elevated Ti and V which suggests a dolerite precursor. No other samples returned above background scintillometer readings or evidence of uranium mineralisation despite sampling localised zones of haematite-staining and/or narrow quartz veins in Kombolgie Sandstone exposures along the valley floor and escarpments. The results from field reconnaissance and sampling appear to indicate that the fault valleys are intruded by dolerite. When combined with results from historic drilling, the local geological setting is interpreted to show that the prospective basal unconformity of the Kombolgie Sandstone overlying Cahill Formation schist and metasediments is largely untested at a depth of about 25-40m below surface in the area of the radon-in-soil anomaly.

The Company is encouraged by the results to date on the Namarrkon radon-in-soil anomaly and is designing an RC drill program (approx. 1,500m) to test the prospective basal Kombolgie Sandstone unconformity contact and underlying Cahill Formation basement for the source of the radon anomalism.

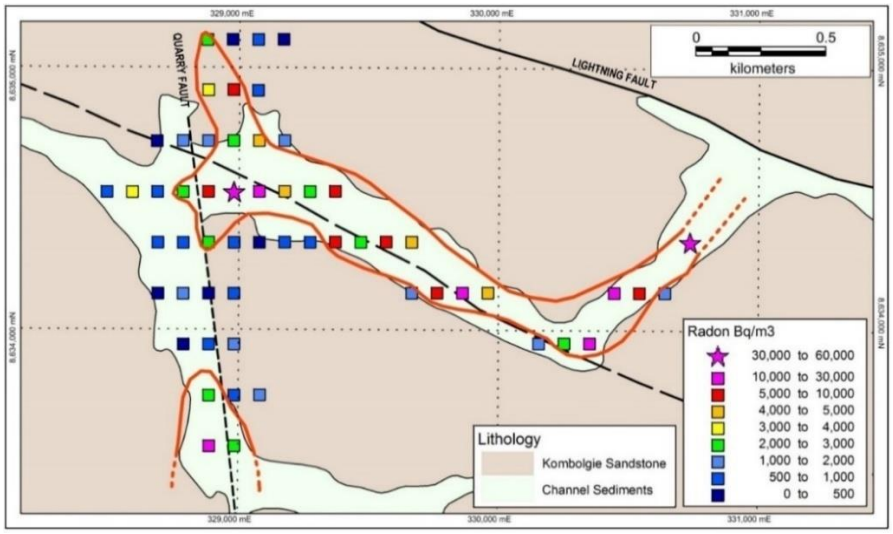

Figure 3. Radon-in-soil survey, Namarrkon prospect (data reported previous Quarter).

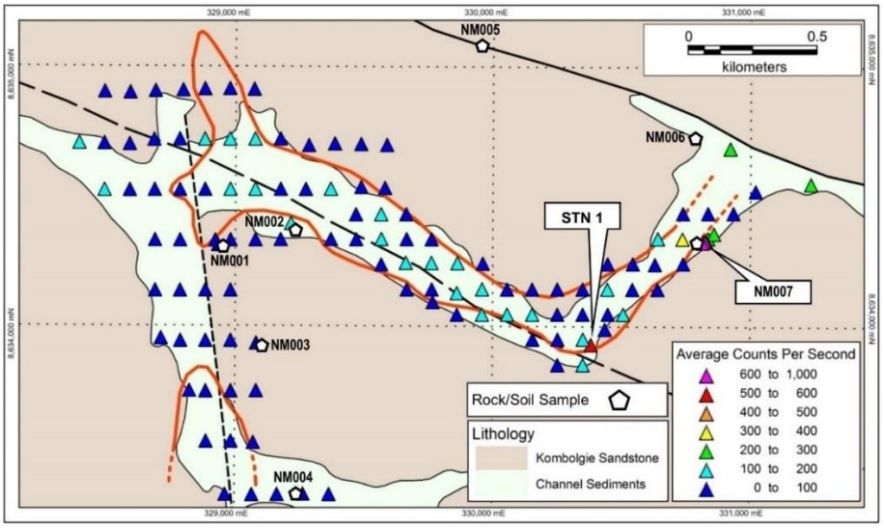

Figure 4. Surface scintillometer survey results, Namarrkon prospect. The red outline defines the radon-in-soil anomalies as shown in Figure 3.

GC-11 prospect (EL10176; West Arnhem Joint Venture)

A surface scintillometer survey was completed over the GC-11 radon-in-soil stations reported in the previous quarter (Figures 5, 6). The area was also prospected and a total of 6 rock-chip samples were collected from outcropping quartz veins.

