URANIUM EQUITIES

Uranium Equities Limited and its controlled entities

31 December 2016

Half-Year Report

ABN 74 009 799 553

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The directors present their report together with the condensed financial report for the half-year ended 31 December 2016 for Uranium Equities Limited ("the Company") and its controlled entities ("the Group") and the auditor's review report thereon.

Directors
The names of the directors who held office during the half-year and until the date of this report are as below.

Timothy R B Goyder	Chairman
Richard Hacker	Non-executive director
Bryn Jones	Non-executive director
Kevin Frost	Non-executive director (appointed 9 February 2017)

Review of operations

The Alligator Rivers Uranium Province (ARUP) in the Northern Territory is a world-class uranium province, comparable to the Athabasca Uranium Province in Canada in terms of its uranium endowment and geological setting. The focus of Uranium Equities' exploration activities in the ARUP is on the discovery of high-grade Alligator Rivers-style, unconformity and structurally-controlled uranium deposits.

The Company has an extensive tenement holding of 5,117km2 (Figure 1) in the ARUP comprising the 100% owned Nabarlek Mining Lease which contains the historic Nabarlek mine (24Mlbs U3O8 historical production), the West Arnhem JV where the Company is close to earning a 100% interest from Cameco Inc. and exploration licence applications, some of which are located near recent high-grade uranium discoveries (eg., Angularli; Cameco Australia). The Company considers its tenement portfolio is well located within the ARUP so as to offer a significant opportunity for exploration success.

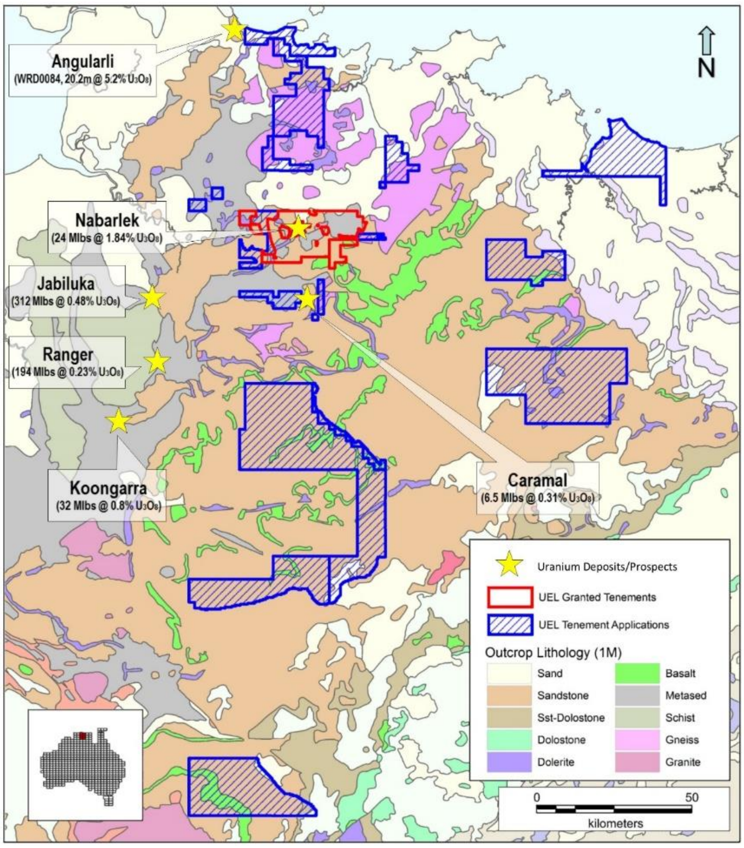

Figure 1. Location map showing the Company's extensive tenement holding in the Alligator Rivers Uranium Province, Northern Territory.

During the period, field programs undertaken on the Company's Nabarlek Project have been successful in identifying new targets for immediate exploration follow-up.

Ground gravity surveys were completed over three broad target areas (SMLB, GC-11 and East QFZ prospects) to assist with interpreting structural features that have potential to host uranium mineralisation.

