URANIUM EQUITIES

ANNUAL REPORT 2015

CORPORATE DIRECTORY

Directors

Tim R B Goyder	Chairman
Bryn L Jones	Non-executive Director
Richard K Hacker	Non-executive Director

Company Secretary
Kym A Verheyen

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ASX Code
Share Code: UEQ

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CHAIRMAN'S LETTER

Dear Shareholder,

In a challenging environment with uranium prices continuing to remain at near multi-year lows, lack of capital available in the junior mining space and difficult financial markets I am pleased to report that Uranium Equities has had another busy and productive year.

Significant effort has focussed on characterising alteration patterns and vectors associated with the previously mined high grade Nabarlek deposit (historical production: 24Mlbs @ 1.84% U3O8). As a result of this work, a combined 12 hole diamond and RC drilling program was competed subsequent to year end at three prospects including down plunge from the Nabarlek deposit at the Nabarlek offset target, GC-11 and N147.

Results from this program have very recently been compiled and released to the market and I am quietly encouraged. I strongly believe in the quality of our exploration portfolio in the Alligator Rivers Uranium Province, Australia's premier uranium district. As our understanding of the alteration patterns and vectors surrounding high-grade uranium deposits in the region continues to evolve, it will form an integral part of our exploration activities over the next 12 months.

I would like to thank shareholders for their support in the underwritten rights issue completed in August 2015 which raised approximately $1.2 million. Shareholders can be assured that the Company's limited funds are being carefully managed and at the same time we continue to actively pursue and advance opportunities within our portfolio.

In conclusion, on behalf of the Board I would like to thank my fellow directors, employees and consultants for their hard work during the year and to express my sincere appreciation to our shareholders for their ongoing support amidst these difficult times for the junior resource sector.

TIM GOYDER
Chairman

1. Business Strategy

The Company will principally continue to explore in Australia's premier uranium district, the Alligator Rivers Uranium Province (ARUP) in the Northern Territory, in the coming year. In addition the Company continues to hold the Rudall River Project in Western Australia.

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 within its ~5,000km^2 ground position (granted and in application) (Figure 1). 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. Movements in commodity prices and funding availability may adversely impact the achievement of these objectives.

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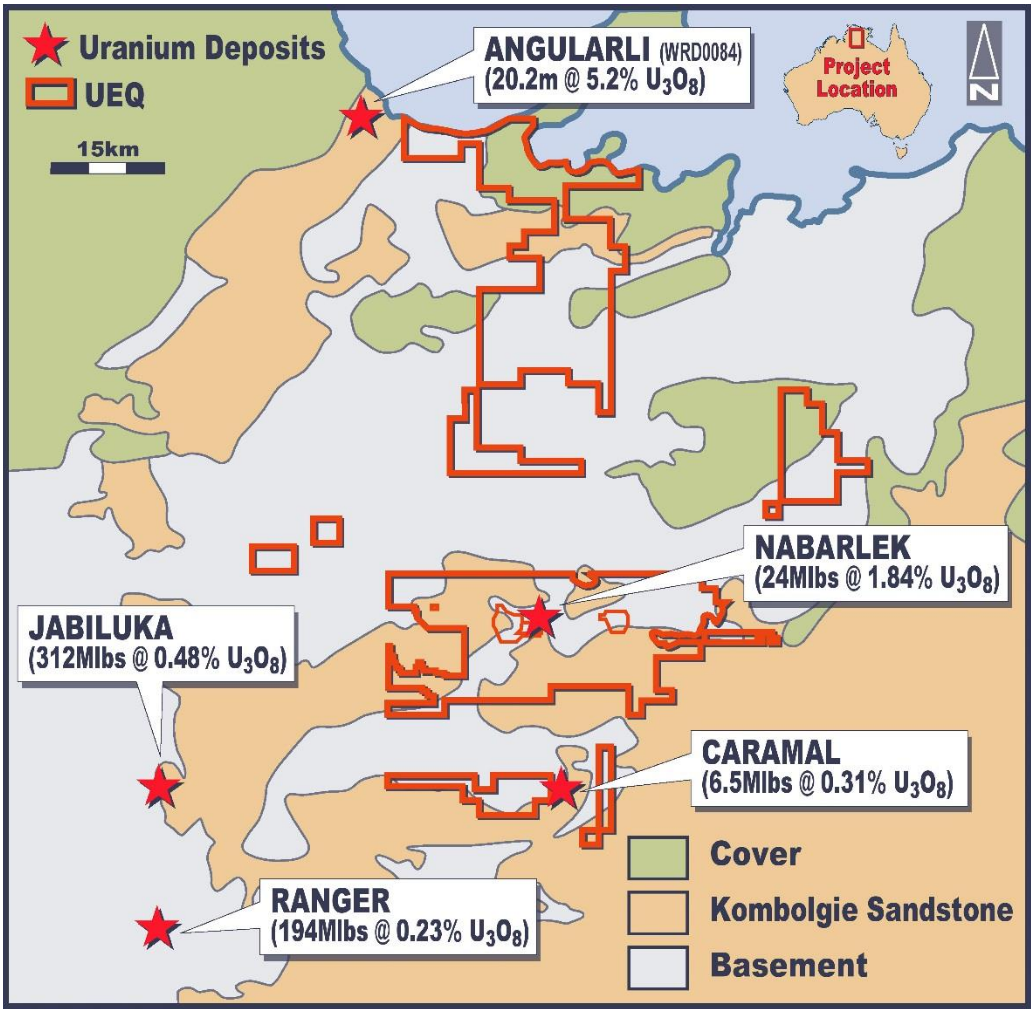


***Figure 1** – UEQ tenure (granted and in application)*

2. Review of Operations

Overview

During the year, the Company identified a significant new exploration target within UEQ's 100%-owned Nabarlek Mineral Lease, directly beneath the historical high-grade Nabarlek Uranium Mine. In addition, a number of other high-priority targets associated with known mineralised systems or fertile structures were identified by the Company through the application of a new alteration model across the Nabarlek Project tenure.

A combined 12 hole, 3,452 metre diamond/RC drilling program was completed in September 2015 testing the Nabarlek offset and two other high-priority targets (section 1.1). Assay results are pending, and compilation and interpretation of the results from this program is currently underway.

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 ARUP, represent a rare near-mine uranium exploration opportunity surrounding the historic Nabarlek Uranium Mine (previous production: 24Mlb @ 1.84% U_3O_8) – the Nabarlek Project.

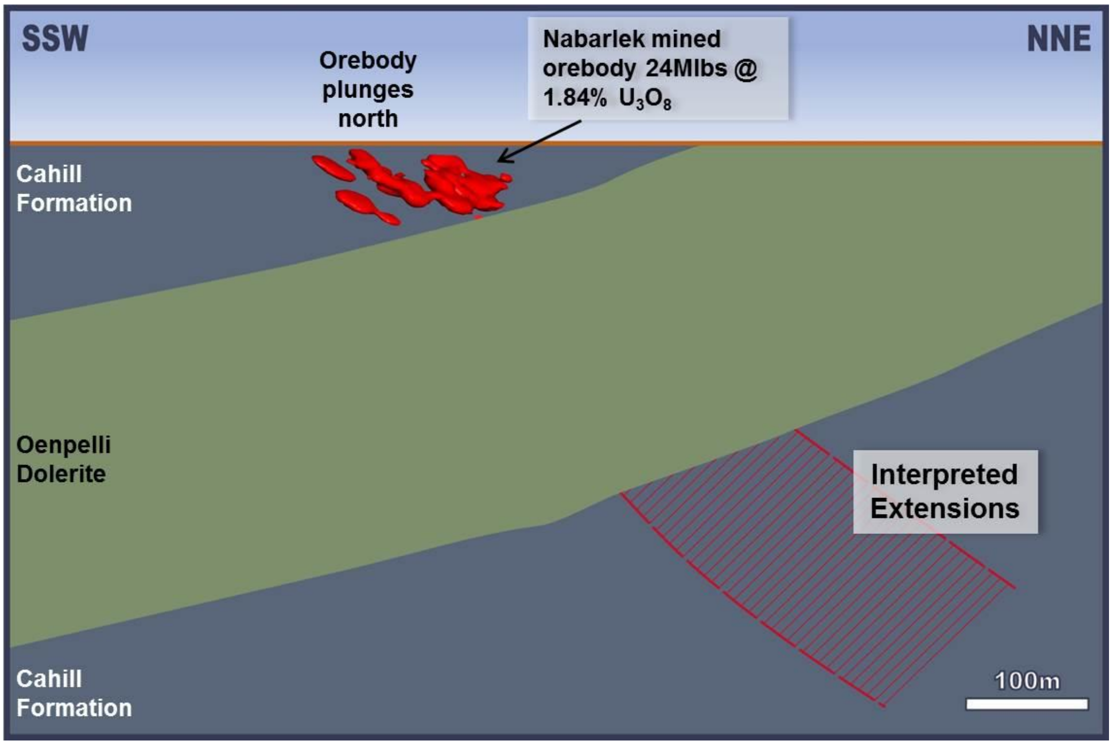
Nabarlek Offset Target

Work by Uranium Equities' technical team during the year focused on characterising alteration patterns associated with the previously-mined high-grade Nabarlek deposit (historical production: 24Mlbs @ 1.84% U_3O_8) and identifying new drill targets with similar patterns.

In conjunction with this alteration study, the Company developed a new geological model for the Nabarlek orebody. This model indicates that while the orebody dips to the north-east, it plunges to the north before it is truncated by the Oenpelli Dolerite sill. This suggests that a potential 'offset' extension of the Nabarlek orebody may be located to the north beneath the barren dolerite sill (Figure 2).

The concept is supported by limited historical drilling beneath the dolerite sill which had targeted down-dip extensions of the orebody, but not the modelled down-plunge extensions of the system below the sill. Analysis of the spectral and geochemical signatures of these deeper holes has identified alteration chemistry and mineralogy analogous to the Nabarlek signature, suggesting that these holes intersected an alteration halo adjacent to the untested offset target located north of the historical drilling (Figure 3). This has provided a vector for the Company to target offset mineralisation beneath the dolerite.

The Nabarlek offset target was tested by a six hole (2,160m) combined RC and diamond drilling program completed in September with results currently awaited.



<u>Figure 2</u>: – Nabarlek offset target.
Oblique section view to 290^0.

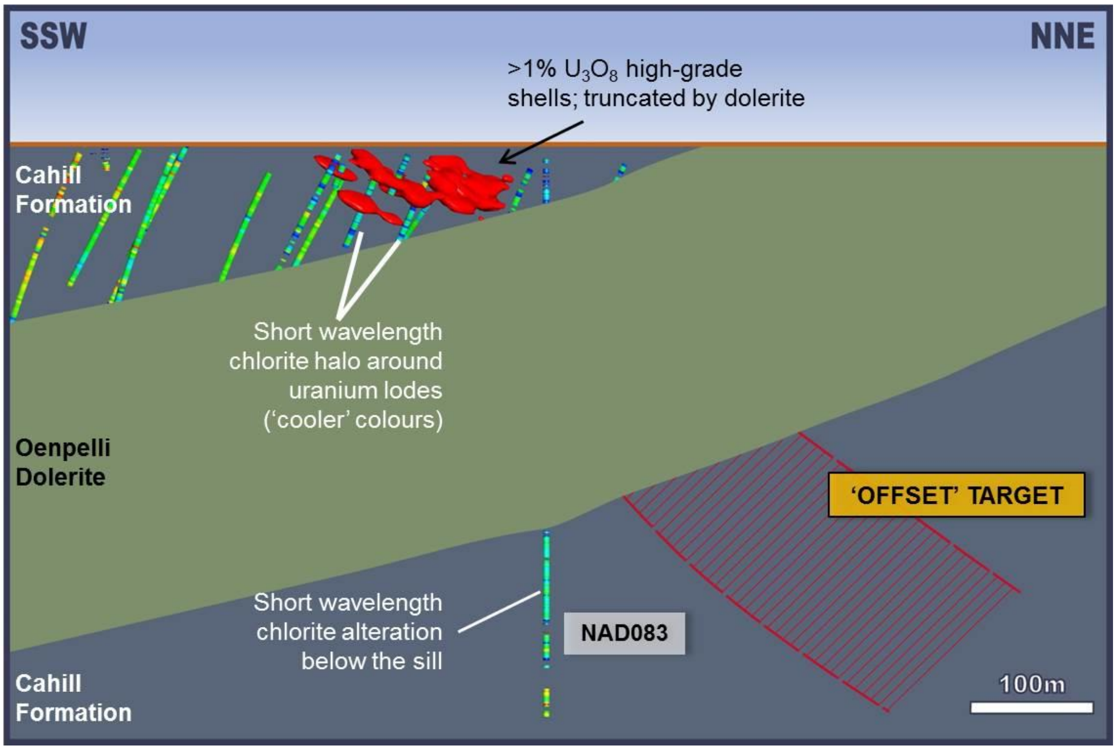


***Figure 3**: – Nabarlek offset target; chlorite alteration in historic drilling.*

The Company considers this structural target to be analogous to the Ranger 3 Deeps mineralisation discovered by ERA in 2009, where the principal structure that hosts mineralisation – a reverse fault with associated breccia zones, alteration and mineralisation – extends to over 500m vertical depth (Figure 4).

Drawing on this analogy, the interpreted offset target has the potential to extend the high-grade mineralisation at Nabarlek by a further 400 vertical metres down-plunge.

