

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

URANIUM EQUITIES LIMITED

ABN

74 009 799 553

Quarter ended ("current quarter")

30 SEPTEMBER 2008

Consolidated statement of cash flows

	Current quarter \$A	Year to date (3 months) \$A
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	2,050	2,050
1.2 Payments for (a) exploration and evaluation	(1,873,732)	(1,873,732)
(b) development	79,230	79,230
(c) production	-	-
(d) administration	(360,361)	(360,361)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	265,597	265,597
1.5 Interest and other costs of finance paid	(2,083)	(2,083)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(1,889,299)	(1,889,299)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	(14,077)	(14,077)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (deferred consideration on disposal of tenements)	-	-
	(14,077)	(14,077)
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(1,903,376)	(1,903,376)

+ See chapter 19 for defined terms.

Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc. (net)	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	-	-
	Net financing cash flows	-	-
Net increase (decrease) in cash held		(1,903,376)	(1,903,376)
1.20	Cash at beginning of quarter/year to date	14,831,371	14,831,371
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	12,927,995	12,927,995

Payments to directors of the entity and associates of the directors

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

		Current quarter \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	188,740
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.2 (b) – relates to net expenditure made in relation to the PhosEnergy Project. Uranium Equities is currently being refunded for certain costs incurred under a Technology Development Agreement with a major phosphate producer for the extraction of uranium from phosphoric acid. During the quarter, Uranium Equities made payments of \$949,587 and received a refund of \$1,028,817 in relation to these expenditures.

Non-cash financing and investing activities

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

N/A

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

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A	Amount used \$A
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A
4.1 Exploration and evaluation	1,225,000
4.2 Development	830,000
Total	2,055,000

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A	Previous quarter \$A
5.1 Cash on hand and at bank	1,660,142	1,426,794
5.2 Deposits at call	9,267,852	12,804,577
5.3 Bank overdraft	-	-
5.4 Other (Bank Guarantee)	2,000,000	600,000
Total: cash at end of quarter (item 1.22)	12,927,994	14,831,371

Changes in interests in mining tenements

6.1 Interests in mining tenements relinquished, reduced or lapsed	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
	NIL			

6.2 Interests in mining tenements acquired or increased	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
	NIL			

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	Nil	Nil	Nil	Nil
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs.	N/A	N/A	N/A	N/A
7.3 +Ordinary securities	190,141,575	190,141,575	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital.	730,774 N/A	730,774 N/A	N/A N/A	N/A N/A
7.5 +Convertible debt securities <i>(description)</i>	Nil	Nil	N/A	N/A
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured.	Nil	Nil	N/A	N/A
7.7 Options			Exercise price	Expiry date
Share Options	5,000,000	Nil	\$0.155	21.10.2009
	500,000	Nil	\$0.155	30.11.2009
	100,000	Nil	\$0.155	20.12.2010
	1,700,000	Nil	\$0.35	31.05.2011
	700,000	Nil	\$0.35	01.09.2011
	150,000	Nil	\$0.35	01.10.2011
	25,000	Nil	\$0.55	01.11.2011
	400,000	Nil	\$0.55	01.12.2011
	750,000	Nil	\$0.55	17.01.2012
	3,000,000	Nil	\$0.75	28.03.2010
	160,000	Nil	\$0.60	21.06.2012
	500,000	Nil	\$0.60	15.11.2012
	2,300,000	Nil	\$0.30	01.03.2013
	750,000	Nil	\$0.45	01.03.2013
	250,000	Nil	\$0.30	13.05.2011
	730,774	Nil	\$0.191	31.07.2011
Partly Paid Performance Shares (1)	14,350,000	Nil	Issued at \$0.15 credited as paid to \$0.075 with \$0.075 to pay.	17.05.2016

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	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.8 Issued during quarter				
Share Options	730,774	Nil	Nil	31.07.2011
7.9 Exercised during quarter	Nil	Nil	N/A	N/A
7.10 Expired during quarter	150,000	Nil	\$0.30	13.05.2011
7.11 Debentures <i>(totals only)</i>	Nil	Nil		
7.12 Unsecured notes <i>(totals only)</i>	Nil	Nil		

- (1) Partly paid performance shares issued do not represent ordinary shares or preference shares and have therefore been classified as share options for this purpose.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Managing Director

Date: 29 October 2008

Print name: Mark Chalmers

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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