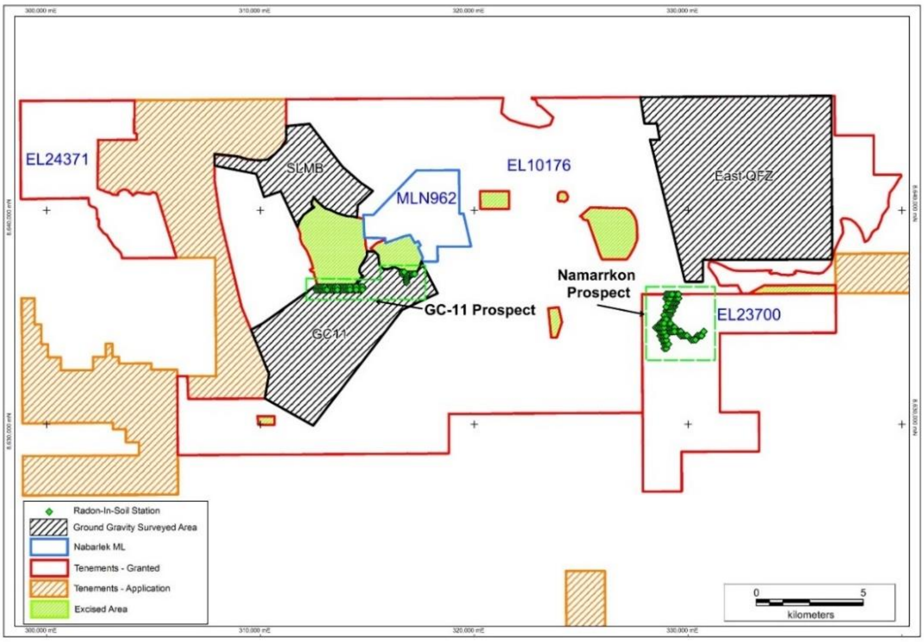

Figure 2. Location map showing areas of follow-up field activities completed at Namarrkon and GC-11 prospects and ground gravity surveys at SLMB, GC-11 and East QFZ prospects.

Radon-in-soil surveys were prioritised over the southern extension of the Quarry Fault (including at the Namarrkon prospect) 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.

Results of field activities at Namarrkon and GC-11 prospects, which included handheld gamma-ray scintillometer surveys, field sampling and prospecting to follow-up on anomalous radon-in-soil surveys have been encouraging and include the identification of elevated uranium-in-soil anomalism localised within the 2km long radon-in-soil anomaly at Namarrkon prospect.

The Company is encouraged by the results to date and is designing future drill programs to test the prospective basal Kombolgie Sandstone unconformity contact and underlying Cahill Formation basement for the source of the radon anomalism along with other priority targets.

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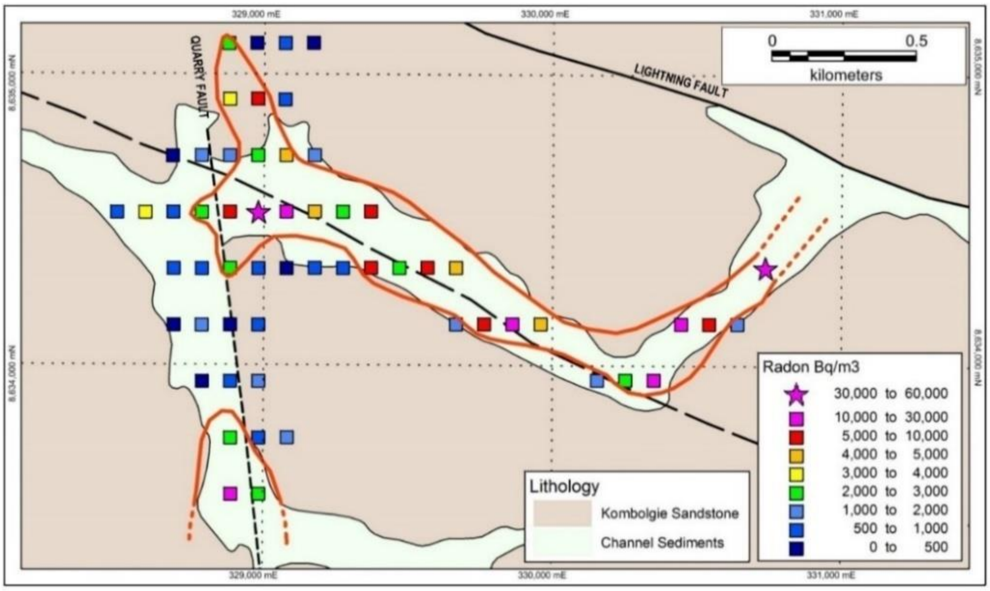

