



## **URANIUM EQUITIES LIMITED**

### **ACN 009 799 553**

## **PROSPECTUS**

**THIS PROSPECTUS IS BEING ISSUED FOR A NON-RENOUNCEABLE PRO-RATA OFFER TO ELIGIBLE SHAREHOLDERS ON THE BASIS OF ONE NEW SHARE FOR EVERY THREE SHARES HELD ON THE RECORD DATE AT AN ISSUE PRICE OF 1 CENT EACH.**

**THE OFFER IS PARTIALLY UNDERWRITTEN BY LOTAKA PTY LTD.**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

## **IMPORTANT INFORMATION**

This Prospectus is dated 17 July 2014 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company at 22B Beulah Road, Norwood, South Australia, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.4).

The Securities offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

Acceptances of Securities under the Entitlement Offer can only be submitted on an original Entitlement and Acceptance Form sent with a copy of this Prospectus by the Company. The Entitlement and Acceptance Form sets out an Eligible Shareholder's entitlement to participate in the Entitlement Offer. If acceptance is by BPAY there is no need to return the original Entitlement and Acceptance Form. Applications for Additional Shares must be made on the separate section on the Entitlement and Acceptance Form sent with this Prospectus. The issue of Additional Shares is at the complete discretion of the Directors. More information on the Shortfall Offer is in Section 1.8.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed. No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia and New Zealand.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This document is important and should be read in its entirety before deciding to participate in the Offer. This does not take into account the investment objectives, financial or taxation, or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 4. Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to ACST unless otherwise indicated.

## CORPORATE DIRECTORY

### Directors

Mr Tim Goyder      Executive Chairman  
Mr Bryn Jones      Non-Executive Director  
Mr Richard Hacker    Non-Executive Director

### Share Registry

Computershare Investor Services Pty Ltd  
Level 5, 115 Grenfell Street  
Adelaide SA 5000

### Company Secretary

Mr Rolf Heinrich

### Lawyers

Bellanhouse Legal  
Suite 1, 6 Richardson Street  
West Perth WA 6005

### Registered Office

22B Beulah Road  
Norwood SA 5067

Tel: +61 (8) 8110 0700  
Fax: +61 (8) 8110 0777

### Underwriter

Lotaka Pty Ltd  
Level 2, 1292 Hay Street  
West Perth WA 6005

**ASX Code: UEQ**

**Website:** [www.uel.com.au](http://www.uel.com.au)

## PROPOSED TIMETABLE FOR ENTITLEMENT OFFER

Item	Date
Lodgement of Appendix 3B and Prospectus with ASX	18 July 2014
Notice of Entitlement Offer sent to Optionholders	18 July 2014
Notice of Entitlement Offer sent to Shareholders	23 July 2014
Shares quoted on an "EX" basis	24 July 2014
Record Date for determining Entitlements	28 July 2014
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders	31 July 2014
Last day to extend the offer closing date	7 August 2014
Closing Date of Entitlement Offer*	12 August 2014
Shares quoted on a deferred settlement basis	13 August 2014
Notification of Shortfall	15 August 2014
Anticipated date for issue of the Securities	19 August 2014

\* The Directors may extend the Entitlement Offer Closing Date by giving at least three (3) Business Days' notice to ASX prior to the Entitlement Offer Closing Date. As such the date the Securities issued under the Entitlement Offer are expected to commence trading on ASX may vary.

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## **LETTER FROM THE CHAIRMAN**

Dear Shareholder

On behalf of your Directors, I am pleased to invite you to participate in a partially underwritten, non-renounceable pro-rata 1-for-3 entitlement offer at an issue price of 1 cent per share to raise approximately \$1.0 million.

The issue price represents a discount of 17 per cent to the 30-day VWAP of the closing price of Uranium Equities shares, providing shareholders with an opportunity to increase their holdings at an attractive price.

### **Use of Funds**

The funds raised under the Offer will be used to underpin ongoing exploration programs targeting high-grade uranium deposits within the Company's high quality exploration portfolio in the Alligator Rivers Uranium Field (**ARUF**) in the Northern Territory, and for general working capital.