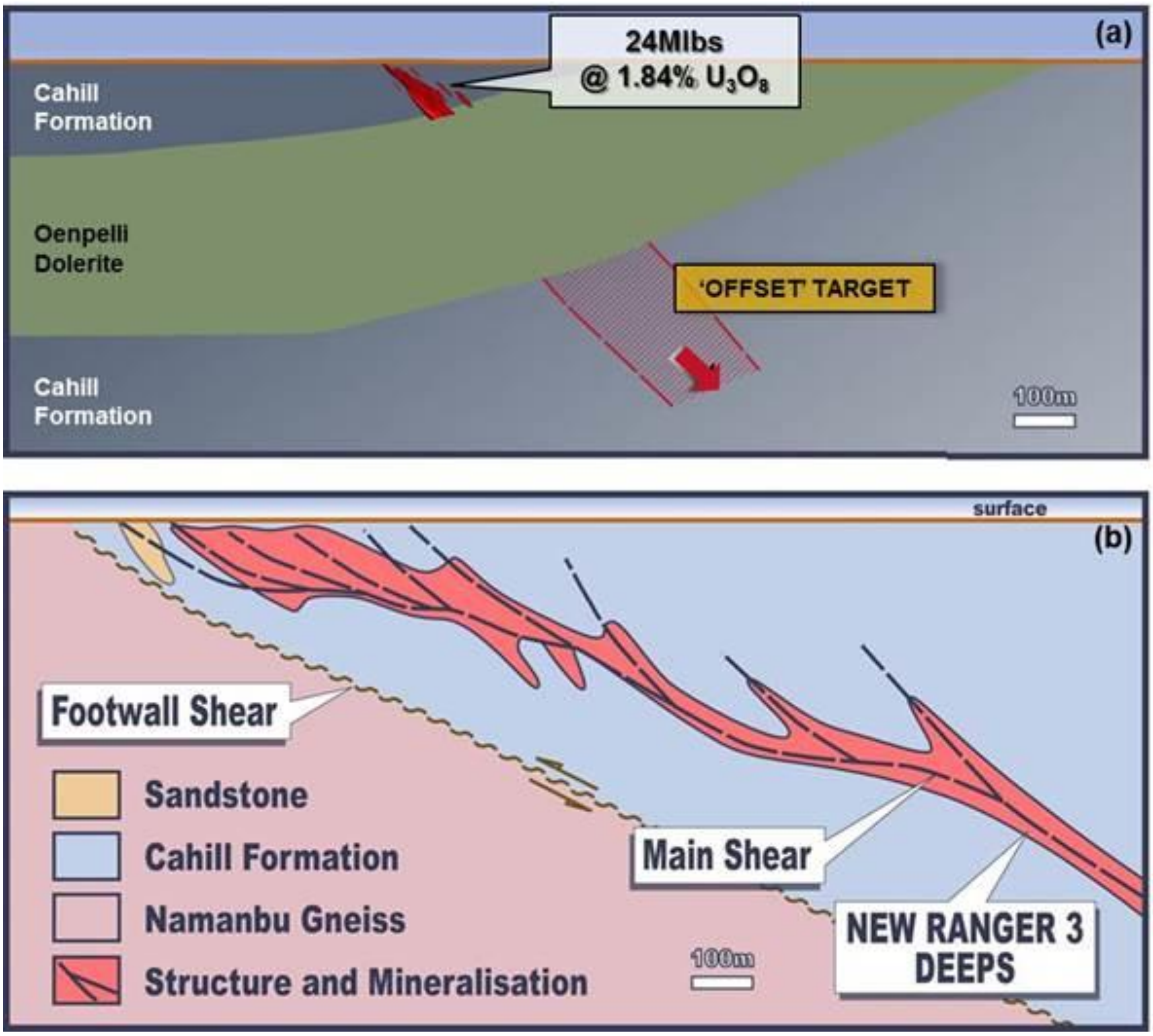


***Figure 4**: – (a) Nabarlek offset target in cross-section looking north at the same scale as (b) Ranger 3 Deeps (source ERA)*

Alteration Studies

The alteration study comprised the collection of new analytical data including short-wave infrared (SWIR) spectral and multi-element geochemical data from historical and Company drilling. This included analysis of a number of holes which had been drilled under the historic open pit at Nabarlek using the Northern Territory Government's "HyLogger" analyser.

The study builds on knowledge of characteristic signatures of uranium and other sediment hosted metal deposits globally that the Company's geologists, working with recognised industry experts, have extensive knowledge of and believe to be proprietary to the Company.

The re-assay and mineral spectral analysis defined a distinctive alteration pattern surrounding Nabarlek within Cahill Formation equivalents which are the host rocks to the Nabarlek deposit (Figure 5). These associations include:

Lithogeochemical Signature

- Vanadium enrichment and lithium anomalism strongly correlated with the uranium lodes; and
- Molybdenum anomalism proximal to ore.

Short Wave Infra-Red (SWIR) Spectral Signature

- Short wavelength (magnesium-rich) chlorite halo proximal to ore; and
- A core of aluminium-poor white mica (phengite) proximal to ore within a broad zone of muscovite representing calcium-sodium (Ca-Na) depletion.

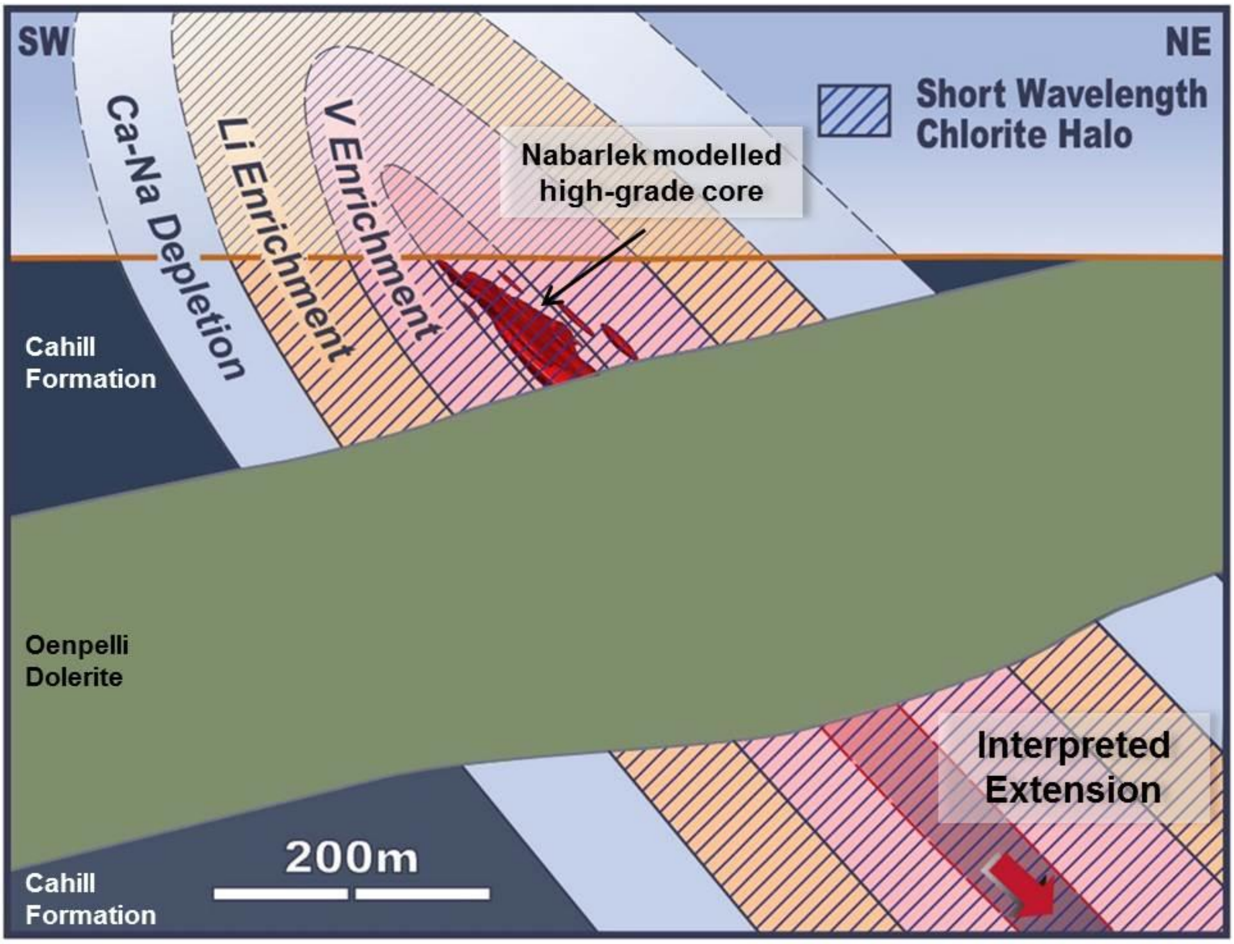


Figure 5: ***- Simplified alteration zoning around the Nabarlek deposit***

New Regional Targets Identified

As a result of the understanding of alteration systems developed in-house by UEL, the Company was able to identify a series of targets previously unrecognised through the course of using standard uranium exploration techniques (Figure 6).

Targets were prioritised as either near-mine targets associated with known mineralised systems or fertile structures identified by the Company through the application of the new alteration model across the Nabarlek Project tenure. The best targets were designated for follow up by a six hole (1,292m) RC drilling program which was completed in September.

Results are awaited in relation to the drilling which was designed to test:

- **The N147 Extension,** where two angled holes (429m) were drilled to target extensions of the known mineralisation at the N147 Prospect within the Nabarlek structural corridor, where historical drilling has intersected ore-grade mineralisation; and

- **Target GC-11,** which is a geochemical target where shallow aircore drilling by previous explorers intersected enriched lithium, vanadium and lead-isotope signatures considered analogous to the alteration proximal to the Nabarlek orebody. Although only anomalous uranium mineralisation was encountered in these historic holes the Company considers the tenor and size of the alteration signature highlights a potential ‘near-miss’ opportunity, and targeted this with a fence of four (863m) angled RC holes.

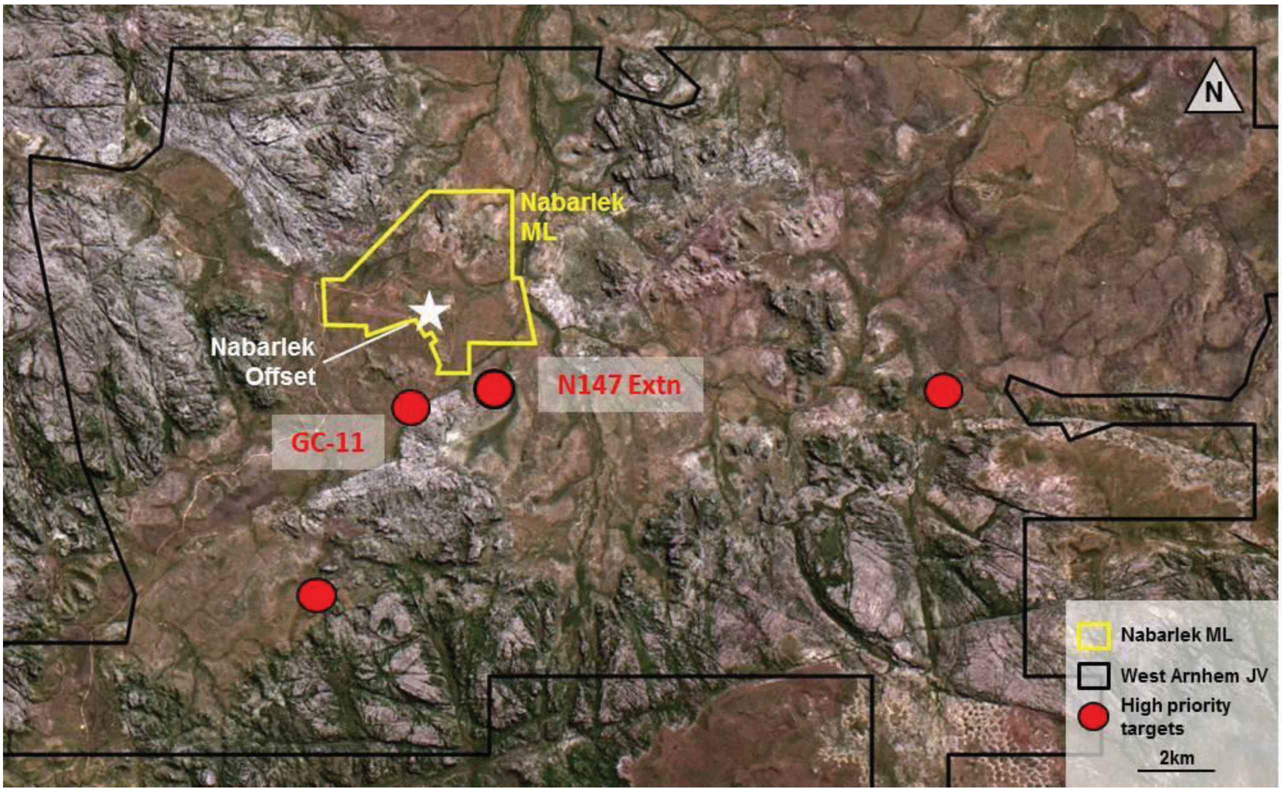


***Figure 6:* - Nabarlek Project, regional alteration targets on Landsat satellite imagery.**

During the year the Company engaged Dr Jon Hronsky, principal of Western Mining Services, to work with the Company's technical team to locate potential targets generated by a Minerals System study with the consolidated 5,000km2 land holding. With the exciting new targets generated by the Minerals System study, the Company conducted a review of the associated open-file data.