The scintillometer survey shows that there is a maximum of a 2-3 times background range of radioactivity response over the survey areas. The more elevated scintillometer readings on the west radon-in-soil anomaly appear associated with outcrops of Cahill Formation metasediment and schist with the lower readings mostly from areas of colluvial cover. The east radon-in-soil anomaly has uniformly low surface radioactivity with elevated radioactivity up to 2-3 times background on the eastern stations. The overall low surface radioactivity is interpreted to show that radon is likely sourced from depth which is consistent with the intersection of uranium mineralisation in 2015 RC drilling.

Rock-chip samples (NM008-013) of outcropping quartz veins have not returned any significant uranium or gold anomalism.

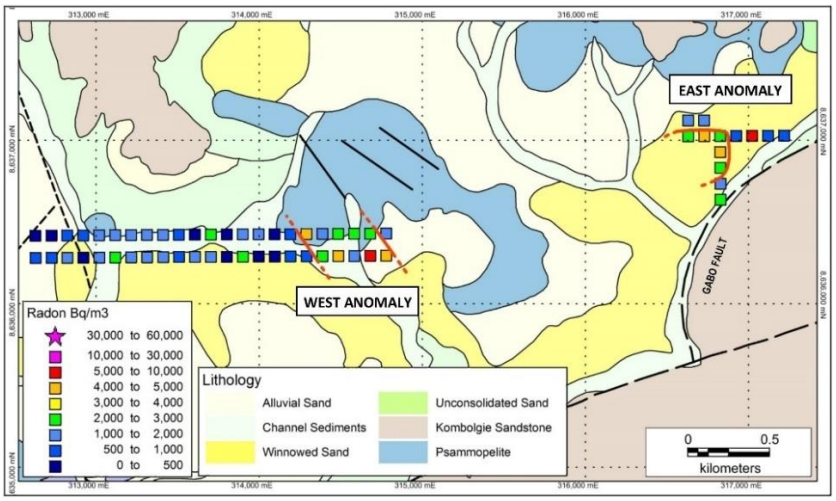

Figure 5. Radon-in-soil survey stations, GC-11 prospect (data reported previous Quarter).

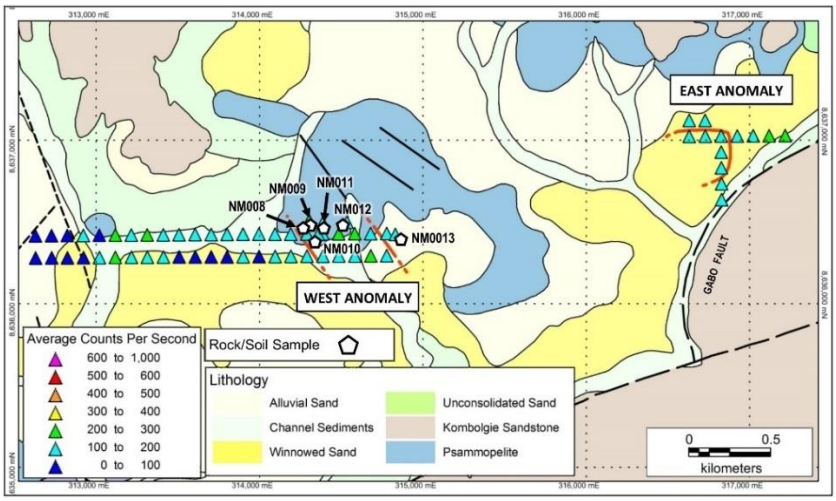

Figure 6. Surface scintillometer survey results, GC-11 prospect. The red outlines define the radon-in-soil anomalies as shown in Figure 5.

Ground Gravity Surveys (EL10176; West Arnhem Joint Venture)

As reported in the previous quarter the Company completed 3 ground gravity surveys at East QFZ, GC-11 and SMLB prospects to cover priority areas identified through the compilation of historic exploration work (see Figure 7). The ground gravity surveying has identified new interpreted structural features for each of the survey areas as discussed below.