Uranium Equities has consolidated a dominant position covering more than 5,000 square kilometres in this world-class uranium province following the recently announced acquisition of an extensive ground package from Spectrum Rare Earths Limited.

The ARUF hosts Energy Resources of Australia Limited's Ranger Uranium Mine and Jabiluka Deposit, as well as the historical high-grade Nabarlek Deposit. The Field's mineral endowment, including mined resources, exceeds 500 million pounds of uranium<sup>(2)</sup>.

The recent discovery of high-grade uranium by Cameco Australia Pty Ltd at its Angulari Prospect – where drill-hole WRD0084 returned intersections including 12.2m @ 1.1% U<sub>3</sub>O<sub>8</sub> and 20.2m @ 5.2% U<sub>3</sub>O<sub>8</sub><sup>(1)</sup> – has added to the prospectivity of the region. Uranium Equities' tenement applications lie adjacent to this exciting new discovery.

The Company now controls what I believe to be one of the most prospective uranium exploration portfolios in the world, with proven potential for high-grade discoveries and located in the heart of a region dominated by major global uranium companies.

### **Current Exploration**

Uranium Equities recently undertook a 5,000m RC drilling program at the Nabarlek Project and West Arnhem Joint Venture.

Targets tested in this program include an area of elevated radon anomalism adjacent to the U40 Prospect, where diamond drilling previously intersected exceptional uranium and associated base and precious metal mineralisation, including an intersection of 6.8m @ 6.7% U<sub>3</sub>O<sub>8</sub> from 75m including 5m @ 9.11% U<sub>3</sub>O<sub>8</sub><sup>(2)</sup>.

Drilling has also tested other significant structural and geochemical targets throughout the region. Deeper drilling on the Nabarlek Mining Lease beneath the historical Nabarlek Pit has also been undertaken to test the Company's 'Nabarlek Deep' Concept.

### **Next Steps**

Results from the recent drilling program at Nabarlek are expected during the September 2014 Quarter. The results will provide us with a clear indication of the best opportunities to progress this project to the next stage.

The Company will also continue to liaise with the Northern Land Council and Traditional

Owners of the newly acquired areas under application with a view to finalising land access agreements on those tenements which are not yet granted.

### **Summary**

Uranium Equities has been able to secure a unique, high quality exploration portfolio in Australia's premier uranium province at a low point in the uranium investment cycle. Your Directors believe that this positions the Company extremely well to participate in the resurgence of the uranium sector as the inevitable forces of rising demand and diminishing supply play out.

With results expected from our recent drilling activities in the coming weeks and a strong pipeline of exploration prospects to test in the months and years ahead, the Company is extremely well placed to deliver substantial upside to our shareholders.

Against this backdrop, the Board recommends that you take up your entitlement under the Offer after reading this Prospectus in its entirety including the risks outlined in Section 4. Full details of the Entitlement Offer are set out in this Prospectus.

The Directors – including myself as one of UEQ's largest shareholders with a stake of 17.8 per cent – intend to take up all of their entitlement under the Offer. Lotaka Pty Ltd, a company which I control, has also agreed to partially underwrite the Offer up to \$330,000.

I look forward to your support and to keeping you updated on our progress.

Yours faithfully



Tim Goyder  
Executive Chairman

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<sup>(1)</sup> Source: Northern Territory Geological Survey (NTGS) AGES Conference 2013 presentation by Ian Scrimgeour.

<sup>(2)</sup> The information in this letter is extracted from the ASX Announcement entitled 'Uranium Equities Adds to NT Uranium Portfolio' created on 16 June 2014 and is available to view on [www.uel.com.au](http://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 announcement 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.

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## **1. Details of the Offer**

### **1.1 Entitlement Offer**

The Company is making a partially underwritten, non-renounceable pro-rata offer of ordinary fully paid Shares at an issue price of 1 cent each to Eligible Shareholders on the basis of one Share for every three Shares held at 5:00pm (ACST) on the Record Date (**Entitlement Offer**).