Figure 3. Radon-in-soil survey, Namarrkon prospect.

Rudall River

The Rudall River Project (Uranium Equities 100%) consists of three Exploration Licences covering a total area of 172km2. The western-most Exploration Licence adjoins the Cameco/Mitsubishi Kintyre Project (current published NI43-101 compliant measured and indicated resource estimate of 55Mlbs @ 0.58% U3O8).

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

PhosEnergy

Uranium Equities retains a 9.9% interest (3,455,371 shares) in the unlisted company PhosEnergy Limited (PEL), a developer of innovative technical and commercial solutions in the recovery of uranium from unconventional uranium sources. The PhosEnergy Process ("Process") is a technology for the extraction of uranium from phosphate streams produced in the production of phosphate-based fertilisers.

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

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

The PFS estimates that a 0.44Mtpa P2O5 phosphate facility capable of producing approximately 400,000 pounds of uranium per annum will operate at an estimated cash operating cost of US$21 per pound. The capital intensity of such a small facility is high compared to conventional mine-mill operations but the life of mine exceeds 25 years in most phosphate facilities operating in the USA.

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

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

- The chemistry of the phosphate stream returned to the fertilizer facility is unaffected except for the removal of uranium and vanadium.

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

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

Corporate

During the half year the Board resolved to issue a total of 14,800,000 unlisted options to directors and employees of the Company under the terms and conditions of the Company's Employee Share Option Plan. The unlisted options have an exercise price of 2.5 cents and expire on 30 November 2021.

The issue of 9,000,000 options to the directors was subject to shareholder approval at the Company's 2016 Annual General Meeting held in November 2016 and was approved by the shareholders.

In July 2016 the Company received notification from AusIndustry that a previously issued 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 2011/12, 2012/13 and 2013/2014 financial years has been partially overturned.

At 30 June 2015, the Company recorded a liability of $438,750 based on the Certificate for Finding. Following a request by the Company to have the decision reviewed, the Company has been advised that the liability has been reduced to $168,375.

Finance

At 31 December 2016 the Group had net assets of $21,411,167 (30 June 2016: $21,432,841) and an excess of current liabilities over current assets of $85,988 (30 June 2016: excess of current assets over current liabilities of $268,349). At 31 December 2016, cash at bank totalled $89,938 (30 June 2016: $511,106).

The Group reported a net loss for the period of $59,266 (31 December 2015: $126,532).

During the half year the accrued non-executive Directors' fees from 1 October 2015 to 30 June 2016 ($9,097) were paid out in cash to the Directors. Non-executive directors have agreed to continue to accrue all or part of fees owing until further notice. Mr T Goyder placed his director's fees on hold from 1 January 2015 until further notice.

The Company has forecast that it may need to seek additional funding in order to meet its operating and exploration expenditure for the next 12 months from the date of this report. Given the current weak commodity price for uranium, there is a material uncertainty as to whether the Group will be able to continue as a going concern if it is unable to either raise additional capital or realise its existing assets. As a result, the Company's auditors have included in their Review Report an "Emphasis of Matter" paragraph. Refer to page 21 for the Independent Auditor's Review Report, and Note 1(e) to the condensed financial statements.