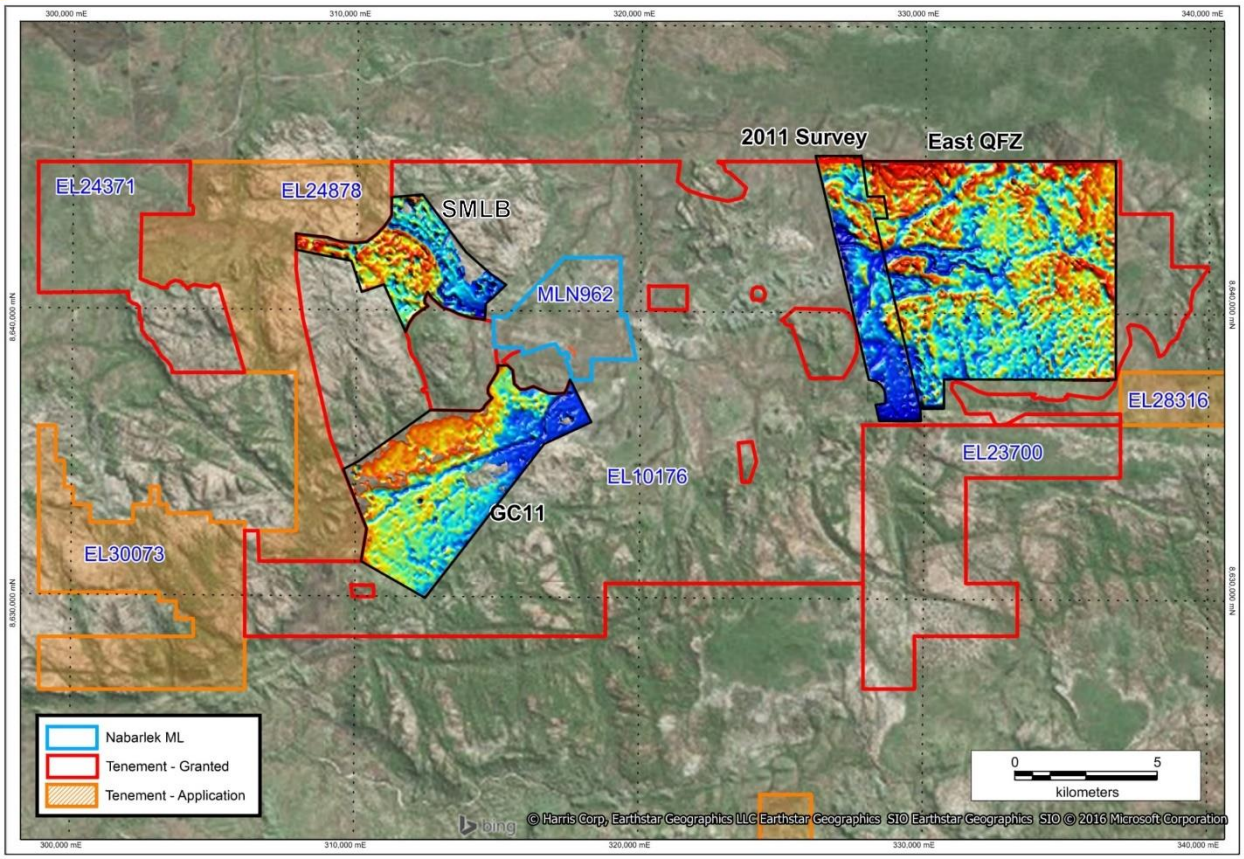

Figure 7. Location map of ground gravity surveying at SMLB, GC-11 and East QFZ prospects. The figure also shows a 2011 ground gravity survey (Quarry Fault Zone) which has been integrated with the East QFZ survey.

SMLB prospect

The SMLB survey covers an area of mostly poorly explored Cahill Formation schists intruded by Oenpelli Dolerite within an extensive area of transported sands, and an eastern area comprising a prominent range of outcropping Kombolgie Sandstone (see Figure 8) Previous RAB drilling in the covered western part of the prospect is typically shallow (15m depth) and the majority of drill holes have terminated in Oenpelli Dolerite and are ineffective. Limited historic diamond drilling has been undertaken in the Kombolgie Sandstone range, although the rugged terrain has restricted access for drill testing.

The ground gravity survey has identified the main contact of the Oenpelli Dolerite (red dashed line) and two areas of prominent structural trends. Target area 1 comprises a network of interpreted intersecting structural trends within an sequence of Cahill Fomation schists and Oenpelli Dolerite which is poorly tested by wide-spaced and shallow RAB drilling. Target area 1A is located over outcropping Kombolgie Sandstone and the ground gravity survey has defined a set of subparallel interpreted structures mostly aligned along a NW orientation. The northern section of Target area 1A is intersected by a NE-trending interpreted structure.

These target areas require follow-up with effective exploration techniques and it is proposed to field check the target and determine the appropriate next step in testing these targets.