The Company is liaising with Traditional Owners and the Northern Land Council to commence progressing tenements to grant.

1.2 Other Projects

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).

During the year Cameco Australia withdrew from the farm-in and joint venture. The data generated by Cameco Australia has been returned to the Company and reviewed. The Company confirmed that all high priority Targets remain to be tested in the field and have continued to work on identifying potential partners to progress the Rudall River Project further.

3. SUSTAINABLE DEVELOPMENT

Uranium Equities' activities are directed towards establishing reliable, economic mineral resources through its exploration and business development units. In undertaking these activities, the Company seeks to meet the principles of sustainable development.

The Company recognises that sustainable development requires social, environmental and economic impacts to be balanced in all its operations and it maintains a strong internal emphasis on monitoring social and environmental performance. This is reflected in the Company's Sustainable Development Policy which can be found on the Company's website.

During the year the Company continued its ongoing program of weed management and water monitoring at the Nabarlek Mineral Lease whilst also working with Traditional Owners on establishing rehabilitation closure criteria for the project.

4. INVESTMENTS

PhosEnergy Limited

In January 2015, PhosEnergy Limited announced positive results of a Pre-Feasibility Study on its PhosEnergy Process. The PhosEnergy Process is a technology for the extraction of uranium from phosphate streams produced in the production of phosphate-based fertilizers.

The Company currently holds approximately 9.9% (3,455,371 shares) in PhosEnergy Limited, which offers strong leverage to the potential commercial development of a low-cost uranium production opportunity. For further information in relation to PhosEnergy, refer to www.phosenergy.com.

Enterprise Uranium Limited (ASX: ENU)

The Company holds 8,004,393 shares in Enterprise Uranium Limited. The current value is $168,092.

5. FINANCIAL REVIEW

5.1 Financial Performance

The group reported a net loss of $899,732 for the year (2014: net loss of $1,480,981). The current year net loss predominantly relates to corporate and administration expenses.

Corporate and administration expenses have decreased by 53% to $669,833 (2014: $1,415,128). Due to market conditions making it a challenge for junior exploration companies to raise capital at the current time, the directors have reviewed all costs during the year and have succeeded in lowering the personnel expenses and fixed overheads. The relocation of head office from Adelaide to Perth was a major contributor to lowering the corporate and administration expenses.

During the year the directors resolved to satisfy accrued directors' fees from 1 April 2013 to 30 September 2014 of $60,839 by the issue of 5,136,814 shares. Net directors' fees payable have continued to be accrued from 1 October 2014 until the Company and directors agree otherwise.

5.2 Statement of Cash Flows

Cash and cash equivalents at 30 June 2015 was $284,783 (2014: $312,539).

In July 2014, the Company completed a fully underwritten entitlement issue and raised $1,013,129. The raising was undertaken through a 1-for-3 pro-rata non-renounceable rights issue to existing shareholders at 1 cent per share. In addition, the Company also received $450,000 from a share placement to sophisticated investors at 1 cent per share.

Exploration expenditure increased by 51% during the year to $979,100 (2014: $646,837) funded by the share issue in July 2014.

5.3 Financial Position

At balance date the Group had net assets of $20,177,206 (2014: $19,730,180), and an excess of current liabilities over current liabilities of $369,706 (2014: $69,603).

Notwithstanding the positive working capital position at balance date and the capital raising completed in August 2015, a 12 month cash flow forecast suggests that the Company will need to raise additional funds in the coming year to meet its operating expenditure and exploration commitments. Due to difficulties being faced by smaller exploration companies seeking to raise additional capital in the current market, if the Company is unable to raise capital, there is a material uncertainty that may cause significant doubt as to whether the Company will be able to continue as a going concern. As a result, the Company's auditors have included in their audit report for the 2015 financial year an "emphasis of matter" paragraph, in relation to going concern.

Current assets decreased by 23% to $393,909 (2014: $506,833). Non-current assets increased by 3% due to expenditure on exploration and evaluation.

Current liabilities increased by 32% to $763,615 in 2015 from $576,436 in the 2014 financial year. This was mainly attributable to the decrease in creditors and all employee benefits being paid out when the office relocated from Adelaide to Perth and the conservative inclusion of a current tax provision in relation to an adverse Certificate of Finding by Innovation Australia under s27J of the Industry Research & Development at 1986 (see section 5.4 below).

In August 2015 the Company completed an underwritten 1-for-3 non-renounceable rights issue to eligible shareholders at 0.8 cents for each new share to raise up to $1,214,369 before issue costs.

5.4 Research and Development Incentive

During the period, AusIndustry advised the Company that it is considered to have a "high risk" of non-compliance with the eligibility requirements of the Research and Development ("R & D") Tax Incentive Scheme operated by the Australian government. Therefore, in accordance with section 27F of the Industry R & D Act 1986, an examination of the Company's R & D Tax Incentive registration has taken place for the 2011/12, 2012/13 and 2013/2014 financial years.

In September 2015, the Company received a Certificate for Finding from Innovation Australia under Section 27J of the Industry Research and Development Act 1986 ("IR&D Act") regarding its R&D tax incentive claim for the abovementioned financial years.

Innovation Australia ascertain that certain R&D tax incentive claims in relation to the West Arnhem, Frome and Marla projects made by the Company in these years are non-compliant, and as such, require repayment to the extent of $438,750. The Company and its advisor strongly disagree with the findings and believe all tax incentives received pursuant to the IR&D Act meet the eligibility requirements. Notwithstanding this, the Company has considered it prudent to record the amount as a provision (see note 18).

Uranium Equities intends to take all necessary steps to dispute these findings of which the first step will be requesting that the Board of Innovation Australia reconsider the decision and commence a review under Division 5 of the IR&D Act (being an internal review of the finding).

Tim Goyder
Chairman

Competent Person Statement

This information in relation to the potential 'offset' extension at the Nabarlek Project is extracted from the ASX Announcements entitled 'UEQ Identifies Significant New exploration Target Beneath High-Grade Nabarlek Uranium Mine, NT' created on 7th May 2015 and announcement 'Drilling Commences at Nabarlek Uranium Project' created on 3rd August 2015 and available to view at www.uel.com.au.

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statement

This report contains forward-looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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%

The directors present their report together with the financial statements of the Group consisting of Uranium Equities Limited ('Uranium Equities' or 'the Company') and its controlled entities ("the Group") for the financial year ended 30 June 2015 and the independent auditor's report thereon.

1. Directors

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name, qualifications and independence status	Experience, special responsibilities and other directorships
T R B Goyder Chairman	Tim has over 30 years' experience in the resource industry. He has been involved in the formation and management of a number of publicly-listed companies and is currently Managing Director of Chalice Gold Mines Limited, Chairman of Liontown Resources Limited and a Director of PhosEnergy Limited. He has been a Director since 2002, Chairman since November 2013, and is a member of the Company's Audit Committee. Tim was also previously a Director of Strike Energy Ltd from 2010 until June 2014.
B L Jones BAppSc, MMinEng, FAusIMM Non-executive Director	Bryn is an Industrial Chemist with extensive experience in the uranium industry, particularly in the development of the PhosEnergy Process and operation of In-Situ Recovery (ISR) mines gained during his time at Heathgate Resources, the operator of the Beverley Uranium Mine. Bryn has also worked for Worley Parsons on the Olympic Dam Expansion Project and consulted on various ISR operations around the world. Bryn is Managing Director of PhosEnergy Limited. He has been a Director of the Company since 2009 and is a member of the Company's Audit Committee.
R K Hacker B.Com, ACA, ACIS Independent Non-executive Director	Richard has significant professional and corporate experience in the energy and resources sector in Australia and the United Kingdom. Richard has previously worked in senior finance roles with global energy companies including Woodside Petroleum Limited and Centrica Plc. He is a Chartered Accountant and Chartered Secretary. Richard has been a Director since 2013 and is the Chairman of the Company's Audit Committee.

2. Company secretary

K A Verheyen B.Com, ACA (appointed 24 September 2014)	Kym is a Chartered Accountant with over 20 years' experience gained in both public and private practice and commerce. Kym commenced her career with Deloitte and has since held finance positions in a diverse range of industries.
R A Heinrich B.Com, FCPA (resigned 24 September 2014)	

3. Directors' meetings

The number of directors' meetings (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

Director	Directors' Meetings	Audit	Remuneration**	Nomination**
Number of meetings held:	4	2	-	-
Number of meetings attended:				
T R B Goyder	4	2	-	-
B L Jones	4	1	-	-
R K Hacker	4	2	-	-

**The full Board did not officially convene as a nomination or remuneration committee during the reporting period, however, nomination and remuneration discussions occurred at Board meetings as required.

Given the current size and composition of the Board, the Company has not established a separate remuneration or nomination committee.

4. Principal activities

The principal activities of the Group during the course of the financial year were mineral exploration and evaluation and there have been no significant changes in the nature of those activities during the year.

5. Operating and Financial Review

The directors of Uranium Equities Limited present the Operating and Financial Review of the Group, prepared in accordance with section 299A of the Corporations Act 2001 for the year ended 30 June 2015. The information provided in this review forms part of the Directors' Report and provides information to assist users in assessing the operations, financial position and business strategies of the Company. Please refer to page 2 for further details.

6. Significant changes in the state of affairs

Other than the progress documented above, the state of affairs of the Company was not affected by any other significant changes during the year.

7. Remuneration report – audited

7.1 Introduction

This remuneration report for the year ended 30 June 2015 outlines remuneration arrangements in place for directors and other members of the key management personnel ("KMP") of Uranium Equities in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration for key management personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, or any controlled entity. KMPs during or since year end were:

(i) Directors
T R B Goyder (Chairman)
B L Jones (Non-executive Director)
R K Hacker (Non-executive Director)

(ii) Executives
R A Heinrich (CFO and company secretary) (resigned 24 September 2014)

There were no other changes to KMP after the reporting date and before the date the financial report was authorised for issue.

7.1.1 Remuneration philosophy

The performance of the Company depends upon the quality of the directors and executives. The philosophy of the Company in determining remuneration levels is to set competitive remuneration packages to attract and retain high calibre employees and to link a significant component of executive rewards to shareholder value creation. The size, nature and financial strength of the Company are also taken into account when setting remuneration levels so as to ensure that the operations of the Company remain sustainable.

7.1.2 Remuneration committee

The Board performs the role of the Remuneration Committee and is responsible for determining and reviewing compensation arrangements for the directors, the Managing Director (or equivalent) and any executives.

7.1.3 Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive and executive remuneration is separate and distinct.

a) Non-executive director remuneration

The Board recognises the importance of attracting and retaining talented non-executive directors and aims to remunerate these directors in line with fees paid to directors of companies of a similar size and complexity in the mining and exploration industry. The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The Company's Constitution and the ASX Listing Rules specify that the aggregate fees to be paid to non-executive directors for their role as a director are to be approved by shareholders at a general meeting. The latest determination was at the 2006 AGM, whereby Shareholders approved an aggregate amount of up to $200,000 per year (including superannuation).

The amount of total compensation apportioned amongst directors is reviewed annually and the Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process. The Board will not seek any increase for the non-executive pool at the 2015 AGM.

The remuneration of non-executive directors consists of directors' fees. Each director receives a fee for being a director of the Company. No additional fees are paid for each Board committee which a director sits due to the size of the Company. The non-executive directors are not entitled to receive retirement benefits and, at the discretion of the Board, may participate in the Employee Share Option Plan, subject to the usual approvals required by shareholders.

The Board considers it may be appropriate to issue options to non-executive directors given the current nature and size of the Company as, until profits are generated, conservation of cash reserves remains a high priority. Any options issued to directors will require separate shareholder approval.

Apart from their duties as directors, some non-executive directors may undertake work for the Company on a consultancy basis pursuant to the terms of consultancy services agreement. The nature of the consultancy work varies depending on the expertise of the relevant non-executive director. Under the terms of these consultancy agreements non-executive directors would receive a daily rate or a monthly retainer for the work performed at a rate comparable to market rates that they would otherwise receive for their consultancy services.

Non-executive directors are not eligible to participate in the Company's LTIP.

As a cash conservation measure the Board has resolved to accrue rather than pay the majority of non-executive director fees until further notice. At 30 June 2015 the balance of non-executive directors' fees owing was $51,426 (2014: $82,292).
The remuneration of non-executive directors for the year ended 30 June 2015 is detailed in page 16 of this report.

b) Executive remuneration

The Company's executive remuneration strategy is designed to attract, motivate and retain high performance individuals and align the interests of executives and shareholders. Remuneration consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

Fixed remuneration

Fixed remuneration is reviewed as required by the Board by a process which consists of a review of relevant comparative remuneration in the market and, where appropriate, external advice on policies and practices.

Variable remuneration - Employee Long Term Incentive Plan (LTIP)

The Employee Long Term Incentive Plan ("LTIP"), allows the Board to grant performance-based rights linked to measurable achievements to employees of the Company, including executive directors ("Performance Rights"). Performance Rights convert into fully paid ordinary shares in the Company when the particular vesting conditions are met. The LTIP was approved by shareholders on 24 May 2013.

Whilst the LTIP is currently not being utilised, the Company believes that in the future, grants of Performance Rights made to eligible participants under the LTIP provides a powerful tool to underpin the Company's employment and growth strategy. In particular the LTIP will:

(a) enable the Company to recruit and retain the people needed to achieve the Company's business objectives;
(b) link the reward of key staff with the achievements of strategic goals and the long term performance of the Company;
(c) align the financial interest of participants of the LTIP with those of shareholders; and
(d) provide incentives to participants of the LTIP to focus on superior performance that creates shareholder value.