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EVENTS SUBSEQUENT TO THE REPORTING DATE

On 9 February 2017 Dr Kevin frost was appointment as a non-executive director of the Company and 3,000,000 fully paid ordinary shares were issued to a consultant of the Company in consideration for the provision of corporate communication and investor relations support.

There were no other significant events after the balance date.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires the Company's auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 7 and forms part of this directors' report for the half-year ended 31 December 2016.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the Corporations Act 2001.

Dated at Perth 14th March 2017.

Tim Goyder
Chairman

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

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 report. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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HLB Mann Judd
Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Uranium Equities Limited for the half-year ended 31 December 2016, 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 review; and

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

Perth, Western Australia	**L Di Giallonardo**
14 March 2017	**Partner**

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HLB Mann Judd (WA Partnership) is a member of HLB International, a worldwide organisation of accounting firms and business advisers.

Uranium Equities Limited and its Controlled Entities

Condensed consolidated statement of comprehensive income

For the half-year ended 31 December 2016

	Note	31 Dec 2016	31 Dec 2015
Total revenue		-	-
Corporate and administration expenses	3	(151,307)	(125,981)
Loss from operating activities		**(151,307)**	**(125,981)**
Finance income		24,698	29,321
Finance costs		(30,114)	(29,872)
Net finance income		**(5,416)**	**(551)**
Loss before income tax		**(156,723)**	**(126,532)**
Income tax benefit		**97,457**	-
Loss for the period attributable to owners of the Company		**(59,266)**	**(126,532)**
Other comprehensive income			
Items that may subsequently be reclassified to profit or loss:			
Net change in fair value of available-for-sale financial assets		-	8,004
Total other comprehensive income		**-**	**8,004**
Total comprehensive loss for the period attributable to owners of the Company		**(59,266)**	**(118,528)**
Earnings per share			
Basic loss per share attributable to ordinary equity holders (cents per share)		**(0.01)**	**(0.02)**
Diluted loss per share attributable to ordinary equity holders (cents per share)		**(0.01)**	**(0.02)**

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

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Uranium Equities Limited and its Controlled Entities

Condensed consolidated statement of financial position

As at 31 December 2016

	Note	31 Dec 2016	30 Jun 2016
Current assets			
Cash and cash equivalents		89,938	511,106
Trade and other receivables		147,888	122,063
Total current assets		**237,826**	**633,169**
Non-current assets			
Restricted cash	4	1,602,099	1,602,099
Other receivables		62,983	-
Available-for-sale assets	5	345,537	345,537
Exploration and evaluation assets	6	20,697,605	20,401,257
Property, plant and equipment		67,188	72,523
Other		325,465	325,465
Total non-current assets		**23,100,877**	**22,746,881**
Total assets		**23,338,703**	**23,380,050**
Current liabilities			
Trade and other payables		64,250	107,744
Provisions	8	257,155	256,966
Employee benefits		2,409	380
Total current liabilities		**323,814**	**364,820**
Non-current liabilities			
Provisions	8	1,603,722	1,582,389
Total non-current liabilities		**1,603,722**	**1,582,389**
Total liabilities		**1,927,536**	**1,947,209**
Net assets		**21,411,167**	**21,432,841**
Equity			
Issued capital	9	49,825,074	49,825,074
Reserves		193,360	155,768
Accumulated losses		(28,607,267)	(28,548,001)
Total equity		**21,411,167**	**21,432,841**

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

Condensed consolidated statement of changes in equity

For the half-year ended 31 December 2016

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	Note	Issued capital $	Fair value reserve $	Share based payment reserve $	Accumulated losses $	Total $
		Attributable to equity holders of the Group				
Balance at 1 July 2016		**49,825,074**	**155,768**	**-**	**(28,548,001)**	**21,432,841**
Total comprehensive loss for the period						
Loss for the period		-	-	-	(59,266)	(59,266)
Total comprehensive loss for the period		**-**	**-**	**-**	**(59,266)**	**(59,266)**
Transactions with owners, recorded directly to equity						
Share based payments	10	-	-	37,592	-	37,592
Total contributions by and distributions to owners		**-**	**-**	**37,592**	**-**	**37,592**
Balance at 31 December 2016		**49,825,074**	**155,768**	**37,592**	**(28,607,267)**	**21,411,167**