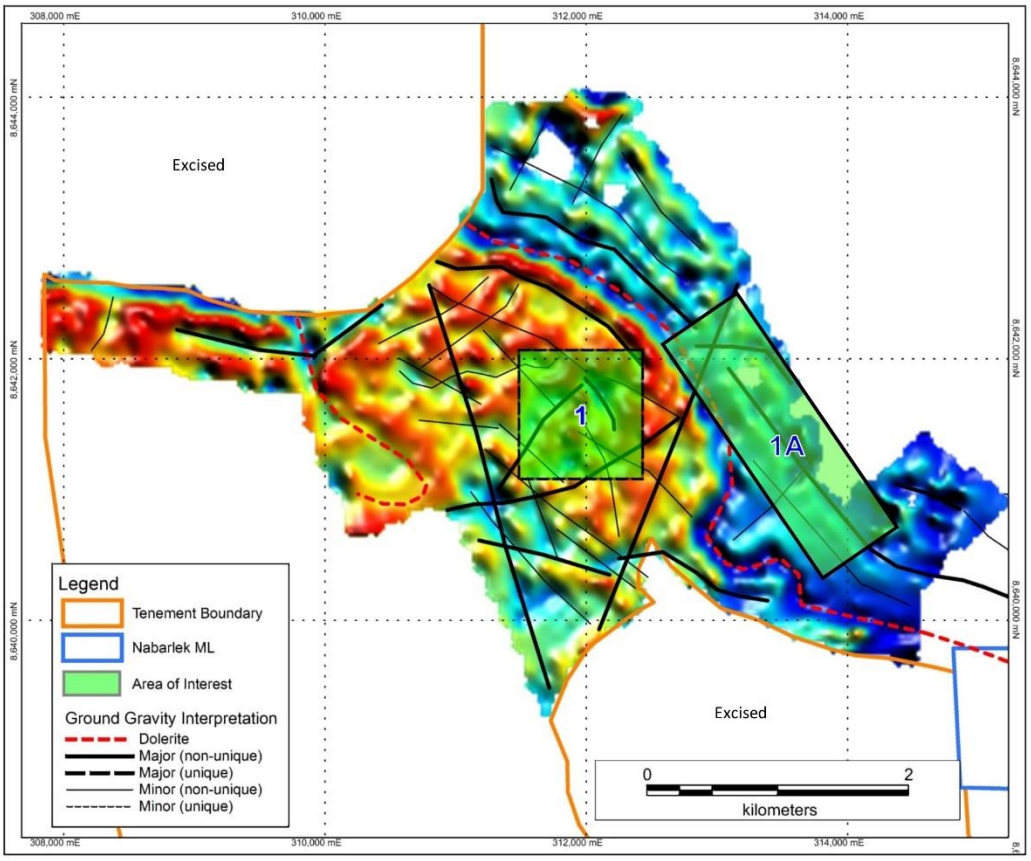

Figure 8. SMLB ground gravity survey (1VD) showing interpreted structures and priority target area

GC-11

The GC-11 survey covers a broad area of Cahill Formation schist and Kombolgie sandstone separated by the WSW trending Gabo Fault which itself is intruded by Oenpelli Dolerite that dips shallowly to the north (see Figure 9). The survey has identified interpreted structural trends which are mostly orientated NW and NNW and cross-cut the Oenpelli Dolerite and Gabo fault (red dashed line).

The Company is encouraged by the strong development of interpreted structures with a favourable orientation (NW and NNW) in this region, which taken together with the discovery of a new uranium mineralisation occurrence in 2015 at GC-11 prospect (Target area 2), demonstrates that the prospect has significant exploration upside. The Company is currently integrating the ground gravity survey interpretation with previous exploration results to prioritise targets for follow-up in the 2017 field season.

