

ASX Market Announcements Office via electronic lodgment

Quarterly Report for the Quarter Ended 31 March 2015

OVERVIEW

- Alteration studies at the Nabarlek Project nearing completion with **numerous high quality targets emerging**.
- Work ongoing to prioritise and progress to 'drill-ready' status in anticipation of 2015 field season.
- High quality targets also generated by mineral systems targeting within UEQ's expanded 5,000km² land holding in the Alligator Rivers Uranium Province (ARUP).

1. EXPLORATION ACTIVITIES - AUSTRALIA

ARUP Exploration Potential

The ARUP 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 with its newly consolidated ground position the discovery potential is exceptional.

During the quarter, the Company continued to focus its efforts towards target generation, both within existing permits at the Nabarlek Project and on the newly expanded land package within the ARUP. When this work is completed during Q2, the Company looks forward to providing an update of its targeting strategy and planned exploration going forward.

1.1 Nabarlek Project

The West Arnhem Joint Venture with Cameco Australia (Uranium Equities right to earn 100%) and the 100%-owned Nabarlek Mineral Lease, located in the Alligator Rivers Uranium Province in the Northern Territory, represent a rare near-mine uranium exploration opportunity surrounding the historic Nabarlek Uranium Deposit (previous production: 24Mlb @ 1.84% U₃O₈) – the Nabarlek Project.

The Nabarlek Project covers the historical mining lease where the Company is targeting structural and geological extensions and repetitions of the high grade Nabarlek orebody. Outside the Nabarlek ML, UEQ has identified a number of prospects where drilling has intersected high grade uranium including U40, N147 and Coopers (Figure 1). The Company believes this validates the potential for its land package to host further high grade mineralisation beneath extensive transported cover.

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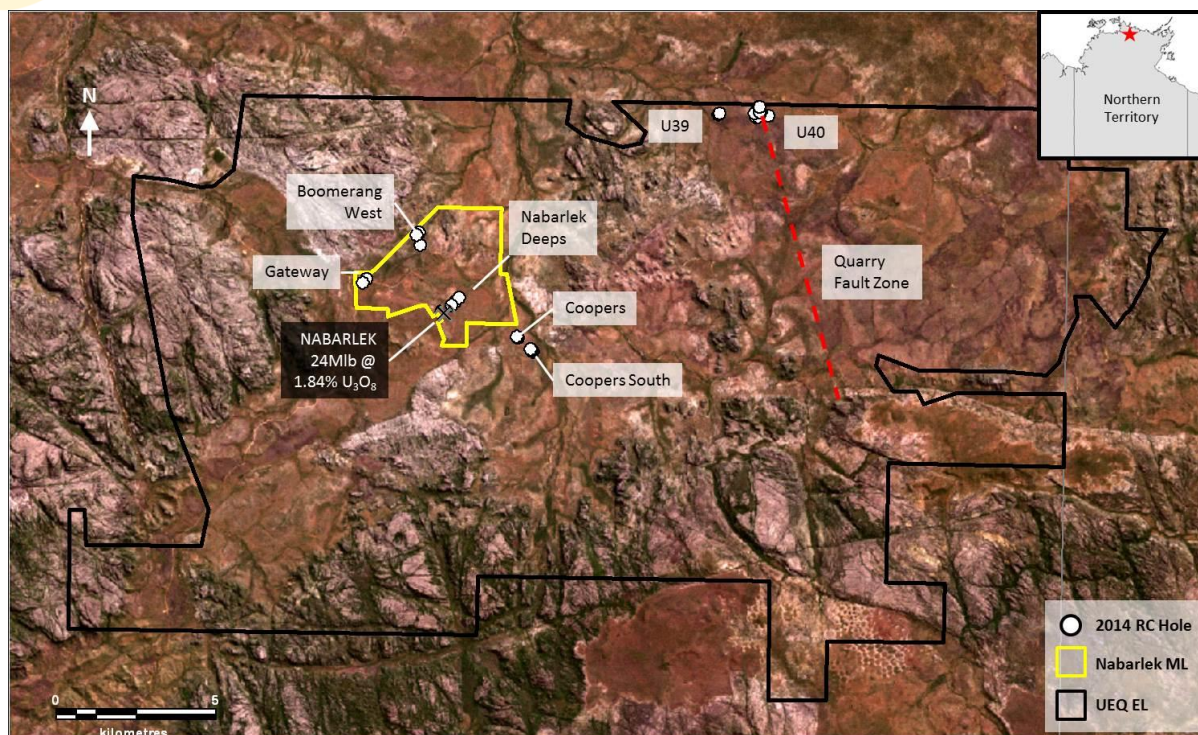


Figure 1: – Nabarlek Project and Prospects on Landsat Satellite Image

During the quarter UEQ worked on characterisation of the alteration signature of the Nabarlek deposit through analysis of spectral (short-wave infrared or SWIR) and associated multi-element geochemical data. This study has built on the Company's extensive knowledge of characteristic signatures of uranium deposits globally. This work includes a program of spectral analysis of a number of historical holes drilled under the old pit at Nabarlek, using the Northern Territory Government's "HyLogger" analyser.