The Company is also currently undertaking a placement to sophisticated investors to raise up to a further \$450,000 by issuing 45,000,000 Shares at an issue price of 1 cent per Share (**Placement**).

The Company has as at the date of this Prospectus 303,938,778 Shares, 500,000 unlisted Options and 1,506,406 unlisted performance rights on issue. This does not include any Shares to be issued as a result of the Placement.

The market price of Shares at the date of this Prospectus is such that it is unlikely that any of the existing Options will be exercised before the Record Date.

Where the determination of the entitlement of any Eligible Shareholder results in a fraction of a Share, such fraction will be rounded up to the nearest whole Share. Further details on the rights and liabilities attaching to the Shares under the Offer is contained in Section 5.1.

### **1.2 Purpose of the Offer**

Completion of the Entitlement Offer will result in an increase in cash at hand of up to approximately \$1.0 million (before payment of costs).

The funds raised pursuant to the Entitlement Offer and the Placement will be used to fund future exploration targeting high grade uranium deposits at the Company's exploration projects in the Alligator Rivers Uranium Field and for general working capital.

### **1.3 Opening and Closing Dates**

For the Entitlement Offer, the Company will accept Entitlement and Acceptance Forms from the Record Date for determining Eligible Shareholders' entitlements under the Entitlement Offer until 5:00pm ACST on 12 August 2014 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Entitlement Offer Closing Date**).

### **1.4 Minimum subscription**

There is no minimum subscription for the Entitlement Offer.

### **1.5 Underwriting and sub-underwriting**

Lotaka Pty Ltd has been appointed as a partial underwriter of the Entitlement Offer (the **Underwriter**). Lotaka Pty Ltd has agreed to underwrite a total of \$330,000, being 33,000,000 Shares (**Underwritten Shares**). A conditional formal Underwriting Agreement has been agreed between Lotaka Pty Ltd and the Company which

requires Lotaka Pty Ltd to partially underwrite the Entitlement Offer. A summary of the Underwriting Agreement is contained in Section 5.2.

Following the close of the Offer, the Underwritten Shares will be allocated to the Underwriter in priority to the allocation of any Additional Shares applied for by other Eligible Shareholders pursuant to this Prospectus. Any shortfall remaining after the Underwritten Shares have been allocated (if any) will be allocated at the discretion of the Directors.

The Underwriter has entered into a sub-underwriting agreement with The Emerald Superannuation Fund (**Sub-Underwriter**)**(Sub-Underwriting Agreement)**, a fund controlled by Mr Richard Hacker, a Director of the Company. Mr Hacker has agreed to sub-underwrite up to 1,000,000 of the Underwritten Shares at an issue price of 1 cent per share, to raise up to \$10,000. The Sub-Underwriter will be paid a fee of 3.5% of the amount raised pursuant to the Sub-Underwriting Agreement.

## **1.6 Related Party Underwriting**

The Underwriter is a related party of the Company by virtue of being controlled by Mr Goyder, a Director of the Company.

The Company has not sought Shareholder approval for the execution of the Underwriting Agreement or the Sub-Underwriting Agreement on the basis that they have each been negotiated at arm's length and contain standard commercial terms and therefore fall within the exception in section 210 of the *Corporations Act 2001* (Cth).

In support of this, the Company advises that:

- (a) Mr Goyder has been excluded from any discussions by the Board in relation to the Underwriting Agreement;
- (b) Mr Hacker has been excluded from any discussions by the Board in relation to the Sub-Underwriting Agreement;
- (c) the Company considered a number of alternative potential independent underwriters but the terms offered by the Underwriter were the most favourable;
- (d) neither the Underwriter nor the Sub-Underwriter will benefit from the proposed use of capital, other than as a holder of Shares and the underwriting fee; and
- (e) it is the view of the Directors that the Offer period gives Shareholders reasonable opportunity to accept the Offer.