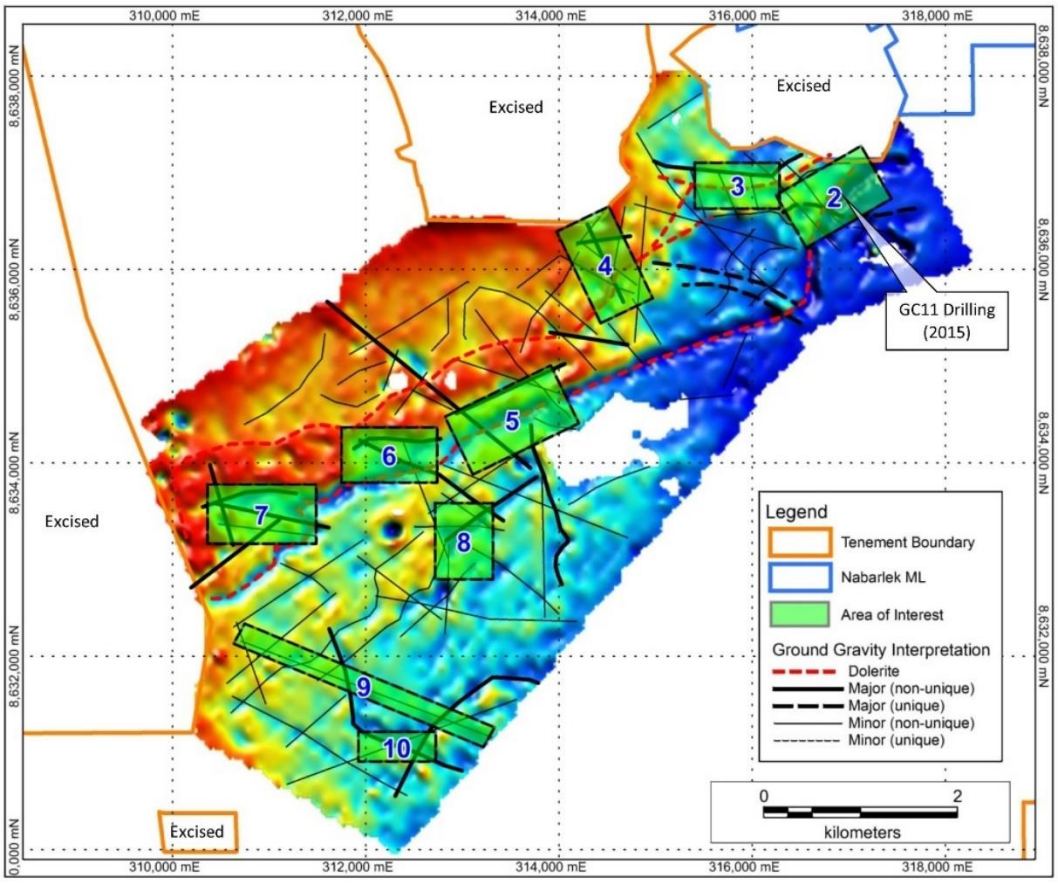

Figure 9. GC-11 ground gravity survey (1VD) showing interpreted structures and priority target areas.

East QFZ

The East QFZ survey is located east and directly adjacent to the Quarry Fault Zone survey completed in 2011, in an area which has received only limited exploration focus. The survey has identified a network of interpreted structural lineaments (black lines; Figure 10) and areas of extensive near surface Oenpelli Dolerite sills/dykes (red lines; Figure 10).

The target areas outlined on the ground gravity survey represent prominent gravity low trends within interpreted basement sequences of either Cahill Formation schists and/or granitoid which occur marginal to extensive areas of Oenpelli Dolerite in the near surface geology. A significant number of the target areas are located along the southern extension of the Quarry fault which suggests that this fault zone is a priority area for exploration follow-up given historic intersections of uranium mineralisation along this structural trend at U40 prospect (see Figure 9 for prospect location). Other prominent gravity lows occur along subparallel structures (Target areas 16-18) and Target area 18 is associated with an airborne radiometric anomaly and coincident soil anomalism which has only been tested with shallow RAB drilling.

The Company is integrating the new ground gravity survey interpretation with the results of historic exploration to prioritise areas for exploration follow-up.