A summary of the LTIP is as follows:

Feature	Details
Eligibility	All full-time employees and permanent part-time employees (including executive directors and the managing director) of the Company are eligible participants. Shareholder approval is required before any director or related party of the Company can participate in the LTIP.
Award quantum	The award quantum will be determined in consideration of total remuneration of the individual, market relativities and business affordability. The LTIP does not set out a maximum number of shares that may be issuable to any one person, other than a 5% limit of the total number of issued shares.
Performance & Service conditions	The performance conditions that must be satisfied in order for the performance rights to vest are determined by the Board. The performance conditions may include one or more of the following: • Employment of a minimum period of time following the issue of unlisted Performance Rights; • Achievement of specific objectives by the participant and/or the Company. This may include the achievement of share price targets and other major long term milestone targets; or • Such other performance objectives as the Board may determine.
Vesting	Vesting will occur at the end of a defined period and upon the achievement of the performance and service conditions.
Term and lapse	The term of the performance rights is determined by the Board in its absolute discretion, but will ordinarily have a three year term up to a maximum of five years. Performance Rights are subject to lapsing if performance conditions are not met by the relevant measurement date or expiry date (if no other measurement date is specified) or if employment is terminated for cause or in circumstances as described below.
Price Payable by Participant	No consideration.
Cessation of Employment	If an employee leaves the Company prior to the expiration of the relevant vesting period for a particular award of performance rights, generally such performance rights would lapse except in certain limited situations such as disability, redundancy or death.

Variable remuneration - Employee and Consultants Option Plan

Options may be issued under the Employee and Consultants Option Plan to directors (subject to shareholder approval), employees and consultants of the Company and, subject to discretion of the directors, vested options must be exercised within 3 months of termination. Typically, other than continuing to provide services to the Company, there is no performance hurdle required to be achieved by the Company to enable the options to be exercised.

The Company believes that the issue of share options in the Company aligns the interests of directors, employees and shareholders alike. As no formal performance hurdles are set on options issued to executives, the Company believes that as options are issued at a price in excess of the Company's current share price at the date of issue of those options, there is an inherent performance hurdle as the share price of the Company's shares has to increase before any reward can accrue to the executive.

The Company's Securities Trading Policy prohibits options being exercised or the use of derivatives to limit risk in a closed period or whilst an option holder has price sensitive inside information.

Short term incentive schemes

The Company currently has no formal performance related remuneration policy which governs the payment of annual cash bonuses upon meeting pre-determined performance targets. However, the board may consider performance related remuneration in the form of cash or share options when they consider these to be warranted.

Link between performance and executive remuneration

In considering the Group's performance and benefits for shareholder wealth, the Board has regard to the following indices in respect of the current financial year and the previous four financial years:.

	2015	2014	2013	2012	2011
	$	$	$	$	$
Loss attributable to owners of the company	(899,732)	(1,480,981)	(2,612,310)	(2,047,865)	(2,494,378)
Share price	(0.01)	(0.01)	(0.01)	(0.02)	-

Employment contracts

There are no current employment contracts with KMP at the date of this report.

It was agreed to end Mr Goyder's executive services agreement on 30 September 2014. The terms of the contract (which was for a 6 month period only) included annual remuneration of $95,000 including superannuation, no fixed term and a standard notice period of 1 month. In the prior year, as a cash conservation measure, Mr Goyder elected to have his remuneration accrued and not paid. At 30 June 2015 the balance owing under this contract was $45,440 (2014: $23,750).

Payments applicable to outgoing executives

The former Company Secretary and CFO, R Heinrich, had a contract of employment with the Company which was of unlimited term and capable of termination on one month's notice. Termination payments were linked to length of service with a maximum of 8 weeks base salary payable after 4 years of service.

Mr Heinrich resigned from the Group on 24 September 2014. As a result, Mr Heinrich received a termination payment of $70,898, in accordance with the terms of his employment contract.

Mr Heinrich also forfeited his unexercised share options.

7.2 Directors' and executive officers' remuneration

Details of the nature and amount of each major element of remuneration of each director of the Company and other key management personnel are:

Consolidated and the Company Key Management Personnel		Short-term payments				Post-employment payments	Other Long-term	Termination benefits	Share-based payments	Total	
		Salary & fees (B)	Annual leave entitlements paid	Non-monetary benefits	Total	Superannuation benefits	Long service leave entitlements paid		Options & Performance Rights (A)		Value of options as proportion of remuneration
		$	$	$	$	$	$	$	$	$	%
Directors											
T R B Goyder (C)	2015	43,379	-	3,325	46,704	4,121	-	-	-	50,825	-
	2014	55,301	-	3,426	58,727	5,115	-	-	-	63,842	-
B L Jones	2015	23,414	-	3,325	26,739	2,224	-	-	-	28,963	-
	2014	207,272	54,488	3,844	265,604	18,056	76,789	-	-	360,449	-
R K Hacker	2015	23,149	-	3,325	26,474	2,892	-	-	-	29,366	-
	2014	13,349	-	1,598	14,947	1,235	-	-	-	16,182	-
A W Kiernan	2015	-	-	-	-	-	-	-	-	-	-
(resigned 28 November 2013)	2014	26,697	-	1,142	27,839	2,470	-	-	-	30,309	-
T C Pool	2015	-	-	-	-	-	-	-	-	-	-
(resigned 1 October 2013)	2014	15,000	-	685	15,685	-	-	-	-	15,685	-
Executives											
R A Heinrich	2015	50,000	-	831	50,831	4,750	-	70,898	-	126,479	-
(CFO & Company Secretary)	2014	200,000	-	4,096	204,096	18,500	-	-	-	222,596	-
(resigned 24 September 2014)											
Total Compensation	**2015**	**139,942**	**-**	**10,806**	**150,748**	**13,987**	-	**70,898**	**-**	**235,633**	**-**
	2014	**517,619**	**54,488**	**14,791**	**586,898**	**45,376**	**76,789**	**-**	**-**	**709,063**	**-**

Notes in relation to the table of directors' and executive officers' remuneration

A. The fair value of the options are calculated at the date of grant using a Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options allocated to this reporting period. In valuing the options, market conditions have been taken into account. (Refer to note 19).

B. Due to the market conditions and with an emphasis on conserving cash reserves, directors agreed to continue to accrue all or part of director fees. Of the total $139,942 reported as salary and fees for the year ended 30 June 2015, the amount of $42,280 (2014: $106,042) remained outstanding. All taxation liabilities have been paid during the year.

C. Mr Goyder suspended his director's fee from 1 January 2015 to assist in conserving the Company's cash reserves.

7.3 Equity instruments

7.3.1 Options and rights over equity instruments granted as compensation

There were no options or performance rights over ordinary shares in the Company granted as compensation during the reporting period.

7.3.2 Exercise of options or performance rights granted as compensation

During the reporting period there were no shares issued on the exercise of options or performance rights previously granted as compensation.

7.3.3 Analysis of options and performance rights vested during the year

During the reporting period there was no vesting of options or performance rights previously granted as compensation.

7.3.4 Analysis of movements in options and performance rights

Movement in Options

The movement during the reporting period in the number of options over ordinary shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Held at 1 July 2014	Granted	Exercised	Expired/ Forfeited	Held at 30 June 2015	Vested during the year	Vested and exercisable at 30 June 2015
Directors							
T R B Goyder	-	-	-	-	-	-	-
B L Jones	-	-	-	-	-	-	-
R K Hacker	-	-	-	-	-	-	-
Executive							
R A Heinrich	250,000	-	-	(250,000)	-	-	-

Movement in Performance Rights

There were no movements during the reporting period of performance rights over ordinary shares.

7.3.5 Movement in equity holdings of key management personnel

Movement in ordinary shares

The movement during the reporting period in the number of ordinary shares in Uranium Equities held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Held at 1 July 2014	Purchases	Shares issued in lieu of directors' fees (2)	Received on exercise of options or rights	Sales	Held at 30 June 2015
Directors						
T R B Goyder	54,038,782	59,512,928	-	-	-	113,551,710
B L Jones	1,930,841	643,615	527,877	-	-	3,102,333
R K Hacker	1,000,000	-	879,795	-	-	1,879,795
Executive						
R A Heinrich	160,000	-	-	-	-	(1)

(1) R A Heinrich resigned on 24 September 2014. His shareholding at this date was 160,000. As Mr Heinrich is no longer an executive his shareholding at 30 June 2015 has not been disclosed.

(2) 1,407,672 ordinary shares were issued to current non-executive directors during the reporting period in lieu of receiving directors' fees.

7.3.6 Other transactions with key management personnel

Shares issues to directors in lieu of salaries and fees

Commencing on 1 July 2013 and to preserve cash within the Company, each director agreed to accrue part or all of their respective directors' fees until further notice. Following shareholder approval, each director listed below agreed to be issued shares in full satisfaction of their respective outstanding fees as at 30 September 2014:

	Directors' Fees Outstanding $	Shares Issued No.
Directors		
Bryn Jones	6,252	527,877
Richard Hacker	10,420	879,795
Total	16,672	1,407,672

The deemed issue price of 1.184 cents per share was calculated by taking the volume weighted average share price for Uranium Equities Limited ordinary shares for the 30 days up to and including 10 October 2014.

It was also agreed to continue to accrue part or all of directors' fees from 1 October 2014 until further notice. At 30 June 2015 the balance of directors' fees owing was $131,865. Of this, $122,766 is owed to Mr Tim Goyder for fees and salary for the period from 1 July 2013 to 31 December 2014.

Individual directors' and executives' compensation disclosures

Information regarding individual directors' and executives' compensation is provided in Section 7.2.

Loans to key management personnel and their related parties

Loans made to key management personnel and their related parties is as follows:

	Balance at beginning of year	Loans made during the year	Interest charged	Interest not charged	Write-off or allowance for doubtful debt	Balance at end of period	Number of KMP in group
2015	52,239	-	4,340	-	-	56,579	2
2014	-	50,000	2,239	-	-	52,239	2

A loan of $50,000 to PhosEnergy Limited was made in the 2014 financial year as part of the demerger of the Company's PhosEnergy Process assets. The loan expiry date has been extended 31 October 2015. The loan has an interest rate of 8.5% per annum.

Other key management personnel transactions with the Company or its controlled entities

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

A number of these entities transacted with the Company or its subsidiaries in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

The aggregate amounts recognised during the year relating to key management personnel and their related parties were as follows:

Key management persons	Transaction	Note	2015	2014
A W Kiernan	Corporate advisory fees	(i)	-	(10,000)
B L Jones R A Heinrich	Process engineering consultancy fees	(ii)	(144,300)	(420,313)
T R B Goyder	Corporate advisory fees	(iii)	-	(35,000)
	Underwriting fees	(iv)	(11,500)	-
T R B Goyder R K Hacker	Corporate Service Charge	(v)	(49,500)	-

(i) The Company used the corporate advisory services of Anthony Kiernan until 30 August 2013. Mr Kiernan resigned as a director on 28 November 2013.

(ii) The Company used the process engineering consultancy services of Inception Consulting Engineers Pty Ltd (in relation to PhosEnergy, from February 2012 onwards), in which Messrs Jones and Heinrich have a 25% and 16.67% beneficial interest respectively.

(iii) The Company used the corporate advisory services of Mr Goyder between 1 September 2013 and 31 March 2014. These fees have been accrued as a cash conservation measure.

(iv) Lotaka Pty Ltd, a company associated with Mr Tim Goyder, partially underwrote the 1-for-3 non-renounceable rights issue in July 2014. Lotaka Pty Ltd was paid a fee of 3.5% of the underwritten amount, and the underwriting was on customary terms. The total amount paid during the year was $11,500.

(v) The Group receives corporate services including office rent and facilities, management and accounting services under a Corporate Services Agreement with Chalice Gold Mines Limited. Mr Goyder is a Director of Chalice Gold Mines Limited. Mr Hacker is the CFO of Chalice Gold Mines Limited. Amounts billed are based on a proportionate share of the cost to Chalice Gold Mines Limited of providing the services and have normal payment terms.

Amounts payable to key management personnel at reporting date arising from these transactions were as follows:

Assets and liabilities arising from the above transactions	2015	2014
Accrued expenses	40,500	35,000
Trade payables	-	34,700
	40,500	69,700

8. Dividends

No dividends were declared or paid for the previous year and the directors recommend that no dividend be paid for the current year.

9. Events subsequent to reporting date

In August 2015 the Company completed an underwritten 1-for-3 non-renounceable rights issue to eligible shareholders at 0.8 cents for each new share to raise up to $1,214,369 before issue costs.

There were no other events subsequent to reporting date requiring disclosure in this report.

10. Likely developments

The Company will continue activities in the exploration and evaluation of uranium projects with the objective of establishing a significant uranium production business.

11. Directors' interests

Securities

The relevant interest of each director in the shares, rights or options over such instruments issued by the Company and other related bodies corporate, as notified by the directors to the ASX in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Ordinary shares	Options over ordinary shares	Performance Rights over ordinary shares
T R B Goyder	151,402,281	-	-
B L Jones	3,487,333	-	-
R K Hacker	2,567,295	-	-

12. Options & Performance Rights

Options granted to directors and officers of the Company

During or since the end of the financial year, the Company did not grant any options over unissued ordinary shares in the Company to directors and officers of the Company as part of their remuneration.

Unissued shares under options and Performance rights

At the date of this report, no unissued ordinary shares of the Company are under option or Performance Rights.