## **1.7 Effect on control of the Company**

Mr Goyder and his associated entities are presently Shareholders of the Company and the extent to which Shares are issued pursuant to the underwriting will increase Mr Goyder's voting power in the Company. The Underwriter is also a related party of the Company for the purpose of the Corporations Act by virtue of being a company/an entity associated with Mr Goyder. Mr Goyder's present relevant interest and changes under several scenarios are set out in the table below and are

based on the assumption that the Underwriter takes up its full entitlement of 33,000,000 Shares under each scenario.

Event	Shares issued to Mr Goyder under Offer	Shares held by Underwriter	Voting power of Underwriter and Mr Goyder excluding Placement	Voting power of Underwriter and Mr Goyder including Placement
Date of Prospectus		54,038,782	17.78%	
Completion of Entitlement Issue				
• Fully subscribed	18,012,928	72,051,710	17.78%	16.00%
• 75% subscribed	43,341,160	97,379,942	24.03%	21.63%
• 50% subscribed	51,012,928	105,051,710	27.10%	24.28%
• 17.78% subscribed (being Mr Goyder's Entitlement).	51,012,928	105,051,710	29.60%	26.27%

The number of Shares held by Mr Goyder and his voting power in the table above show the potential effect of the Underwriter partially underwriting the Offer. However, it is unlikely that no Shareholders, other than Mr Goyder, will take up entitlements under the Offer. The underwriting obligation and therefore voting power of Mr Goyder will reduce by a corresponding amount for the amount of entitlements under the Offer taken up by the other Shareholders. As noted in Section 1.5 above, the shortfall will be allocated firstly to the Underwriter with any surplus Additional Shares to be allocated to Applicants at the discretion of the Directors.

In addition, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken up	% post Offer only	% post Offer and Placement
Shareholder 1	10,000,000	3.29%	3,333,333	10,000,000	2.47%	2.22%
Shareholder 2	5,000,000	1.65%	1,666,667	5,000,000	1.23%	1.11%
Shareholder 3	1,500,000	0.49%	500,000	1,500,000	0.37%	0.33%
Shareholder 4	400,000	0.13%	133,333	400,000	0.10%	0.09%
Shareholder 5	50,000	0.02%	16,667	50,000	0.01%	0.01%

**Notes:**

1. The dilution effect shown in the table is the maximum percentage on the assumption that those entitlements not accepted are placed under the Shortfall Offer. In the event all entitlements are not accepted and some or all of the resulting Shortfall is not subsequently placed, the dilution effect for each Shareholder not accepting their entitlement would be a lesser percentage.

## **1.8 Shortfall Offer**

If you do not wish to take up any part of your entitlement under the Entitlement Offer, you are not required to take any action. That part of your entitlement not taken up will form part of the Shortfall and will be dealt with in accordance with this Section. In these circumstances, you will receive no benefit. Accordingly, it is important that you take action if you want to accept your entitlement in accordance with the instructions in Section 2.1.

Subject to the terms of the Underwriting Agreement, the offer of any Additional Shares is a separate offer made pursuant to this Prospectus and will remain open after the Entitlement Offer Closing Date (**Shortfall Offer**). Additional Shares will be offered at an issue price of 1 cent per Share, which is the issue price at which the Entitlement Offer has been made to Eligible Shareholders. The Shares issued as Additional Shares will have the same rights as the Shares set out in Section 5.1.

Following the priority allocation of any Additional Shares to the Underwriter to satisfy the Underwriter Shares, as set out in Section 1.5, Additional Shares may be allocated to any Eligible Shareholder who applies for, and provides subscription monies as per the instruction on the Entitlement and Acceptance Form and in accordance with Section 2.1(c). Any Additional Shares allocated under the Shortfall Offer are at the absolute discretion of the Directors and subject to compliance with the Listing Rules and the Underwriting Agreement.

The Directors do not represent that any application to participate in the Shortfall Offer will be successful. The Company reserves the right to issue to an Applicant for Additional Shares a lesser number of Additional Shares than the number applied for or reject an application or not proceed with the issuing of the Additional Shares or part thereof. If the number of Additional Shares issued is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on any Application Monies refunded.

If Shareholders wish to apply for Additional Shares they should complete the separate section of the Application Form sent with the Prospectus. Refer to Section 2.1(c) for instructions as to how to apply for Additional Shares.

