

ASX ANNOUNCEMENT

URANIUM EQUITIES LIMITED ACN 009 799 553



CHAIRMAN'S ADDRESS – 2016 ANNUAL GENERAL MEETING

30th November 2016

Good morning ladies and gentleman

Along with our peers, we continue to operate in a challenging macro-environment with uranium prices at multi-year lows. However, I am pleased to report that against that backdrop your Company has continued to explore and generate exciting early-stage results from our flagship Nabarlek uranium project in the Alligator Rivers Uranium Province in the Northern Territory. Uranium Equities has a ground holding of approximately (approximately 4,680km² in the Alligator Rivers Uranium Province of which granted tenements include the 100% owned Nabarlek Mining Lease MLN962 and the West Arnhem Joint venture in which the Company has a 40% interest and is earning-in 100% from Cameco Australia.

The Company completed a detailed internal technical review of the Nabarlek uranium project in early 2016 which highlighted areas of prospective geology which have had comparatively little exploration follow-up. As a result of the technical review the Company undertook detailed ground gravity geophysical surveys over three separate areas for a total coverage of 109km². Given the surveys were completed at the end of the 2016 field season, the results are yet to be interpreted, however the initial results are encouraging with the identification of prominent structural trends on all surveys which will require further field checking for follow-up targeting.

A program of radon-in-soil sampling was undertaken over targets that have been prioritised from the current exploration targeting review. One target in particular was identified at Namarrkon prospect which is located along the southern extension of the Quarry Fault Zone where it extends under sandstone escarpments. The Quarry Fault is an important localising structure for high-grade uranium mineralisation as has been demonstrated by historic uranium intersections of 6.8m @ 6.8% U₃O₈ at U40 prospect. The Namarrkon radon-in-soil survey has identified a 2km long radon-in-soil anomaly with peak values 27-44 times background which follows a secondary fault which intersects with the Quarry Fault and the Company considers this exciting target warrants drill follow-up.

Two radon-in-soil surveys were undertaken at GC-11 prospect to test the application of this technique to: i) detect blind uranium mineralisation, and ii) assist with the delineation of new targets in areas with minimal effective drill testing. One radon-in-soil survey was conducted over a zone of blind uranium mineralisation intersected in two drill holes completed in 2015 and the survey was successful in identifying a surface radon-in-soil anomaly. The second survey comprised two lines 2km long and 200m apart which sampled an area of thin colluvial cover over Cahill Formation basement schists, and a coherent anomaly was identified at the eastern end of the survey lines. Follow-up field work identified outcropping quartz-carbonate epithermal-type veining in an area of anomalous radon-in-soil values.

PERTH OFFICE
Level 2, 1292 Hay Street
West Perth, WA 6005
GPO Box 2890
Perth, WA 6001
T: +61 8 9322 3990
F: +61 8 9322 5800
info@uel.com.au

www.uel.com.au

ASX ANNOUNCEMENT

URANIUM EQUITIES LIMITED ACN 009 799 553



Following the promising results from radon surveys in particular, the Company undertook a program of field sampling (rock-chip, scintillometer surveying) to further investigate the identified radon-in-soil anomalies at Namarrkon and GC-11 prospects. We await assay results which may result in specific drill targets being delineated.

These positive results demonstrate that the Company's approach to exploration targeting is unlocking unrealised value on the broader Nabarlek uranium project. These new targets being generated at existing and new areas of Nabarlek will form the basis of future exploration. We remain firmly of the view that the Project has the potential to host a significant and high-grade uranium deposit.

The Company is also re-evaluating the Rudall River project after Cameco withdrew from a JV in December 2015 without undertaking any significant exploration programs. This project is located only 4km from the Kintyre uranium deposit and has obvious potential for uranium and other commodities.

I would like to make special mention of the hard work and diligence of our technical team which, with limited funds, continues to utilise and develop new and innovative ways to vector into potential uranium deposits. An improvement in the price of uranium will see the Company very well positioned to capitalise on future exploration success.

Whilst markets can be unpredictable, there is little doubt that the supply demand picture for uranium remains positive and that recent spot and contract prices at current levels are likely to be unsustainable over the longer term.

Overall I remain very positive about the Company's future in the longer term despite the subdued uranium market and I am convinced of the significant prospectivity of the Company's extensive landholding in the Alligator Rivers Uranium Province.

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. Good morning ladies and gentlemen

Along with our peers, we continue to operate in a challenging macro-environment with uranium prices at multi-year lows. However, I am pleased to report that against that backdrop your Company has continued to explore and generate exciting early-stage results from our flagship Nabarlek uranium project in the Alligator Rivers Uranium Province in the Northern Territory.

We have recently announced that field programs undertaken on the Company's Nabarlek Project during the most recent field season have been successful in identifying new targets for immediate exploration follow-up. Ground gravity surveys were completed over three broad target areas to assist with interpreting structural features that have potential to host uranium mineralisation. Radon-in-soil surveys were prioritised over the southern extension of the Quarry Fault which hosts high-grade uranium mineralisation 10km to the north at U40 prospect, and at GC-11 which was tested by drilling over the 2015 field season.

Following promising results from the radon survey in particular, the Company commenced a program of field sampling (rock-chip, scintillometer surveying) to further investigate the identified radon-in-soil anomalies at Namarrkon and GC-11 prospects. We await assay results which may result in specific drill targets being delineated.

Earlier in the year the Company undertook drilling on two new targets identified from a novel approach to exploration targeting, building on the Company's developed understanding of pathfinder geochemistry and mineral alteration signatures of uranium systems.

ASX ANNOUNCEMENT

URANIUM EQUITIES LIMITED ACN 009 799 553



Drilling at the GC-11 target intersected blind uranium mineralisation at depth (NAR7537; 5m @ 1005ppm U3O8, NAR7537: 2m @ 2334ppm U3O8) and strong alteration in the adjacent sandstone sequence.

In addition, a new alteration and geology model developed for the Nabarlek uranium mine was used to test for a depth extension to the deposit below the lower levels of drill testing. Whilst no significant intercepts of uranium mineralisation were encountered, the Company's exploration team is excited by the intersection of discrete fault zones showing strong alteration and silica brecciation/veining. This suggests the Nabarlek-host structure extends at depth and is essentially untested along a 2.5km strike length beneath the Oenpelli Dolerite.

These positive results demonstrate that the Company's approach to exploration targeting is unlocking unrealised value on the broader Nabarlek uranium project. These new targets being generated at existing and new areas of Nabarlek will form the basis of future exploration. We remain firmly of the view that the Project has the potential to host a significant and high-grade uranium deposit.

The Company is also re-evaluating the Rudall River project after Cameco withdrew from a JV in December 2015 without undertaking any significant exploration programs. This project is located only 4km from the Kintyre uranium deposit and has obvious potential for uranium and other commodities.

I would like to make special mention of the hard work and diligence of our technical team which, with limited funds, continues to utilise and develop new and innovative ways to vector into potential uranium deposits. An improvement in the price of uranium will see the Company very well positioned to capitalise on future exploration success.

Whilst markets can be unpredictable, there is little doubt that the supply demand picture for uranium remains positive and that recent spot and contract prices at current levels are likely to be unsustainable over the longer term.

Overall I remain very positive about the Company's future in the longer term despite the subdued uranium market and I am convinced of the significant prospectivity of the Company's extensive landholding (approximately 4,680km²) in the Alligator Rivers Uranium Province.

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.

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

Tim Goyder
Chairman

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.