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

Condensed consolidated statement of changes in equity

For the half-year ended 31 December 2016

Attributable to equity holders of the Group

	Note	Issued capital $	Fair value reserve $	Accumulated losses $	Total $
Balance at 1 July 2015		**48,669,456**	**501,305**	**(28,993,555)**	**20,177,206**
Total comprehensive income for the period					
Loss for the period		-	-	(126,532)	(126,532)
Net change in fair value of available for sale financial assets		-	8,004	-	8,004
Total comprehensive loss for the period		**-**	**8,004**	**(126,532)**	**(118,528)**
Transactions with owners, recorded directly to equity					
Rights issue and placement					
Issue of shares in lieu of directors' fees	9	1,214,370	-	-	1,214,370
Less share issue costs	9	45,270	-	-	45,270
Other share-based payment transactions	9	(102,972)	-	-	(102,972)
Total contributions by and distributions to owners		**1,156,668**	**-**	**-**	**1,156,668**
Balance at 31 December 2015		**49,826,124**	**509,309**	**(29,120,087)**	**21,215,346**

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Uranium Equities Limited and its Controlled Entities

Condensed consolidated statement of cash flows

For the half-year ended 31 December 2016

	31 Dec 2016	31 Dec 2015
Cash flows from operating activities		
Cash paid to suppliers and employees	(181,480)	(153,794)
Interest received	23,674	27,721
Other – Research and Development refunds	43,989	-
Net cash used in operating activities	**(113,817)**	**(126,073)**
Cash flows from investing activities		
Payments for mining exploration, evaluation and rehabilitation	(307,351)	(906,250)
Net cash used in investing activities	**(307,351)**	**(906,250)**
Net cash used in financing activities		
Net proceeds from issue of shares	-	1,103,912
Bond return	-	15,560
Increase in restricted cash	-	(3,386)
Net cash (used in)/from financing activities	**-**	**1,116,086**
Net (decrease)/increase in cash and cash equivalents	(421,168)	83,763
Cash and cash equivalents at 1 July	511,106	284,782
Cash and cash equivalents at 31 December	**89,938**	**368,545**

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

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Notes to the condensed financial statements

For the half-year ended 31 December 2016

1. Significant accounting policies

(a) Statement of compliance

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2016 and any public announcements made by Uranium Equities Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

(b) Basis of preparation

The interim report has been prepared on a historical cost basis except for certain other investments which have been stated at market value. Cost is based on the fair value of the consideration given in exchange for assets. The Group is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(c) Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2016.

(d) Adoption of new and revised Accounting Standards

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 2016.

The Group has adopted all of the new and revised Standards and Interpretations effective for the current year that are relevant to the Group. The directors note that there is no significant impact on the financial reports as a result.

The directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half year ended 31 December 2016. As a result of this review, the directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to Group accounting policies.

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(e) Going Concern

The Company has forecast that it may need to seek additional funding in order to meet its operating expenditure and planned exploration expenditure for the next 12 months from the date of signing these half-yearly financial statements and note the difficulties being faced by smaller exploration companies seeking to raise additional capital in the current market. If the Company is unable to raise further funds or realise its existing assets within the next 12 months, there is a material uncertainty that may cast significant doubt as to whether the Group will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business. As a result, the Company's auditors have included in their Review Report an "Emphasis of Matter" paragraph. Refer to page 21 for the Independent Auditor's Review Report.

(f) Accounting policies and methods of computation

The accounting policies and methods of computation adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2016. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

2. Segment reporting

Geographical 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.