Any Additional Shares will be issued within three months of the Entitlement Offer Closing Date. These Additional Shares will be issued at the same price as offered to Eligible Shareholders under the Entitlement Offer.

## **1.9 No rights trading**

The rights to Shares under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your entitlement to any other party. If you do not take up your entitlement to Securities under the Entitlement Offer by the Entitlement Offer Closing Date, the Entitlement Offer to you will lapse.

## **1.10 Entitlement and Acceptance Form**

Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Securities accepted by the Company. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of Securities.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Form, is final.

The Company will send this Prospectus, together with an Entitlement and Acceptance Form, to all Eligible Shareholders.

### **1.11 Issue Date and dispatch**

All Securities under the Entitlement Offer are expected to be issued on or before the date specified in the proposed timetable in this Prospectus.

Security holder statements will be dispatched at the end of the calendar month following the issue of the Securities under the Offer.

It is the responsibility of Applicants to determine their allocation prior to trading in the Securities. Applicants who sell Securities before they receive their holding statements do so at their own risk.

### **1.12 Application Monies held on trust**

All Application Monies received for the Securities under the Entitlement Offer will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Securities are issued. All Application Monies will be returned (without interest) if the Securities are not issued.

### **1.13 ASX quotation**

Application has been or will be made for the official quotation of the Securities offered by this Prospectus. If permission is not granted by ASX for the official quotation of the Securities offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

### **1.14 CHESS**

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

The CHESS statement will specify the number of Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Securities, including a notice to exercise the Securities.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by Computershare Investor Services Pty Limited and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

### **1.15 Residents Outside Australia**

This Prospectus, and any accompanying Entitlement and Acceptance Form, do not, and is not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Shares under the Offer. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Shareholders with a registered address outside Australia should consult their professional advisers as to whether any governmental or other consents are required, or other formalities need to be observed to enable them to accept or deal with their entitlement. The return of a completed Entitlement and Acceptance Form from a Shareholder with a registered address outside Australia will be taken by the Company to constitute a representation and warranty by that Shareholder that all relevant approvals have been obtained and that the Company may legally issue the Shares to that Shareholder.

### **1.16 New Zealand offer restrictions**

The Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand at the Record Date.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

### **1.17 Risk factors**

An investment in Securities of the Company should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 4.

### **1.18 Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Securities under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Securities under this Prospectus.

### **1.19 Major activities and financial information**

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2013 can be found in the Company's Annual Financial Report lodged with ASX. The Company's continuous disclosure notices (i.e. ASX announcements) since 14 October 2013 are listed in Section 5.4. Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offer.

### **1.20 Privacy**

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Acceptance and, if the Acceptance is successful, to administer the Applicant's Security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Acceptance or Application (as applicable).

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

### **1.21 Enquiries concerning Prospectus**

Enquiries concerning the Entitlement and Acceptance Form can be directed to Computershare Investor Services Pty Ltd by telephone on 1300 556 161.

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 8 8110 0700.

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## **2. Action required by Shareholders**

### **2.1 Action in relation to the Entitlement Offer**

#### **(a) Acceptance of Securities under the Entitlement Offer**

Should you wish to accept all of your entitlement to Securities under the Entitlement Offer and you are not paying by BPAY, then applications for Securities under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the amount indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Uranium Equities Limited" and lodged at any time after the issue of this Prospectus and on or before the Entitlement Offer Closing Date at the Company's share registry (by delivery or by post) at:

Computershare Investor Services Pty Ltd  
GPO Box 2987  
Adelaide SA 5001

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the Entitlement Offer Closing Date. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

#### **(b) If you wish to take up only part of your entitlement under the Entitlement Offer**

Should you wish to only take up part of your entitlement under the Entitlement Offer and you are not paying by BPAY, then applications for Securities under the Entitlement Offer must be made on the Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of Securities you wish to accept and the amount payable (calculated at 1 cent per Share accepted), and attach a cheque for the appropriate Application Monies.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Uranium Equities Limited" and lodged at any time after the issue of this Prospectus and on or before the Entitlement Offer Closing Date at the Company's share registry (by delivery or by post) at:

Computershare Investor Services Pty Ltd  
GPO Box 2987  
Adelaide SA 5001

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the Entitlement Offer Closing Date. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

(c) If you wish to apply for Additional Shares

If you wish to apply for Shares in excess of your entitlement under the Entitlement Offer by applying for Additional Shares you may do so by completing the relevant separate section of the Entitlement and Acceptance Form relating to the Shortfall Offer and which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Any Shares applied for in excess of your entitlement will be applied for under the Shortfall Offer and will be issued at the complete discretion of the Directors.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Uranium Equities Limited" and lodged at any time after the issue of this Prospectus and on or before the Entitlement Offer Closing Date at the Company's share registry (by delivery or by post) at:

Computershare Investor Services Pty Ltd  
GPO Box 2987  
Adelaide SA 5001

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the date and time mentioned above. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

(d) Entitlements not taken up

If you do not wish to accept any of your entitlement, you are not obliged to do anything. The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your entitlement.

(e) Enquiries concerning your entitlement

If you have any queries concerning your entitlement please contact Computershare Investor Services on 1300 556 161.

### 3. Effect of the Offer

#### 3.1 Capital structure on completion of the Offer

	No. of Shares	No. of Unlisted Options	No. of Unlisted Performance Rights
Balance at the date of this Prospectus	303,938,778	500,000	1,506,406
Maximum number of Shares to be issued under the Entitlement Offer <sup>1</sup>	101,312,926	Nil	Nil
Maximum number of Shares to be issued under the Placement <sup>1</sup>	45,000,000	Nil	Nil
<b>TOTAL</b>	<b>450,251,704</b>	<b>500,000</b>	<b>1,506,406</b>

**Note:**

<sup>1</sup>This assumes that all Shares offered under the Placement and Offer will be issued. The actual number of Shares to be issued will vary based on the Shares subscribed for and issued pursuant to the Offer and the Placement.

#### 3.2 Pro forma consolidated statement of financial position

	Unaudited As at 31 May 2014	Effect of Arnhem Minerals Acquisition	Effect of Placement	Effect of Entitlement Offer	Unaudited Pro forma
	\$	\$		\$	\$
<b>Current assets</b>					
Cash and cash equivalents	636,540	(325,000)	430,250	967,390	1,709,180
Trade and other receivables	318,528				318,528
<b>Total current assets</b>	<b>955,068</b>	<b>(325,000)</b>	<b>430,250</b>	<b>967,390</b>	<b>2,027,708</b>
<b>Non-current assets</b>					
Restricted Cash	1,589,422				1,589,422
Financial assets	579,102				579,102
Exploration and evaluation assets	19,649,805	325,000			19,974,805
Property, Plant and Equipment	144,163				144,163
<b>Total non-current assets</b>	<b>21,962,492</b>	<b>325,000</b>	<b>0</b>	<b>0</b>	<b>22,287,492</b>
<b>Total assets</b>	<b>22,917,560</b>	<b>0</b>	<b>430,250</b>	<b>967,390</b>	<b>24,315,200</b>
<b>Current liabilities</b>					
Trade and other payables	295,893				295,893
Provisions	24,547				24,547
Interest-bearing loans and borrowings	3,251				3,251
Employee benefits	108,814				108,814
<b>Total current liabilities</b>	<b>432,505</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>432,505</b>

	Unaudited As at 31 May 2014	\$	Effect of Arnhem Minerals Acquisition	\$	Effect of Placement	\$	Effect of Entitlement Offer	\$	Unaudited Pro forma	\$
<b>Non-current liabilities</b>										
Provisions	1,590,068								1,590,068	
Employee benefits	27,568								27,568	
<b>Total non-current liabilities</b>	<b>1,617,636</b>		0		0		0		<b>1,617,636</b>	
<b>Total liabilities</b>	<b>2,050,141</b>		0		0		0		<b>2,050,141</b>	
<b>Net assets</b>	<b>20,867,419</b>		0	430,250	967,390	22,265,059				
<b>Equity</b>										
Issued capital	47,242,083			430,250	967,390	48,639,723				
Reserves	5,471,004								5,471,004	
Accumulated losses	(31,845,668)								(31,845,668)	
<b>Total Equity</b>	<b>20,867,419</b>		0	430,250	967,390	22,265,059				

### Basis of Preparation

The above pro forma statement of financial position has been prepared in accordance with the draft ASIC Guide to Disclosing Pro Forma Financial Information (issued July 2005).