This data is being interrogated to determine whether structurally controlled Nabarlek-style alteration exists under the pit and if this supports the concept of an 'offset' of the Nabarlek orebody beneath the Oenpelli Dolerite intrusion, which truncates the deposit. This would support the results from UEQ's RC drilling on the Nabarlek Deeps target in 2014 which intersected quartz-breccia rocks and associated alteration which suggested that fertile, Nabarlek-style structures do extend below the dolerite at a significant depth below the unconformity, the historical focus of exploration in the area. The aim of the current work is also to determine whether a structural plunge to the mineralisation can be determined to provide a vector for further drilling.

The identification of "Nabarlek" style alteration signatures, including broad-scale zonation patterns, and potential vectors to mineralisation, will be applied across the Nabarlek Project tenure, looking to identify proximal alteration assemblages where previous drilling may have just missed mineralisation.

During the quarter the Company undertook a weed spraying and mapping program to support our ongoing rehabilitation obligations on the Mining Lease.

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1.2 Other Projects

Arnhem Land (NT)

During the period the Company continued a review of open-file data associated with the exciting new targets generated by the Mineral System study undertaken by industry-renowned expert Dr Jon Hronsky.

The Company is working with Traditional Owners and the Northern Land Council to progress tenements to grant on the most prospective of these targets.

Rudall River (WA)

The Rudall River Project (Uranium Equities 100%) consists of three Exploration Licences covering a total area of 172km². 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% U₃O₈).

Following the withdrawal of Cameco from the farm-in and joint venture at the end of the last quarter the Company has reviewed the Cameco data and has confirmed that all the high priority targets remain to be tested in the field.

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 \$124,812 (YTD: \$852,258). In addition, during the quarter the Company has spent \$109,651 on administration costs (YTD: \$442,759).

Projects

Name		Target	Area (km ²)		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	

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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

The Group's cash balance at the end of the quarter was ~\$348,000 (refer Appendix 5B for further information).

The Company also held 8,004,393 shares in ASX listed Enterprise Uranium Limited (ASX:ENU) and retained a 9.9% interest (3,455,371 shares) in unlisted PhosEnergy Limited (www.phosenergy.com).

A handwritten signature in blue ink, appearing to read "Tim Goyder".

Tim Goyder
Chairman

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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%

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, 01/05/2013

Name of entity

Uranium Equities Limited

ABN

74 009 799 553

Quarter ended ("current quarter")

31 March 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(124)	(852)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(110)	(443)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	17	44
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes (paid)/received	-	-
1.7	Other (management fees received)	-	-
Net Operating Cash Flows		(217)	(1,251)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	(91)
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	1	3
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		1	(88)
1.13	Total operating and investing cash flows (carried forward)	(216)	(1,339)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(216)	(1339)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	1,374
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (movement in restricted cash)	-	-
	Net financing cash flows	-	1,374
	Net increase (decrease) in cash held	(216)	35
1.20	Cash at beginning of quarter/year to date	564	313
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	348	348

Notes:

- (1) Cash balance excludes \$1.589 million held against bank guarantees for rehabilitation obligations on the Nabarlek Mineral Lease and West Arnhem Land tenements and an office lease, which is treated as Restricted Cash in the Company's financial statements.

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	32
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 Current quarter consists of director's fees, employer superannuation contributions (\$21k) and service charges paid to Chalice Gold Mines Ltd (a director related entity) for the provision of corporate services, office rent and technical personnel (\$1k). All transactions are on commercial terms.

Item 1.2(d) Consists of redundancy payments (\$127k) to employees due to the closure of the office in Adelaide.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
4.3 Production	-
4.4 Administration	100
Total	200

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	323	539
5.2 Deposits at call	25	25
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	348	564

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A	N/A	N/A
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	N/A	N/A	N/A	N/A
7.2	N/A	N/A	N/A	N/A
7.3	455,388,518	455,388,518	N/A	N/A
7.4	Nil	Nil	N/A	N/A
7.5	N/A	N/A	N/A	N/A

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A	N/A	N/A	N/A
7.7	Options (unlisted share options)	Nil	Nil	<i>Exercise price</i> N/A	<i>Expiry date</i> N/A
	Unlisted Performance Rights	Nil	Nil	N/A	N/A
7.8	Issued during quarter	N/A	N/A	N/A	N/A
7.9	Exercised during quarter	N/A	N/A	N/A	N/A
7.10	Expired during quarter				
	Options	Nil	Nil	N/A	N/A
	Performance Rights.	Nil	Nil	N/A	N/A
7.11	Debentures (totals only)	N/A	N/A		
7.12	Unsecured notes (totals only)	N/A	N/A		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Company secretary

Date: 21 April 2015

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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