	Exploration and Evaluation		Corporate		Total	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	$	$	$	$	$	$
Corporate and administrative expenses	-	-	(151,307)	(125,981)	(151,307)	(125,981)
Other	-	-	-	-	-	-
Segment net gain/ loss after tax	**-**	**-**	**(151,307)**	**(125,981)**	**(151,307)**	**(125,981)**
Unallocated income/(expenses)						
Net financing income					(5,416)	(551)
Loss before income tax					**(156,723)**	**(126,532)**

	Exploration and Evaluation		Corporate		Total	
	31 December 2016	30 June 2016	31 December 2016	30 June 2016	31 December 2016	30 June 2016
	$	$	$	$	$	$
Segment assets:						
Exploration and evaluation assets	21,023,070	20,726,722	-	-	21,023,070	20,726,722
Other	1,636,701	1,641,089	178,142	91,302	1,814,843	1.732,391
	22,659,771	**22,367,811**	**178,142**	**91,302**	**22,837,913**	**22,459,113**
Unallocated assets					500,790	920,937
Total assets					**23,338,703**	**23,380,050**
Segment liabilities	1,895,490	1,885,866	32,046	61,343	1,927,536	1,947,209

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3. Loss before income tax expense

	31 Dec 2016 $	31 Dec 2015 $
Corporate administrative expenses		
Depreciation and amortisation	(2,415)	(3,189)
Insurance	(6,481)	(6,550)
Legal fees	(377)	-
Corporate service charge	(33,000)	(33,000)
Personnel expenses	(79,164)	(27,998)
Regulatory and compliance	(35,499)	(35,006)
Other	5,629	(20,238)
	(151,307)	**(125,981)**

4. Restricted cash

	31 Dec 2016 $	30 Jun 2016 $
Bank guarantees and cash deposits in relation to rehabilitation obligations	1,592,099	1,592,099
Bank guarantee in relation to business credit cards	10,000	10,000
	1,602,099	1,602,099

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 $58,237).

5. Available-for-sale investments

	31 Dec 2016 $	30 Jun 2016 $
PhosEnergy Limited shares	345,537	345,537
	345,537	345,537

The investment in PhosEnergy Limited has been fair valued entirely under Level 3 of the IFRS 13 Fair Value Hierarchy.

6. Exploration and evaluation assets

	6 months to 31 Dec 2016 $	Year to 30 June 2016 $
Cost brought forward at beginning of period	20,401,255	19,231,360
Expenditure incurred during the period	296,350	1,189,815
Write down and reimbursement brought through the statement of comprehensive income	-	(19,920)
Total	20,697,605	20,401,255

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on successful development and commercial exploitation or sale of the respective areas.

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7. Other non current assets

	31 Dec 2016 $	30 Jun 2016 $
Cost bought forward at beginning of period	325,465	-
Tenement Applications acquired on acquisition of Arnhem Minerals Pty Ltd	-	325,000
Expenditure incurred during the year	-	465
	325,465	325,465

8. Provisions

	31 Dec 2016 $	30 Jun 2016 $
Current		
Rehabilitation (i)	88,780	88,321
Income tax payable (ii)	168,375	168,375
	257,155	256,696
Non-current		
Rehabilitation (i)	1,603,722	1,582,389
	1,603,722	1,582,389

(i) The rehabilitation provision represents an estimate of the cost of meeting obligations for rehabilitation at the Nabarlek Mineral Lease assumed by the Company upon the acquisition of Queensland Mines Pty Ltd in 2008.

(ii) In July 2016 the Company received notification from AusIndustry that a previously issued 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 2011/12, 2012/13 and 2013/2014 financial years has been partially overturned.

At 30 June 2015, the Company recorded a liability of $438,750 based on the Certificate for Finding. Following a request by the Company to have the decision reviewed, the Company has been advised that the liability has been reduced to $168,375.