Performance Rights

At the date of this report there were no Performance Rights issued.

Shares issued on exercise of options and Performance Rights

During or since the end of the financial year, the Company has not issued ordinary shares as a result of the exercise of options or vesting of Performance Rights.

13. Indemnification and insurance of directors and officers

The Company has agreed to indemnify all the directors and officers of the Company or its controlled entities during this financial year, against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors or officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

During the financial year the Company has paid insurance premiums of $13,300 in respect of Directors' and Officers' liability contracts, for current and former directors and officers, including executive officers of the Company and directors and executive officers and secretaries of its controlled entities. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The amount of insurance paid is included in directors' and executives' remuneration.

14. Proceedings on behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

15. Non-audit services

During the year KPMG, the Company's auditor up until 26th November 2014, had performed no other services in addition to their statutory audit duties. HLB Mann Judd, the Company's current auditor has performed no other services in addition to their statutory audit duties.

16. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 22 and forms part of the directors' report for financial year ended 30 June 2015.

17. Corporate Governance

The directors of the Group support and adhere to the principles of corporate governance, recognising the need for the highest standard of corporate behaviour and accountability. Please refer to the corporate governance statement dated 29 September 2015 released to ASX and posted on the Company website at www.uel.com.au/governance.

This report is made in accordance with a resolution of the directors:

Tim Goyder
Executive Chairman

Dated at Perth this the 29th day of September 2015.

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Uranium Equities Limited for the year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia	**L Di Giallonardo**
29 September 2015	**Partner**

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015	2014
Total revenue			
Other income	3	196,710	810,000
Exploration rent reimbursed		58,525	-
Exploration and evaluation expenditure written off		(3,134)	-
Impairment losses on exploration and evaluation assets	14	-	(1,519,593)
Corporate and administration expenses	4(a)	(669,833)	(1,415,128)
Impairment loss on available-for-sale assets	4 (b)	(152,084)	-
Loss on disposal of fixed assets		(5,185)	(47,192)
Results from operating activities		**(575,001)**	**(2,171,913)**
Finance income	7	65,234	81,951
Finance costs	7	(140,980)	(134,114)
Net finance income		**(75,746)**	**(52,163)**
Gain on loss of control of subsidiary	4(c)	-	218,990
Reversal of impairment/(impairment loss) on equity accounted investee	4(d)	-	74,561
Loss before income tax		(650,747)	**(1,930,525)**
Income tax benefit/(expenses)	8	(248,985)	449,544
Loss for the period attributable to owners of the Company		**(899,732)**	**(1,480,981)**
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss:			
Net change in fair value of available for sale financial assets		(72,039)	573,344
Total other comprehensive income		**(72,039)**	**573,344**
Total comprehensive loss for the period attributable to owners of the Company		**(971,771)**	**(907,637)**
Earnings per share			
Basic loss per share attributable to ordinary equity holders (cents per share)	9	(0.21)	(0.49)
Diluted loss per share attributable to ordinary equity holders (cents per share)	9	(0.21)	(0.49)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the financial statements.

Attributable to equity holders of the Group

	Note	Share capital $	Share-based payments reserve $	Fair value reserve $	Translation reserve $	Accumulated losses $	Total $
Balance at 1 July 2014		**47,242,083**	**5,299,871**	**573,344**	**-**	**(33,385,118)**	**19,730,180**
Total comprehensive (loss) for the period							
Loss for the period		-	-	-	-	(899,732)	(899,732)
Other comprehensive (loss)							
Net change in fair value of available-for-sale financial assets		-	-	(72,039)	-	-	(72,039)
Total other comprehensive (loss)		-	-	(72,039)	-	-	(72,039)
Total comprehensive (loss) for the period		**-**	**-**	**(72,039)**	**-**	**(899,732)**	**(971,771)**
Transactions with owners, recorded directly to equity							
Rights issue and placement		1,463,129	-	-	-	-	1,463,129
Issue of shares in lieu of directors' fees	27	60,839	-	-	-	-	60,839
Less share issue costs		(96,595)	-	-	-	-	(96,595)
Other share-based payment transactions	19	-	(8,576)	-	-	-	(8,576)
Transfer from reserve		-	(5,291,295)	-	-	5,291,295	-
Total contributions by and distributions to owners		**1,427,373**	**(5,299,871)**	**-**	**-**	**5,291,295**	**1,418,797**
Balance at 30 June 2015		**48,669,456**	**-**	**501,305**	**-**	**(28,993,555)**	**20,177,206**

The consolidated statement of changes in equity is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

Attributable to equity holders of the Group

	Note	Share capital $	Share-based payments reserve $	Fair value reserve $	Translation reserve $	Accumulated losses $	Total $
Balance at 1 July 2013		**48,125,907**	**5,293,580**	**-**	**218,990**	**(31,904,137)**	**21,734,340**
Total comprehensive income/(loss) for the period							
Loss for the period		-	-	-	-	(1,480,981)	(1,480,981)
Other comprehensive income							
Net change in fair value of available for sale financial assets		-	-	573,344	-	-	573,344
Total other comprehensive income		-	-	573,344	-	-	573,344
Total comprehensive income/(loss) for the period		**-**	**-**	**573,344**	**-**	**(1,480,981)**	**(907,637)**
Transactions with owners, recorded directly to equity							
In-specie distribution of PhosEnergy Limited shares to shareholders		(988,396)	-	-	(218,990)	-	(1,207,386)
Issue of shares in lieu of directors' fees	20	104,572	-	-	-	-	104,572
Other share-based payment transactions	19	-	6,291	-	-	-	6,291
Total contributions by and distributions to owners		**(883,824)**	**6,291**	**-**	**(218,990)**	**-**	**(1,096,523)**
Balance at 30 June 2014		**47,242,083**	**5,299,871**	**573,344**	**-**	**(33,385,118)**	**19,730,180**

The consolidated statement of changes in equity is to be read in conjunction with the notes to the financial statements.

	Note	2015	2014
Current assets			
Cash and cash equivalents	10	284,783	312,539
Trade and other receivables	11	109,126	194,294
Total current assets		**393,909**	**506,833**
Non-current assets			
Restricted cash	12	1,614,273	1,604,273
Available-for-sale investments	13	859,166	992,359
Exploration and evaluation expenditure	14	19,231,361	18,376,954
Property, plant and equipment	15	85,810	136,371
Other	16	325,000	325,000
Total non-current assets		**22,115,610**	**21,434,957**
Total assets		**22,509,519**	**21,941,790**
Current liabilities			
Trade and other payables	17	239,600	454,297
Provisions	18	523,750	9,547
Employee benefits	19	265	112,592
Total current liabilities		**763,615**	**576,436**
Non-current liabilities			
Provisions	18	1,568,698	1,629,287
Employee benefits	19	-	5,887
Total non-current liabilities		**1,568,698**	**1,635,174**
Total liabilities		**2,332,313**	**2,211,610**
Net assets		**20,177,206**	**19,730,180**
Equity			
Share capital	20	48,669,456	47,242,083
Reserves		501,305	5,873,215
Accumulated losses		(28,993,555)	(33,385,118)
Total equity		**20,177,206**	**19,730,180**

The consolidated statement of financial position is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015	2014
Cash flows from operating activities			
Cash receipts from operations		260,000	815,000
Cash paid to suppliers and employees		(840,979)	(1,468,208)
Interest paid		(463)	(34,100)
Interest received		45,232	102,252
Income tax received		189,765	449,544
Net cash used in operating activities	26	**(346,445)**	**(135,512)**
Cash flows from investing activities			
Payments for investments		(90,931)	-
Proceeds from sale of investments		-	500,000
Proceeds from sale of property, plant and equipment		24,699	-
Payments for mining exploration and evaluation and rehabilitation		(979,100)	(646,837)
Acquisition of exploration and evaluation assets		-	(325,000)
Acquisition of property, plant and equipment		-	(13,829)
Loan to PhosEnergy Ltd		-	(50,000)
Net cash used in investing activities		**(1,045,332)**	**(535,666)**
Cash flows from financing activities			
Net proceeds from issue of shares		1,374,021	(4,075)
Movement in restricted cash		(10,000)	132,056
Net cash from financing activities		**1,364,021**	**127,981**
Net (decrease) in cash and cash equivalents		(27,756)	(543,197)
Cash and cash equivalents at 1 July		312,539	855,736
Cash and cash equivalents at 30 June	10	**284,783**	**312,539**

The consolidated statement of cash flows is to be read in conjunction with the notes to the financial statements.

1. Significant accounting policies

Uranium Equities Limited is an ASX listed public company domiciled in Australia at Level 2, 1292 Hay Street, West Perth, Western Australia. The consolidated financial report comprises the financial statements of Uranium Equities Limited ('Company') and its subsidiaries ('the Group') for the year ended 30 June 2015.

The financial report was authorised for issue by the directors on 29th September 2015.

(a) Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

(b) Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law. The financial report has also been prepared on a historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments classified as available for sale. The financial report is presented in Australian dollars.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated.

The Company is a listed public company, incorporated in Australia and operating in Australia. The principal activity is mineral exploration and evaluation.

New and amended standards adopted by the Group

In the year ended 30 June 2015, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2014. It has been determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group. The Group has adopted the following new and amended Australian Accounting Standards and AASB Interpretations as of 1 July 2014:

- AASB 9 Financial Instruments
- AASB 1031 Materiality
- AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities
- AASB 2013-3 Amendments to Australian Accounting Standards – Recoverable Amount Disclosures for Non Financial Assets
- AASB 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting
- AASB 2013-5 Amendments to Australian Accounting Standards – Investment Entities
- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments
- INT 21 Levies
- AASB 2014-1 Part A – Annual Improvements 2010-2012 Cycle
- AASB 2014-1 Part A – Annual Improvements 2011-2013 Cycle

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2015. The following standards and interpretations have been recently issued or amended and have not been adopted by the Group for the annual reporting period ended 30 June 2015, outlined below:

- AASB 9 Financial Instruments
- AASB 15 Revenue from contracts with customers
- AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interest in Joint Ventures
- AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation

- AASB 2014-9 Amendments to Australian Accounting Standards – Equity method in separate financial statements
- AASB 2014-10 Amendments to Australian Accounting Standards – Sale or contribution of assets between an investor and its associate or joint venture
- AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle
- AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality
- AASB 2015-5 Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception

As a result of this review the directors have determined that there will be no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change will be necessary to the Group's accounting policies.

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding for voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and

any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Investments in subsidiaries held by Uranium Equities Limited are accounted for at cost in the accounts of the parent entity less any impairment charges.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a discount on acquisition.

A change in ownership interest of a subsidiary that does not result in a loss of control is accounted as an equity transaction.

(d) Significant accounting judgements, estimates and assumptions

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Group.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

(i) Recoverability of exploration expenditure

The carrying amount of exploration and evaluation expenditure is dependent on the future successful outcome from exploration activity or alternatively the sale of the respective areas of interest.

(ii) Share-based payment transactions

The Group measures the cost of equity-settled share-based payments at fair value at the grant date using a binomial formula taking into account the terms and conditions upon which the instruments were granted.

(iii) Rehabilitation Provision

Estimates and assumptions of the appropriate discount rate at which to discount the liability, the timing of cash flows, the application of relevant environmental legislation and the future expected costs of rehabilitation are all used in determining the carrying value of the rehabilitation provision. The carrying amount of the provision is set out in note 19.

(e) Going concern

At balance date the Group had net assets of $20,177,206 (2014: $19,730,180), and an excess of current liabilities over current assets of $369,706 (2014: $69,603). As noted in Note 28, the Company completed a non-renounceable rights issue and raised $1,214,369 before issue costs.

Notwithstanding this; a 12 month cash flow forecast suggests that the company will need to raise additional funds in the coming year to meet its operating expenditure and exploration commitments. Due to difficulties being faced by smaller exploration companies seeking to raise additional capital in the current market, if the Company is unable to raise capital, there is a material uncertainty that may cast significant doubt as to whether the Company will be able to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. As a result, the Company’s auditors have included in their audit report for the 2015 financial year an “emphasis of matter” paragraph, in relation to going concern.

(f) Foreign currency translations

The functional currency of the Company is Australian dollars. The presentation currency of the Group is Australian dollars.

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for the following differences which are recognised in other comprehensive income arising on the retranslation of:

- available-for-sale equity investments (except on impairment in which case foreign currency differences that are recognised in other comprehensive income are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedge is effective.

(ii) Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the functional currency at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at average exchange rates.

Foreign currency differences are recognised in other comprehensive income, and presented in foreign currency translation reserve (translation reserve) in equity upon translation to presentation currency. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When settlement of a monetary item receivable from or payable to a foreign operation is neither planned or likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the translation reserve in equity.

(g) Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Board of Directors who are responsible for allocating resources and assessing the performance of the operating segments.

(h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

(i) Sale of assets and interests in exploration assets

Revenue is recognised when the significant risks and rewards of ownership of the goods/exploration assets have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be reliably measured. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods/exploration assets to the buyer.

(ii) Services rendered

Revenue from services rendered is recognised in the statement of profit or loss and other comprehensive income in proportion to the stage of completion of the transaction at balance date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the costs incurred or to be incurred cannot be measured reliably.

(iii) Management fees

Management fees are recognised in the statement of profit or loss and other comprehensive income in proportion to the stage of completion of the services at the reporting date.

(i) Expenses

(i) Operating lease payments

Payments made under operating leases are recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of profit or loss and other comprehensive income as an integral part of the total lease expense and spread over the lease term.