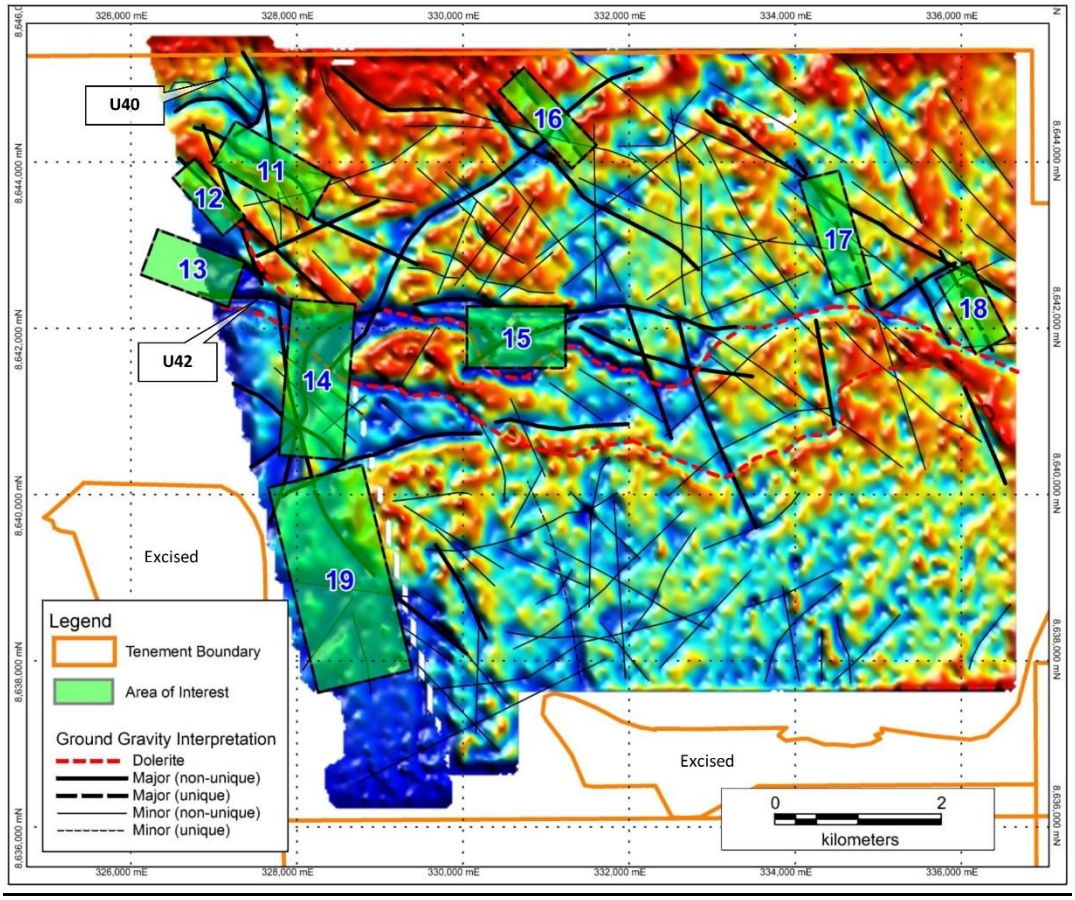

Figure 10. East QFZ ground gravity survey (1VD) showing interpreted structures, Oenpelli Dolerite, and priority target areas.

1.2 Other Projects

Arnhem Minerals (NT)

During the reporting period the Company has prioritised tenement applications and expects to progress some of these through to grant with the Department of Primary Industry and Resources (DPIR).

Rudall River (WA)

The Rudall River Project (Uranium Equities 100%) consists of three Exploration Licences covering a total area of 172km^2. The western-most Exploration Licence adjoins the Cameco/Mitsubishi Kintyre Project (current published NI43-101 compliant measured and indicated resource estimate of 55Mlbs @ 0.58% U_3O_8).

The Company is awaiting heritage clearance to allow the commencement of ground gravity surveying over 3 new targets.

1.3 Project Summary

This section is provided in compliance with Listing Rule 5.3.

Expenditure

Exploration and evaluation expenditure made by the Company during the quarter was $216,913 (YTD: $307,351). In addition, during the quarter the Company has spent $99,581 on administration costs (YTD: $180,430).

Projects

Name		Target	Area (km²)		Beneficial Ownership
			Granted	Applic.	
West Arnhem JV	NT	Structurally controlled and unconformity style uranium	448	49	UEQ 40% – earning 100%: Cameco Australia 60%
Nabarlek ML	NT		12	-	UEQ 100%
Arnhem Minerals, Woodside, Browse, Cadel North, Pluto & Aurari Bay	NT		-	2,351	UEQ 100%
Headwaters	NT	Coronation Hill-style gold – platinum – palladium – uranium	-	2,280	UEQ 100% (in moratorium)
Rudall River	WA	Kintyre style uranium	172	-	UEQ 100%
			632	**4,680**	

A full list of tenements held by the Company is enclosed in Appendix 1.

Changes in tenements held during the quarter

Nil

Changes in farm-in or farm-out agreements during the quarter

Nil

2. CORPORATE

As of 31st December 2016 the Company has incurred expenditure of $1.91 million, with a further $0.09 million remaining to meet the full expenditure commitment of $2 million by 31 December 2017 pursuant to the terms of the joint venture agreement with Cameco on the West Arnhem JV Project.

The issue of 9,000,000 unlisted options to the directors were approved at the Company's Annual General Meeting and issued in November 2016. The unlisted options have an exercise price of 2.5 cents and expire on 30 November 2021.

The Group's cash balance at the end of the quarter was $89,938 (refer Appendix 5B for further information).

3. INVESTMENT IN PHOSENERGY LIMITED

Uranium Equities retains a 9.9% interest (3,455,371 shares) in the unlisted company PhosEnergy Limited (PEL), a developer of innovative technical and commercial solutions in the recovery of uranium from unconventional uranium

sources. The PhosEnergy Process ("Process") is a technology for the extraction of uranium from phosphate streams produced in the production of phosphate-based fertilisers.

PEL and global uranium company Cameco Corporation ("Cameco") are jointly commercializing the Process via a Colorado company called Urtek LLC, which is owned 75 per cent by Cameco and 25 percent by PEL.

An independent Pre-Feasibility Study (PFS) on the Process undertaken by Urtek was completed in 2014, which confirmed the robust operating cost of the Process.

The PFS estimates that a 0.44Mtpa P_2O_5 phosphate facility capable of producing approximately 400,000 pounds of uranium per annum will operate at an estimated cash operating cost of **US$21 per pound**. The capital intensity of such a small facility is high compared to conventional mine-mill operations but the life of mine exceeds 25 years in most phosphate facilities operating in the USA.

The Process has been demonstrated on a third party US based phosphate fertilizer facility with the key outcomes of demonstration work including:

- Consistently high uranium extraction (greater than 92 per cent) from the phosphate stream during steady-state operation;
- No deleterious build-up of impurities in the extraction media across multiple cycles;
- Chemical and reagent consumptions within expected range;
- Purification and concentration of uranium is achievable without significant uranium losses; and
- The chemistry of the phosphate stream returned to the fertilizer facility is unaffected except for the removal of uranium and vanadium;

Concentrated product from the demonstration plant was shipped to a licensed uranium production facility in Wyoming where the concentrate was converted into a final product for analysis – which indicated production of a saleable final product was achievable through the process.