9. Issued capital

	31 Dec 2016 No.	30 Jun 2016 No.
Issued and fully paid ordinary shares	618,502,191	618,502,191

	6 months to 31 Dec 2016		Year to 30 Jun 2016	
	No.	$	No.	$
Balance at 1 July	618,502,191	49,825,074	455,388,518	48,669,456
Share issues	-	-	151,796,173	1,214,370
Share issues – in lieu of directors' fees	-	-	11,317,500	45,270
Less share issue costs	-	-	-	(102,972)
Balance at end of period	618,502,191	49,825,074	618,502,191	49,825,074

10. Share Options

	6 months to 31 Dec 2016 No.	Year to 30 Jun 2016 No.
Movements in unlisted options over ordinary shares on issue:		
At 1 July	-	-
Options issued	14,800,000	-
Options expired or forfeited	-	-
At balance date	14,800,000	-

The fair value of options is estimated at the date of grant using a Black Scholes option-pricing model. The following table provides the assumptions made in determining the fair value of the options granted during the half year:

	6 months to 31 Dec 2016	Year to 30 Jun 2016
Share price at grant date (weighted average)	0.05	-
Exercise price	0.025	-
Expected volatility	100%	-
Option life	5 years	-
Expected dividends	-	-
Risk free interest rate	1.7%	-
		-

Share options are granted under service conditions. Non-market performance conditions are not taken into account in the grant date fair value measurement of the services rendered.

11. Related party transactions

Key Management personnel

Key management personnel including non-executive directors receive compensation in the form of short-term employee benefits, post-employment benefits and share-based payment awards. For the six months ended 31 December 2016, executive personnel received total compensation of $34,892 (six months ended 31 December 2015: $118,515) and non-executive directors received total compensation of $30,210 (six months ended 31 December 2015: $35,916).

During the half year the accrued non-executive Directors fees from 1 October 2015 to 30 June 2016 ($9,097) were paid out in cash to the Directors. Due to ongoing difficulties in equity markets and low uranium prices, the non-executive directors have agreed to continue to accrue all or part of fees owing until further notice. Mr T Goyder placed his director's fees on hold from 1 January 2015 until further notice.

At 31 December 2016 the balance of non–executive directors' fees owing was $6,065.

Other related parties transactions

The Group receives corporate services including office rent and facilities, accounting and company secretarial services under a Corporate Services Agreement with Chalice Gold Mines Limited. Mr Goyder is the Managing Director of Chalice Gold Mines Limited. Mr Hacker is the Chief Financial Officer 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. The total amount paid during the period was $33,000 (six months ended 31 December 2015: $33,000). An amount of $5,500 (six months ended 31 December 2015: $16,500) was outstanding and payable at the end of the period and has subsequently been settled.

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12. Events after balance date

On 9 February 2017 Dr Kevin frost was appointment as a non-executive director of the Company and 3,000,000 fully paid ordinary shares were issued to a consultant of the Company in consideration for the provision of corporate communication and investor relations support.

There were no other significant events after the balance date.

13. Capital commitments

There have been no changes to the capital commitments as disclosed in the Annual Report for the year ended 30 June 2016.

14. Financial instruments

The directors consider that the carrying values of the financial assets and financial liabilities recognised in the condensed consolidated statement of financial position approximate their fair value. Refer to Note 5 for specific fair value disclosures in relation to the available-for-sale investments.

Directors’ Declaration

For the half-year ended 31 December 2016

In the opinion of the directors of Uranium Equities Limited:

1. the interim financial statements and notes set out on pages 8 to 19, are in accordance with the Corporations Act 2001 including:

   (a) giving a true and fair view of the financial position of the Group as at 31 December 2016 and of its performance for the half-year ended on that date; and

   (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Perth on 14th March 2017.

Signed in accordance with a resolution of the directors:

Tim Goyder
Chairman

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Accountants | Business and Financial Advisers

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Uranium Equities Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Uranium Equities Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2016, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Uranium Equities Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 1 (e) to the half-year financial report which indicates that the Group will be required to raise additional funds in order for it to continue as a going concern. Should the Group not be successful in raising the required additional funds, there is a material uncertainty that may cast significant doubt whether the Group will continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
14 March 2017