(ii) Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(iii) Net financing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest method, the discount unwind on rehabilitation provisions and interest receivable on funds invested.

Interest income is recognised in the statement of profit or loss and other comprehensive income as it accrues, using the effective interest method. The interest expense component of finance lease payments is recognised in the statement of profit or loss and other comprehensive income using the effective interest method.

(j) Depreciation

Depreciation is charged to the statement of profit or loss and other comprehensive income on a diminishing value basis over the estimated useful lives of each part of an item of property, plant and equipment. The depreciation rates used in the current and comparative periods are as follows:

- plant and equipment 10%-50%
- fixtures and fittings 7.5%-33%
- IT equipment and software 25%-67%

The depreciation rates, useful lives and residual values, if not insignificant, are reassessed annually.

(k) Income tax

Deferred income tax is provided on all temporary differences at reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at reporting date.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

• when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

• when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

• when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

• when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(l) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (‘GST’), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australia Taxation Office (‘ATO’) is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(m) Impairment

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset or cash generating unit. In estimating value in use, a pre-tax discount rate is used which reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cashflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Impairment losses are recognised in the statement of comprehensive income unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the statement of comprehensive income. Receivables with a short duration are not discounted.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and term deposits which are readily convertible to cash. Bank overdrafts that are repayable on demand and form an integral part of the consolidated entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(o) Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently at amortised cost less impairment losses (see accounting policy (m)).

(p) Restricted Cash

Funds placed on deposit with financial institutions to secure bank guarantees are classified as restricted cash.

(q) Non-current assets held for sale and discontinued operations

Immediately before classification as held for sale, the measurement of the assets (and all assets and liabilities in a disposal group) is brought up to date in accordance with applicable AIFRS. Then, on initial classification as held for sale, non-current assets and disposal groups are recognised at the lower of carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held for sale are included in profit or loss, even when there is a revaluation. The same applies to gains and losses on subsequent re-measurement.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. A disposal group that is to be abandoned also may qualify.

(r) Exploration, evaluation and tenement acquisition costs

Exploration, evaluation and tenement acquisition costs in relation to separate areas of interest for which rights of tenure are current, are capitalised in the period in which they are incurred and are carried at cost less accumulated impairment losses. The costs of acquisition of an area of interest and exploration expenditure relating to that area of interest are carried forward as an asset in the statement of financial position so long as the following conditions are satisfied:

1) the rights to tenure of the area of interest are current; and
2) at least one of the following conditions is also met:

- the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation expenditure is assessed for impairment when facts and circumstances suggest that their carrying amount exceeds their recoverable amount. Where this is the case an impairment loss is recognised. Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development. Accumulated expenditure will be amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

(s) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(t) Financial assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value, through profit or loss, directly attributable transactions costs. The Group determines the classification of its financial assets at initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year end.

(i) Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category ‘financial assets at fair value through profit or loss’. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

(ii) Held-to-maturity investments

If the Group has the positive intent and ability to hold debt securities to maturity, then they are classified as held-to-maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method, less any impairment losses.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(iv) Available-for-sale investments

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models.

(u) Derecognition of financial assets and financial liabilities

(i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either:

  (a) has transferred substantially all the risks and rewards of the asset, or

  (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(v) Impairment of financial assets

The Group assesses at each balance date whether a financial asset or group of financial assets is impaired

(i) Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

(ii) Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed in subsequent periods.

(iii) Available-for-sale investments

If there is objective evidence that an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the statement of comprehensive income. Reversals of impairment losses for equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses for debt instruments are reversed through profit or loss if the increase in an instrument's fair value can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

(w) Investments

Financial instruments held by the consolidated entity are classified as being available-for-sale and are stated at fair value, with any resultant gain or loss recognised in equity through other comprehensive income, except for impairment losses which are recognised in profit or loss. Where these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

The fair value of financial instruments classified as available-for-sale is their quoted bid price at the reporting date.

Financial instruments classified as available-for-sale investments are recognised or derecognised by the consolidated entity on the date it commits to purchase or sell the investments.

When a decline in the fair value of an available-for-sale financial asset has been recognised in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

(x) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost.

(y) Leases

Finance leases, which transfer substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of minimum lease payments.

Other leases are operating leases and are not recognised in the consolidated statement of financial position.

(z) Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Group records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation arises. The nature of restoration activities includes the removal of facilities and restoration of affected areas.

When the rehabilitation provision is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related exploration and evaluation assets.

At each reporting date the rehabilitation provision is re-measured to reflect any changes in discount rates and timing and amounts of the costs to be incurred. Such changes in the estimated liability are accounted for prospectively from the date of the change and are added to, or deducted from, the related exploration and evaluation asset.

The unwinding of the discount is recorded as an accretion charge within finance costs. The carrying amount capitalised in exploration and evaluation assets is capitalised in accordance with accounting policy (g) and (l).

(aa) Employee benefits

(i) Superannuation

Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of profit or loss and other comprehensive income as incurred

(ii) Share-based payment transactions

The Company provides benefits to employees (including directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (‘equity-settled transactions’).

The Company currently provides benefits under an Employee and Consultants Share Option Plan and Employee Long Term Incentive Plan.

The cost of these equity-settled transactions with employees and directors is measured by reference to the fair value at the date at which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company (‘market conditions’). The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (‘vesting date’).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

(i) the extent to which the vesting period has expired; and
(ii) the number of awards that, in the opinion of the directors, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options and rights is reflected as additional share dilution in the computation of earnings per share.

(iii) Wages, salaries, annual leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries, annual leave represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the consolidated entity expects to pay as at reporting date including related on-costs, such as, workers compensation insurance and payroll tax.

The Group’s obligation in respect of long-term employee benefits such as long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value using corresponding government bond yields as a discount rate.

(ab) Share capital

(i) Ordinary share capital

Ordinary shares and partly paid shares are classified as equity.

(ii) Transaction costs

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

(ac) Earnings per share

Basic earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(ad) The financial information for the parent entity, Uranium Equities Limited, disclosed in note 24, has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

(ii) Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

2. Segment reporting

Business segments

The Group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources. The operating segments are identified by management based on the allocation of costs; whether they are corporate related costs or exploration costs. Results of both segments are reported to the Board of Directors at each board meeting.

The operating segments have changed from the prior years due to the demerger of PhosEnergy in September 2013. The revised reportable segments have been identified as Exploration and Evaluation and Corporate costs.

Comparatives have been restated to reflect the change in reportable segments.

	Exploration and Evaluation		Corporate		Total	
	2015	2014	2015	2014	2015	2014
Other income	-	-	196,710	810,000	196,710	810,000
Exploration rent reimbursed	58,525	-	-	-	58,525	-
Impairment of exploration & evaluation assets	-	(1,519,593)	-	-	-	(1,519,593)
Exploration & evaluation costs written off	(3,134)	-	-	-	(3,134)	-
Corporate administrative expenses	-	-	(669,833)	(1,415,128)	(669,833)	(1,415,128)
Impairment of available-for-sale assets	-	-	(152,084)	-	(152,084)	-
Loss on disposal of fixed assets	9,934	-	(15,119)	(47,194)	(5,185)	(47,194)
Net financing income					(75,746)	(52,163)
Other					-	293 551
Loss before income tax					(650,747)	(1,930,525)
Segment assets	21,207,011	20,359,543	86,227	225,021	21,293,238	20,584,564
Unallocated assets					1,216,281	1,357,226
Total assets					22,509,519	21,941,790
Segment liabilities	2,145,947	1,638,834	186,366	572,776	2,332,313	2,211,610
Unallocated liabilities					-	-
Total liabilities					2,332,313	2,211,610

3. Other income

	2015	2014
Management fees	195,000	810,000
Sundry Income	1,710	-
	196,710	810,000

4. Loss before income tax expense

	Note	2015	2014
(a) Corporate administrative expenses			
Depreciation and amortisation		10,714	22,415
Insurance		22,357	23,617
Legal fees		9,090	31,153
Corporate service charge and reimbursements		49,663	-
Office costs		456	51,138
Personnel expenses	5	345,822	669,257
Regulatory and compliance		155,634	174,849
Other		76,097	442,699
		669,833	1,415,128

		2015	2014
(b)	**Impairment loss on available-for-sale assets**		
	Enterprise Uranium Limited (ASX: ENU)	(152,084)	-
		(152,084)	-

		2015	2014
(c)	**Gain on loss of control**		
	PhosEnergy Limited	-	218,990
		-	218,990

On 13 September 2013 the Company completed a demerger of its PhosEnergy Process assets by way of an in-specie distribution of the majority of the issued shares in PhosEnergy Limited to shareholders. At the balance date the Group holds approximately 9.1% of PhosEnergy Limited equity which has been classified as an available-for-sale financial asset.

The gain on loss of control represents the recycling of foreign currency translation reserves held against the PhosEnergy assets.

		2015	2014
(d)	**Reversal of impairment/(impairment loss) on equity accounted investees**		
	Energia Minerals Limited (ASX: EMX)	-	74,561
		-	74,561

The Group sold its interest in Energia Minerals Limited on 30 October 2013 for a combination of $500,000 cash and 8,004,393 ordinary shares in listed uranium explorer Enterprise Uranium Limited (ASX: ENU) with a fair value of $320,176 at the date of sale.

The reversal of impairment of $74,561 represents the difference between the total consideration of $820,176 and the carrying amount of Energia Minerals shares at 30 June 2013 of $745,615.

5. Personnel expenses

	Note	2015	2014
Wages and salaries		336,219	422,279
Directors' fees		53,654	95,417
Other associated personnel expenses		56,395	181,529
Superannuation fund contributions		27,050	77,531
Decrease in liability for annual leave		(76,181)	(55,870)
Increase/(decrease) in provision for long service leave		(42,739)	(57,920)
Equity-settled transactions	18	(8,576)	6,291
		345,822	669,257

Due to market conditions and with an emphasis on conserving cash reserves, directors agreed, from 1 October 2014, to continue to accrue director' fees but defer the payment of director's fees until further notice. Of the $53,654 directors' fees reported above, $20,591 was owing at 30 June 2015.

6. Auditor's remuneration

Audit services	2015	2014
Auditors of the Company		
Audit and review of financial reports		
KPMG Australia	-	38,500
HLB Mann Judd	23,500	-

7. Net financing income

	2015	2014
Interest income	65,234	81,951
Unwind of discount on rehabilitation provision	(115,549)	(97,137)
Net foreign exchange gain/(loss)	-	(2,877)
Interest expense and bank charges	(25,431)	(34,100)
Total financial expenses	(140,980)	(134,114)
Net financing income	(75,746)	(52,163)

8. Income Tax

The Company and its wholly-owned Australian resident subsidiaries are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity.

	2015	2014
Current tax benefit/(expense)	(248,985)	449,544
Total income tax benefit reported in the statement of profit or loss and other comprehensive income	(248,985)	449,544

Numerical reconciliation between tax expense and pre-tax net loss:

	2015	2014
Loss before tax	(650,747)	(1,930,525)
Income tax benefit using the domestic corporation tax rate of 30% (2014: 30%)	195,223	579,157
Decrease in income tax benefit due to:		
Non-deductible expenses	2,478	(2,094)
Over/(under) provision in prior period	(248,985)	422,935
Current and deferred tax expense/(benefit) not recognised	(197,701)	(550,454)
Income tax benefit/(expense) on loss before tax	(248,985)	449,544

Deferred tax assets and liabilities for the Group are attributable to the following:

	Assets		Liabilities		Net	
	2015	2014	2015	2014	2015	2014
Exploration and evaluation assets	-	-	5,866,908	5,513,086	5,866,908	5,513,086
Capital raising costs	(66,334)	(42,574)	-	-	(66,334)	(42,574)
Rehabilitation provision	(496,109)	(491,650)	-	-	(496,109)	(491,650)
Other items	(52,604)	(42,594)	4,725	-	(47,879)	(42,594)
	(615,047)	(576,818)	5,871,633	5,513,086	5,256,586	4,936,268
Tax losses used to offset net deferred tax liability					(5,256,586)	(4,936,268)
Net deferred tax assets and liabilities					-	-

Deferred tax assets have not been recognised in respect of the following items:

	2015	2014
Unrecognised tax losses – Revenue	7,886,084	8,842,320
Unrecognised tax losses – Capital	145,448	484,826
Unrecognised tax losses – Total	8,031,532	9,327,146
Unrecognised deferred tax asset on unused tax losses	2,409,460	2,798,144

The unrecognised benefit from temporary differences on capital items amounts to $45,624 (2014: $(172,003)).

9. Earnings per share

Basic and diluted earnings/(loss) per share

The calculation of basic and diluted loss per share at 30 June 2015 was based on the loss attributable to ordinary shareholders of the parent entity of $899,732 (2014: $1,480,981).

The weighted average number of ordinary shares outstanding during the financial years comprised the following:

	2015	2014
Ordinary shares on issue at 1 July	303,938,778	298,657,373
Effect of rights issues	101,312,926	-
Effect of placements	45,000,000	-
Effect of issue of shares in lieu of director's fees	5,136,814	3,082,025
Weighted average number of ordinary shares on issue at 30 June (basic and diluted)	455,388,518	301,739,398

At 30 June 2015 there were no options (2014: 1,800,000) and no Performance Rights (2014: 1,506,406) excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

The average market value for the Company's shares for the purposes of calculating the dilutive effect of options and share price bases Performance Rights was based on quoted market prices for the year for which they were outstanding.