PEL and Cameco remain committed to the successful commercial application of the process. The investment in PEL provides Uranium Equities with further leverage with continued improvements in the price of uranium.

For further information refer to the PhosEnergy Limited website at www.phosenergy.com.

Tim Goyder
Chairman

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Kevin Frost who is a consultant to the Company and a member of the Australian Institute of Geoscientists. Mr Frost has sufficient experience that is relevant to the styles of mineralisation, the types of deposits under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Frost consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Appendix 1 – Tenement Schedule

State	Project	Tenement	Status	Current Equity
NT	Nabarlek	EL10176	Granted	40%
		EL24371	Granted	40%
		EL23700	Granted	40%
		ELA24878	Application	40%
		MLN962	Granted	100%
	Arnhem Minerals	ELA25384	Application	100%
		ELA25385	Application	100%
		ELA25386	Application	100%
		ELA25387	Application	100%
		ELA25389	Application	100%
		ELA25391	Application	100%
		ELA25393	Application	100%
	Headwaters	ELA27153	Application	100%
		ELA27513	Application	100%
		ELA27514	Application	100%
		ELA27515	Application	100%
	Woodside	ELA29947	Application	100%
	Browse	ELA29945	Application	100%
	Cadel North	ELA28316	Application	100%
	Aurari Bay	ELA29897	Application	100%
	Pluto	ELA30073	Application	100%
WA	Rudall River	E45/3118	Granted	100%
		E45/3119	Granted	100%
		E45/3126	Granted	100%

JORC CODE 2012 EDITION TABLE 1
NABARLEK URANIUM PROJECT
Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	A total of 12 rock-chip samples were collected from outcrop or float along fault valleys. One soil sample was collected from surface soils. Scintillometer surveys were undertaken with a Georadis handheld RS220 gamma-ray spectrometer.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Georadis RS220 gamma-ray spectrometer was calibrated by SGS Radiation Services on 17th October using gamma radiation emitting point sources. Rock-chip and soil samples are considered representative of the material from which they were collected and sampling and sub-sampling techniques are considered appropriate for exploration purposes.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	No drilling was undertaken.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	No drilling was undertaken.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	No drilling was undertaken.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No drilling was undertaken.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	No drilling or logging was undertaken.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Not applicable
	The total length and percentage of the relevant intersections logged.	Not applicable
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No drilling reported
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Not applicable

Criteria	JORC Code explanation	Commentary
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Rock-chip and soil samples were collected in situ with sample weights of 1-3kg. All samples for laboratory analysis were submitted to NTEL (Intertek) Laboratories, Darwin, NT. Samples were oven-dried to 100C and the entire sample coarse crushed to about 2mm. The total sample was pulverised to 85% passing 75um.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	No field duplicates or external standards were inserted with the field samples.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Samples are considered representative of the material collected.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate of the material collected.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Rock-chip and soil samples were analysed for Au by AAS following aqua regia digest and Ag, Al, As, Bi, Cd, Cu, K, Li, Mg, Mo, Na, Sb, Sc, Th, Ti, U, V, Zn, Zr by ICP-OES and Pb204, Pb206, Pb207, Pb208, Pb Total and U by ICP-MS following a four-acid digestion. These analytical techniques are considered total.
	For geophysical tools, scintillometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Scintillometer surveys were undertaken with a Radiation Solutions handheld R220 Gamma-ray scintillometer. Readings were taken in counts per second (cps) with the final value averaged over about a 30 second interval of continuous readings.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established	No QA/QC field procedures were used for the assay data reported.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	None undertaken
	The use of twinned holes.	None undertaken
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All field data was manually collected and entered into excel spreadsheets and validated. All electronic data is routinely backed up.
	Discuss any adjustment to assay data.	None required
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	All sample sites were located by hand-held GPS to accuracies of 1-4m.
	Specification of the grid system used	The grid system used is Map Grid of Australia (MGA 94 zone 53)
	Quality and adequacy of topographic control.	No topographic control has been used for the sampling reported
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Scintillometer stations located on grid lines at 100m spacing and station spacing at 100m. Rock-chip and soil samples were collected at point locations at broad sample spacings.

Criteria	JORC Code explanation	Commentary
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Data spacing is sufficient for the scintillometer survey readings as it is similar in nature to a soil sampling program. Rock-chip and soil sampling spacing and distribution is not considered appropriate to estimate geological or grade continuity.
	Whether sample compositing has been applied.	Not applicable
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Scintillometer survey stations were set out to span valley-fill soils in narrow valleys hence data is orientated along the length of valleys which are interpreted as reflecting the orientation of major structures. Rock-chip and soil sampling undertaken on a broad sample spacing.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No drilling reported
Sample security	*The measures taken to ensure sample security.*	All scintillometer surveys were undertaken by Company employees. All rock-chip and soil samples were collected by Company employees and delivered directly to NTEL Laboratories, Darwin, NT.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	None completed.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Nabarlek Project is located in the Arnhem land Aboriginal Reserve and is freehold Aboriginal land. Permission to explore over Aboriginal Land is gained via Exploration Agreements with the relevant Traditional Owners under *the Commonwealth Aboriginal Land Rights (NT) Act*. The project is centred around the historical Nabarlek Mineral lease (MLN962) held 100% by Queensland Mines Pty Ltd, a fully owned subsidiary of Uranium Equities Limited. In addition, the project includes 3 granted Exploration Licences (EL10176, EL23700 and EL24371) and one Exploration Licence application (ELA24878) held in the West Arnhem Joint Venture (WAJV) between Cameco Australia Pty Ltd (60%) and GE Resources Pty Ltd (40%), a wholly-owned subsidiary of Uranium Equities Limited. UEQ has an agreement to acquire Cameco's remaining 60% interest in the WAJV by spending $2m on exploration by 31/12/2017. Uranium Equities currently has management of the Project. Uranium Equities has an approved Mine Management Plan (MMP) with the attached environmental security bond over both the Nabarlek ML and the WAJV areas with the Northern Territory's Department of Mines and Energy.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	All granted tenements are in good standing and no known impediments exist.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	The Nabarlek Project area covered by this report has been explored in the past by various companies including Queensland Mines, Limited and Cameco Australia Pty Ltd. Uranium Equities has reviewed past exploration data generated by these companies.
Geology	*Deposit type, geological setting and style of mineralisation.*	The focus of exploration within the Nabarlek Project is the discovery of additional high grade Nabarlek-style uranium deposits. The Nabarlek mine is one of the world-class uranium deposits in the Alligator Rivers Uranium Field with other similar deposits including Ranger, Jabiluka and Koongarra. Classically known as Unconformity-style uranium deposits, recent developments suggest a strong structural control to mineralisation is also apparent. These deposits occur within the Palaeoproterozoic basement rocks of the Pine Creek Orogen, within fault/fracture and breccia zones in proximity to unconformable contacts with overlying platform cover sedimentary rocks. In addition to uranium, significant gold, platinum and palladium resources are present at existing uranium occurrences within the Alligator Rivers Uranium Field (Ranger, Jabiluka, Koongarra, and Coronation Hill/South Alligator-Valley style deposits).
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	No drilling was undertaken.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	Scintillometer surveys are reported in counts per second (CPS) units and final values represent averaging over about a 30 second interval.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Not applicable
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	Not applicable
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any*	Refer to Figures 1,2, 3.

Criteria	JORC Code explanation	Commentary
	significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All significant results have been reported.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Not applicable
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Exploration results will be assessed and integrated with previous exploration data to allow prioritisation of any future exploration programs.

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Uranium Equities Ltd

ABN	**Quarter ended ("current quarter")**
74 009 799 553	31 December 2016

Consolidated statement of cash flows		**Current quarter $A**	**Year to date (6 months) $A**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(216,913)	(307,351)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(13,840)	(17,379)
	(e) administration and corporate costs	(85,741)	(163,051)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	21,682	23,674
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	43,989
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(294,812)**	**(420,118)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A	Year to date (6 months) $A
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(1,050)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**(1,050)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	384,750	511,106
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(294,812)	(420,118)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(1,050)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**89,938**	**89,938**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A	Previous quarter $A
5.1	Bank balances	89,938	89,938
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**89,938**	**89,938**

6.	Payments to directors of the entity and their associates	Current quarter $A
6.1	Aggregate amount of payments to these parties included in item 1.2	9,496
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Item 6.1 consists of directors fees, PAYG and superannuation for non-executive directors for the current quarter.

7.	Payments to related entities of the entity and their associates	Current quarter $A
7.1	Aggregate amount of payments to these parties included in item 1.2	16,500
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Item 7.1 represents service charges paid to Chalice Gold Mines Ltd (a director related entity) for the provision of corporate services, and office rent.

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A**	**Amount drawn at quarter end $A**
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9.	**Estimated cash outflows for next quarter**	**$A**
9.1	Exploration and evaluation	30,000
9.2	Development	-
9.3	Production	-
9.4	Staff costs	6,500
9.5	Administration and corporate costs	43,500
9.6	Other (provide details if material)	-
9.7	**Total estimated cash outflows**	**80,000**

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A			

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here: ..... Date: 30 January 2017
(Company secretary)

Print name: Kym Verheyen

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.