10. Cash and cash equivalents

	2015	2014
Bank balances	274,056	266,811
Term deposits	10,727	45,728
Cash and cash equivalents in the statement of cash flows	284,783	312,539

11. Trade and other receivables

	2015	2014
Current		
Other trade receivables	42,132	117,921
Loan to PhosEnergy Limited	56,579	52,329
Prepayments	10,415	24,044
	109,126	194,294

The loan to PhosEnergy Limited was made in the 2014 financial year as part of the demerger of the Company's PhosEnergy Process assets. The loan expiry date has been extended to 31 October 2015. The loan has an interest rate of 8.5% per annum.

12. Restricted cash

	2015	2014
Bank guarantees in relation to rehabilitation obligations	1,588,713	1,588,713
Bank guarantee in relation to business credit cards	10,000	-
Bank guarantee in relation to office premises	15,560	15,560
	1,614,273	1,604,273

Bank guarantees in relation to rehabilitation obligations are held by the Northern Territory Department of Mines and Energy (DME) for rehabilitation obligations on the Nabarlek Mineral Lease ($1,533,862) and by the Northern Land Council and DME on the Nabarlek tenements held in joint venture with Cameco Australia Pty Ltd (totalling $54,851).

13. Available-for-sale investments

	2015	2014
PhosEnergy Limited (i)	691,074	600,144
Enterprise Uranium Limited (ASX:ENU) (ii)	168,092	392,215
	859,166	992,359

(i) The investment in PhosEnergy Limited has been fair valued entirely under Level 2 of the IFRS 13 Fair Value Hierarchy. PhosEnergy Limited is an unlisted public company and as such there is no active market for its shares. The valuation of the shares is based on a capital raising conducted by the company in June 2014 (at 20 cents).

(ii) The closing price of Enterprise Uranium shares on 30 June 2015 was 2.1 cents per share. The investment has been fair valued entirely under Level 1 of the IFRS 13 Fair Value Hierarchy at $168,092 with a decrease in value of $224,123, $72,039 of which is a reversal of the amount recorded in the fair value reserve and $152,084 of which is an impairment change in the statement of profit or loss and other comprehensive income.

14. Exploration and evaluation expenditure

	2015	2014
Cost brought forward	18,376,954	19,123,530
Expenditure incurred during the year	893,368	773,017
Rehabilitation provision revaluation	(94,350)	-
Write down and reimbursement brought through the statement of comprehensive income	55,391	-
Impairment losses	-	(1,519,593)
	19,231,363	18,376,954

15. Property, plant and equipment

	2015	2014
At cost	411,346	590,690
Less: accumulated depreciation	(325,536)	(454,319)
	85,810	136,371
Plant and equipment		
Carrying amount at beginning of financial year	136,371	203,543
Additions	-	13,829
Disposals/written-off	(30,475)	(47,428)
Depreciation	(20,086)	(33,573)
Carrying amount at end of financial year	85,810	136,371
Total property, plant and equipment	85,810	136,371

16. Other non-current assets

	2015	2014
Applications acquired on acquisition of Arnhem Minerals Pty Ltd	325,000	325,000
	325,000	325,000

The Company acquired all the shares in Arnhem Minerals Pty Ltd from Spectrum Rare Earths Limited on 20 June 2014. Arnhem Minerals holds seven Exploration Licence Applications covering a total area of 2,096 km^2 in the Alligator Rivers Uranium Field and the broader West Arnhem Land region of the Northern Territory.

In consideration for the acquisition of all the shares in Arnhem Minerals, the Company will pay a total of $625,000 in cash to Spectrum in three tranches as follows:

1) $325,000 was paid on 20th June 2014 (First Payment);
2) $175,000 following the grant of ELA25384 (Second Payment); and
3) $125,000 following the grant of ELA25389 (Third Payment).

If either the Second Payment or the Third Payment, or both, is not made by the Company upon the grant of ELA25384 and ELA25389 respectively, the shares in Arnhem Minerals must be transferred back to Spectrum for no consideration with all prior payments being non-refundable to Uranium Equities.

As the acquisition of Arnhem Minerals does not constitute a business combination under IFRS 3, the transaction has been accounted for as an asset acquisition. The impact of the acquisition on the Consolidated Statement of Financial Position is summarised as follows:

	2015	2014
Cash and cash equivalents	-	(325,000)
Exploration and evaluation assets	-	325,000
Net assets	-	-

The second and third payments have not been recognised on the Consolidated Statement of Financial Position as they are contingent on future events not wholly within the control of the entity. The granting of the tenements requires agreement to be reached with the Northern Land Council for land access.

17. Trade and other payables

	2015	2014
Trade payables	54,507	259,211
Other creditors and accrued expenses	185,093	195,086
	239,600	454,297

18. Provisions

	2015	2014
Current		
Rehabilitation	85,000	9,547
Income tax payable	438,750	-
	523,750	9,547

During the period, AusIndustry advised the Company that it is considered to have a "high risk" of non-compliance with the eligibility requirements of the Research and Development ("R & D") Tax Incentive Scheme operated by the Australian government. Therefore, in accordance with section 27F of the Industry R & D Act 1986, an examination of the Company's R & D Tax Incentive registration has taken place for the 2011/12, 2012/13 and 2013/2014 financial years.

In September 2015, the Company received a Certificate for Finding from Innovation Australia under Section 27J of the Industry Research and Development Act 1986 ("IR&D Act") regarding its R&D tax incentive claim for the abovementioned financial years.

Innovation Australia ascertain that certain R&D tax incentive claims in relation to the West Arnhem, Frome and Marla projects made by the Company in these years are non-compliant, and as such, require repayment to the extent of $438,750. The Company and its advisor strongly disagree with the findings and believe all tax incentives received pursuant to the IR&D Act meet the eligibility requirements. Notwithstanding this, the Company has considered it prudent to record the amount as a provision.

Uranium Equities intends to take all necessary steps to dispute these findings of which the first step will be requesting that the Board of Innovation Australia reconsider the decision and commence a review under Division 5 of the IR&D Act (being an internal review of the finding).

	2015	2014
Non-current		
Rehabilitation	1,568,698	1,629,287
	1,568,698	1,629,287

The Company assumed all obligations for rehabilitation at the Nabarlek Mineral Lease following the acquisition of Queensland Mines Pty Ltd in 2008.

19. Employee benefits

	2015	2014
Current		
Liability for annual leave	265	75,740
Provision for long service leave	-	36,852
	265	112,592
Non-current		
Provision for long service leave	-	5,887
	-	5,887

Share based payments

(a) Long Term Incentive Plan

The Company has established an Employee Long Term Incentive Plan (LTIP) which was approved by shareholders at a general meeting held on 24 May 2013.

The LTIP allows the Board to grant performance-based rights linked to measurable achievements to employees of the Company, including executive directors ("Performance Rights"). Performance Rights convert into fully paid ordinary shares in the Company when the particular vesting conditions are met.

There are no voting or dividend rights attached to the Performance Rights. Voting rights will be attached to the ordinary shares issued to Performance Rights holders if and when they vest.

(b) Employee and Consultant Share Option Plan

The Company also has an Employee and Consultant Share Option Plan (ESOP) in place which was most recently approved at the annual general meeting held on 26 November 2014.

Under the terms of the Employees and Consultants Option Plan, the Board may offer options at no consideration to full-time or part-time employees (including persons engaged under a consultancy agreement) and executive and non-executive directors.

Each option entitles the holder, on exercise, to one ordinary fully paid share in the Company. There is no issue price for the options. The exercise price for the options is such price as determined by the Board. An option may only be exercised after that option has vested and any other conditions imposed by the Board on exercise are satisfied. The Board may determine the vesting period, if any.

There are no voting or dividend rights attached to the options. There are no voting rights attached to the unissued ordinary shares. Voting rights will be attached to the unissued ordinary shares when the options have been exercised.

There were no options granted to directors, employees or consultants during the previous three years.

The number and weighted average exercise prices of share options is as follows:

	Weighted average exercise price 2015	Number of options 2015	Weighted average exercise price 2014	Number of options 2014
Outstanding at the beginning of the period	$0.247	1,800,000	$0.246	6,475,000
Forfeited during the period	-	-	-	-
Expired during the period	$0.247	(1,800,000)	$0.241	(4,675,000)
Exercised during the period	-	-	-	-
Granted during the period	-	-	-	-
Outstanding at the end of the period	-	-	$0.247	1,800,000
Exercisable at the end of the period	-	-	$0.247	1,800,000

There were no options outstanding at the end of the period.

Employee share options are granted under a service condition. Non-market performance conditions are not taken into account in the grant date fair value measurement of the services received.

(c) Employee Expenses

	2015	2014
Performance Rights reversal on termination of employment	(8,576)	6,291
Total expense recognised as employee costs (Note 5)	(8,576)	6,291

20. Capital and reserves

(a) Share capital

	Ordinary Shares	
	2015	2014
On issue at 1 July	303,938,778	298,657,373
Rights issue and placement	146,312,926	-
Issue of shares in lieu of directors' fees	5,136,814	5,281,405
On issue at 30 June	455,388,518	303,938,778

Ordinary shares

In July 2014, the Company completed a fully underwritten entitlement issue and raised $1,013,129. The raising was undertaken through a 1-for-3 pro-rata non-renounceable rights issue to existing shareholders at 1 cent per share. In addition, the Company also received $450,000 from a share placement to sophisticated investors at 1 cent per share.

Following shareholder approval at the 2014 Annual General Meeting, the Company issued 5,136,814 fully paid ordinary shares to current and former Directors in full satisfaction of unpaid directors' fees of $60,839 as at 30 September 2014 (see note 26).

All shares were issued and fully paid during the year.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, the ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds on liquidation. The shares have no par value.

(b) Share Options

	Unlisted Share Options	
	2015	2014
On issue at beginning of year	1,800,000	6,475,000
Options issued during the year	-	-
Options forfeited or expired during the year	(1,800,000)	(4,675,000)
On issue at end of year	-	1,800,000

At 30 June 2015, the Company had no unlisted options on issue.

(c) Performance Rights

	Unlisted Performance Rights	
	2015	2014
On issue at beginning of year	1,506,406	6,102,500
Performance Rights issued during the year	-	-
Performance Rights lapsed during the year	(1,506,406)	(4,596,094)
On issue at end of year	-	1,506,406

At 30 June 2015, the Company had no unlisted Performance Rights on issue under the Company's Employee Long Term Incentive Plan.

(d) Reserves

The Share Based Payments Reserve represents the value of employee equity-settled compensation. There was an decrease of $8,576 in 2015 (2014: increase of $6,291).

The Fair Value Reserve established during the year represents the change in fair values of available-for-sale financial assets being investments in PhosEnergy Limited and Enterprise Uranium Limited – see note 13.

21. Financial instruments

Risk Management Framework

The Board and Audit Committee are responsible for overseeing the Company's risk management and control framework. Responsibility for control and risk management is delegated to the appropriate level of management within the Company with the Chairman having ultimate responsibility to the Board for the risk management and control framework.

The Group has exposures to the following risks:

(a) Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders.

The capital structure of the Group consisting of equity attributable to equity holders, comprising issued capital, reserves and accumulated losses, is disclosed in note 20 and the Consolidated Statement of Changes in Equity. The Board reviews the capital structure on a regular basis and considers the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through new share issues as well as the issue of debt, if the need arises.

(b) Market risk exposures

Market risk is the risk that changes in market prices such as foreign exchange rates, equity prices and interest rates will affect the Group's income or value of its holdings of financial instruments.

Foreign exchange rate risk
The Group currently has no significant exposure to foreign exchange rates.

Equity prices
Equity investments held for sale are recorded at their fair value being either the quoted price or last known traded price on the balance date (see note 13). There is a risk that changes in prices effect the fair value of investments held by the consolidated entity – a +- 10% change in equity prices from the year end valuation would impact equity by +-$85,917.

Interest rate risk
Interest rate risk is the risk that changes in bank deposit rates affect the consolidated entity's income and future cashflow from interest income. The exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

		Fixed interest maturing in:					
30 June 2015	**Note**	**1 year or less $**	**Over 1 to 5 years $**	**Floating interest $**	**Non-interest bearing $**	**Total $**	**Weighted average int. rate**
Financial assets							
Bank balances	10	10,727	-	274,056	-	284,783	2.85%
Term deposits (1)	10/12	1,614,273	-	-	-	1,614,273	2.29%
Trade and other receivables	11	56,579	-	-	52,547	109,126	2.84%
Other investments	13	-	-	-	859,166	859,166	-
Financial liabilities							
Trade payables and accrued expenses	16	-	-	-	239,600	239,600	-

30 June 2014	Note	Fixed interest maturing in: 1 year or less $	Over 1 to 5 years $	Floating interest $	Non-interest bearing $	Total $	Weighted average int. rate
Financial assets							
Bank balances	10	-	-	266,811	-	266,811	1.20%
Term deposits [(1)]	10/12	1,650,000	-	-	-	1,650,000	3.86%
Trade and other receivables	11	52,329	-	-	141,965	194,294	1.23%
Other investments	13	-	-	-	992,359	992,359	-
Financial liabilities							
Trade payables and accrued expenses	16	-	-	-	454,297	454,297	-

[(1)] Including restricted cash

A change of 100 basis points in interest rates on bank balances and term deposits over the reporting period would have increased / (decreased) the Group's profit and loss by $19,079 (2014: $22,384).

(c) Credit risk exposure

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The consolidated entity's exposure to credit risk is not significant and currently arises principally from sundry receivables (see note 11) which represent an insignificant proportion of the Group's activities and cash and cash equivalents.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provision for doubtful debts, as disclosed in the notes to the financial statements.

(d) Liquidity risk exposure

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board actively monitors the Group's ability to pay its debts as and when they fall due by regularly reviewing the current and forecast cash position based on the expected future activities.

The consolidated entity has non-derivative financial liabilities which include trade and other payables of $239,600 (2014: $454,297) all of which are due within 60 days.

(e) Net fair values of financial assets and liabilities

AASB 7 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Except for the investment in Enterprise Uranium Limited disclosed in note 13 the carrying amounts of all financial assets and liabilities approximate their net fair values and are disclosed as level 2 fair values.

22. Operating leases

Leases as lessee
Non-cancellable operating lease rentals are payable as follows:

	2015	2014
Less than one year	-	19,426
Between one and five years	-	-
More than five years	-	-
	-	19,426

The Group leased an office under operating lease in Norwood, South Australia. The lease was terminated in April 2015 due to the corporate office moving to Perth.

During the financial year ended 30 June 2015, $47,150 was recognised in the statement of profit or loss and other comprehensive income in respect of operating leases (2014: $50,097).

23. Capital and other commitments

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group together with its joint venture partners is required to perform exploration work to meet the minimum expenditure requirements specified by various State governments. These amounts are subject to negotiation when application for a lease application and renewal is made and at other times. These amounts are not provided for in the financial report and are payable:

	2015	2014
Within one year	287,652	554,705
One year or later and no later than five years	924,424	343,875
Later than five years	72,903	-
	1,284,979	898,580

To the extent that expenditure commitments are not met, tenement areas may be reduced and other arrangements made in negotiation with the relevant state and territory government departments on renewal of tenements to defer expenditure commitments or partially exempt the Company.

Bank Guarantees

As at 30 June 2015 the Group had bank guarantees with face values of $1,533,862, $14,851 and $40,000 representing performance bonds with the Northern Territory Department of Mines and Energy and Northern Land Council respectively for rehabilitation obligations on the Nabarlek Project. Further bank guarantees of $15,560, held by the office lessor for rental obligations and $10,000 held for the commercial credit card were in place at balance date. (see note 12).

24. Controlled entities

	Country of Incorporation	Ownership interest	
		2015	2014
Parent entity			
Uranium Equities Limited	Australia		
Subsidiaries			
G E Resources Pty Ltd	Australia	100%	100%
Uranium Services Pty Ltd	Australia	100%	100%
UEQ Investments Pty Ltd	Australia	100%	100%
Queensland Mines Pty Ltd	Australia	100%	100%
Arnhem Minerals Pty Ltd	Australia	100%	100%

25. Parent entity disclosures

The parent entity of the group was Uranium Equities Limited throughout the years ended 30 June 2015 and 30 June 2014.

	Company	
	2015	2014
Result of the parent entity		
Loss for the period	(695,707)	(653,336)
Other comprehensive income	-	501,305
Total comprehensive loss for the period	**(695,707)**	**(152,031)**
Financial Position of the parent entity at year end		
Current assets	533,460	488,875
Total assets	21,287,844	20,368,787
Current liabilities	771,245	569,842
Total liabilities	771,245	575,278

Total equity of the parent entity comprising of:		
Share capital	48,669,456	47,242,083
Reserves	501,305	5,801,176
Accumulated losses	(28,654,162)	(33,249,750)
Total equity	**20,516,599**	**19,793,509**

26. Reconciliation of cash flows from operating activities

	2015	2014
Loss for the period	(899,732)	(1,480,981)
Cash flows from operating activities		
Adjustments for:		
Depreciation and amortisation	10,714	22,415
Loss on disposal of fixed assets	5,185	47,192
Write-off of exploration and evaluation expenditure and reimbursement	(55,391)	1,519,593
(Reversal of impairment)/Impairment loss on equity accounted investee	-	(74,561)
(Reversal of impairment)/Impairment loss on available-for-sale assets	152,084	-
Gain on loss of control	-	(218,990)
Interest charge / (unwind) on fair value of rehabilitation provision	115,549	97,137
Equity-settled share-based payment expenses	(8,576)	6,290
Other	22	-
Operating loss before changes in working capital and provisions	**(680,145)**	**(81,905)**
(Increase)/decrease in trade and other receivables	43,289	25,354
Increase in trade payables and accruals	(30,125)	34,829
(Decrease)/increase in provisions	320,536	(113,790)
Net cash used in operating activities	**(346,445)**	**(135,512)**

27. Related Parties Disclosures

(a) Key management personnel

The following were key management personnel of the Group at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Directors

T R B Goyder
B L Jones
R K Hacker

Executives
R A Heinrich (Chief Financial Officer & Company Secretary) (resigned 24 September 2014)

The key management personnel compensation included in ‘personnel expenses’ (see note 5) are as follows:

	2015	2014
Short-term employee benefits	150,748	663,686
Post-employment benefits	13,987	45,376
Termination benefits	70,898	
Share based payments	-	-
	235,633	709,062

Shares issues to directors in lieu of fees

Commencing on 1 July 2013 and to preserve cash within the Company, each director agreed to accrue their respective directors' fees until further notice. Each director and former director listed below agreed with the Company, that subject to shareholder approval, they will take shares in full satisfaction of their respective outstanding fees as at 30 September 2014:

	Directors' Fees Outstanding $	Shares Issued No.
Director		
Bryn Jones	6,252	527,877
Richard Hacker	10,420	879,795
Former Directors		
Anthony Kiernan	29,167	2,462,642
Tom Pool	15,000	1,266,500
Total	60,839	5,136,814

The shareholders approved the above issue of shares at the Annual General Meeting held on 26 November 2014.

The issue price of 1.184 cents per share was calculated by taking the volume weighted average share price for Uranium Equities Limited ordinary shares for the 30 days up to and including 10 October 2014.

It was also agreed to continue to accrue part or all of directors' fees from 1 October 2014 until further notice. At 30 June 2015 the balance of directors' fees owing was $131,865. Of this, $122,766 is owed to Mr Tim Goyder for fees and salary for the period from 1 July 2013 to 31 December 2014.

Individual directors' and executives' compensation disclosures

Information regarding individual directors and executives compensation is provided in the Remuneration Report section of the Directors' Report.

Loans to key management personnel and their related parties

Loans made to key management personnel and their related parties is as follows:

	Balance at beginning of year	Loans made during the year	Interest charged	Interest not charged	Write-off or allowance for doubtful debt	Balance at end of period	Number of KMP in group
2015	52,239	-	4,340	-	-	56,579	2
2014	-	50,000	2,239	-	-	52,239	2

A loan of $50,000 to PhosEnergy Limited was made in the 2014 financial year as part of the demerger of the Company's PhosEnergy Process assets. The loan expiry date has been extended 31 October 2015. The loan has an interest rate of 8.5% per annum.

Other key management personnel transactions with the Company or its controlled entities

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

A number of these entities transacted with the Company or its subsidiaries in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

The aggregate amounts recognised during the year relating to key management personnel and their related parties were as follows:

Key management persons	Transaction	Note	2015	2014
A W Kiernan	Corporate advisory fees	(i)	-	(10,000)
B L Jones R A Heinrich	Process engineering consultancy fees	(ii)	(144,300)	(420,313)
T Goyder	Corporate advisory fees	(iii)	-	(35,000)
	Underwriting fees	(iv)	(11,500)	-
T Goyder R Hacker	Corporate Service Charge	(v)	(49,500)	-

(i) The Company used the corporate advisory services of Anthony Kiernan until 30 August 2013. Mr Kiernan resigned as a director on 28 November 2013.

(ii) The Company used the process engineering consultancy services of Inception Consulting Engineers Pty Ltd in relation to PhosEnergy, from February 2012 onwards, in which Messrs Jones and Heinrich have a 25% and 16.67% beneficial interest respectively.

(iii) The Company used the corporate advisory services of Tim Goyder between 1 September 2013 and 31 March 2014. These fees have been accrued as a cash conservation measure.

(iv) Lotaka Pty Ltd, a company associated with Mr Tim Goyder, partially underwrote the 1-for-3 non-renounceable rights issue in July 2014. Lotaka Pty Ltd was paid a fee of 3.5% of the underwritten amount, and the underwriting was on customary terms. The total amount paid during the year was $11,500.

(v) The Group receives corporate services including office rent and facilities, management and accounting services under a Corporate Services Agreement with Chalice Gold Mines Limited. Mr Goyder is a Director of Chalice Gold Mines Limited and prior to this was the Executive Chairman. Mr Hacker is the CFO of Chalice Gold Mines Limited. Amounts billed are based on a proportionate share of the cost to Chalice Gold Mines Limited of providing the services and have normal payment terms.

Amounts payable to key management personnel at reporting date arising from these transactions were as follows:

	2015	2014
Assets and liabilities arising from the above transactions		
Accrued expenses	40,500	35,000
Trade payables	-	34,700
	40,500	69,700

(b) Non-key management personnel disclosures

Identity of related parties

The Group has a related party relationship with its subsidiaries (see Note 24).

Other related party transactions

Subsidiaries

Loans are made by the Company to wholly owned subsidiaries. Loans outstanding between the Company and its controlled entities have no fixed date of repayment and are non-interest bearing. At 30 June 2015, such loans to subsidiaries totalled $17,812,326 (2014: $16,966,036)

28. Subsequent Events

In August 2015 the Company completed an underwritten 1-for-3 non-renounceable rights issue to eligible shareholders at 0.8 cents for each new share to raise $1,214,369 before issue costs.

There were no other events subsequent to reporting date requiring disclosure in this report.

DIRECTORS' DECLARATION

1 In the opinion of the directors of Uranium Equities Limited:

(a) the financial statements and notes, set out on pages 12 to 54 and the Remuneration Report in the Directors' Report, set out on pages 12 to 21, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 1(a); and

(c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

2 The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer (or equivalent) and chief financial officer (or equivalent) for the financial year ended 30 June 2015.

Dated at Perth the 29th day of September 2015.

Signed in accordance with a resolution of the directors:

Tim Goyder
Chairman

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of Uranium Equities Limited

Report on the Financial Report

We have audited the accompanying financial report of Uranium Equities Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the Group. The Group comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 1(a), the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

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HLB Mann Judd

Accountants | Business and Financial Advisers

Auditor's opinion

In our opinion:

(a) the financial report of Uranium Equities Limited is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a).

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1(e) to the financial report which indicates that the ability of the Group to continue as a going concern is dependent on the ability to raise sufficient capital to meet its operating expenditure and exploration commitments. Should the Group not be able to raise sufficient capital, there is a material uncertainty that may cast significant doubt on the ability of the Group to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of Uranium Equities Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

HLB Mann Judd

Giallonardo

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
29 September 2015

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Shareholdings

Substantial shareholders

The number of shares held by substantial shareholders and their associated interests as at 29 September 2015 were:

Shareholder	Number of ordinary shares held	Percentage of capital held %
Timothy R B Goyder	104,051,710	24.54
HSBC Custody Nominees (Australia) Limited	33,264,566	5.48

Class of Shares and Voting Rights

At 29 September 2015 there were 1,213 holders of the ordinary shares of the Company.

The voting rights to the ordinary shares set out in the Company's Constitution are:

"Subject to any rights or restrictions for the time being attached to any class or classes of shares -

a) at meetings of members or classes of members each member entitled to vote in person or by proxy or attorney: and

b) on a show of hands every person who is a member has one vote and on a poll every person in person or by proxy or attorney has one vote for each ordinary share held."

Holders of options and performance rights do not have voting rights.

Distribution of equity security holders as at 29 September 2015:

	Number of equity security holders
Category	**Ordinary Shares**
1 – 1,000	32
1,001 – 5,000	80
5,001 – 10,000	77
10,001 – 100,000	622
100,001 and over	402
Total	**1,213**

The number of shareholders holding less than a marketable parcel on 29 September 2015 was 23. As at the date of this report there is no on-market buy back of the Company's shares.

Twenty largest Ordinary Fully Paid Shareholders as at 29 September 2015

Name	Number of ordinary shares held	Percentage of capital held %
Mr Timothy R B Goyder	151,402,281	24.94
HSBC Custody Nominees (Australia) Limited)	33,264,566	5.48
Calm Holdings Pty Ltd <Clifton Superfund A/C>	27,658,546	4.56
J P Morgan Nominees Australia Pty Ltd	20,625,459	3.40
Trebble Sum Pty Ltd	16,500,000	2.72
Mr Anthony William Kiernan	14,919,673	2.46
Resolute (Treasury) Pty Ltd	11,364,000	1.87
Banarway Pty Ltd	9,300,000	1.53
Mr Glenn Lance Bauer	7,000,000	1.15
Exertus Capital Pty Ltd	7,000,000	1.15
Octifil Pty Ltd	7,000,000	1.15
Corporate Property Services Pty Ltd <K W Share A/C>	6,922,646	1.14
Hardrock Capital Pty Ltd	6,665,560	1.10
Foresight Pty Ltd	6,248,963	1.03
Ginostra Capital Pty Ltd <Pullini Investment A/C>	6,000,000	0.99
Cydac Pty Ltd	5,618,878	0.93
Opeka Dale Pty Ltd <Opeka Dale P/L S/F No2 A/C>	5,500,000	0.91
Claw Pty Ltd <Corp Super Fund A/C>	5,333,335	0.88
Gremar Holdings Pty Ltd	5,000,000	0.82
Symington Pty Ltd	5,000,000	0.82
Total	**358,323,907**	**59.03**

Uranium Equities Limited
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