The pro forma balance sheets have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the unaudited financial position as at 31 May 2014 updated for the impact of the Company's acquisition of Arnhem Minerals Pty Ltd from Spectrum Rare Earths Limited announced on 16 June 2014 and assumes that the Placement is completed and the Entitlement Offer is fully subscribed. Other than in the ordinary course of business, there have been no other material transactions between that date and the date of this Prospectus.

### 3.3 Market price of Shares

The highest and lowest market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Lowest: 1.0 cent per Share on 16 June 2014

Highest: 1.5 cents per Share on 27 June 2014

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was 1.3 cents per Share on 16 July 2014.

### 3.4 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

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## **4. Risk Factors**

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

### **4.1 Risks specific to the Company**

(a) Budget Risk

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

(b) Uranium as a source of energy

Nuclear energy is in direct competition with other sources of energy including gas, coal and hydro-electricity. Furthermore, any potential growth of the nuclear power industry (and increase in demand for uranium) beyond its current level will depend on the continued and increased acceptance of nuclear technology as a means of generating electricity. One of the arguments in favour of nuclear energy is its lower emissions of carbon dioxide per unit of power generated compared to coal and gas. Alternative energy systems such as wind or solar also have no or very low carbon emissions but to date these have not been cost effective enough to be used for large scale base load power.

(c) Reliance on key management

The Company is reliant on a number of key personnel employed or engaged by the Company. Loss of such personnel may have a materially adverse impact on the performance of the Company.

The Board is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of the Company's projects.

(d) Additional requirements for capital

The future capital requirements of the Company will depend on many factors including the results of future exploration and business development activities. The Company believes its available cash and resources following the Offer and Placement should be adequate to fund

its obligations in respect of its exploration work program, business development activities and other objectives for the next 12 months. Should the Company's exploration program be successful in identifying uranium bearing stratigraphy, additional funds will be required to advance the project to a resource stage.

Additional funding may be raised by the Company via the issues of equity, debt or a combination of debt and equity or asset sales. Any additional equity financing will dilute Shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities.

If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its programs or enter into joint venture arrangements to reduce expenditure and this could have a material adverse effect on the Company's activities. Unfavourable market conditions may adversely affect the Company's ability to raise additional funding regardless of the Company's operating performance.

Cameco Australia Pty Ltd and the Company are parties to a joint venture, holding 60% and 40% joint venture interests respectively. The Company has agreed with Cameco to earn a 100 per cent ownership in the West Arnhem Joint Venture (**WAJV**) tenements by spending \$2 million by September 2016. If sufficient financing cannot be obtained, there is a risk that the Company may elect to withdraw before acquiring a 100 per cent interest and therefore revert to its 40 per cent contributing interest in the WAJV.

(e) New projects and acquisitions and joint ventures

The Company has to date, and will continue to actively pursue and assess, other new business opportunities particularly those in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, or direct equity participation.

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available).

Furthermore, any new project or business acquisition may change the risk profile of the Company, particularly if the new project is located in another jurisdiction, involves a new commodity and/or changes the Company's capital/funding requirements.

Should the Company propose or complete the acquisition of a new project or business activity, investors should re-assess their investment in the Company in light of the new project/business activity.

(f) Tenure

The Company has a number of exploration licence applications in Arnhem Land, NT, including those held by Arnhem Minerals Pty Ltd. The granting of those applications requires agreement to be made with the Traditional

Owners of the land, as represented by the Northern Land Council. There is therefore a risk that the exploration licences may not be granted in future if agreements cannot be reached.

(g) Rehabilitation Obligations

The Company assumed all obligations for rehabilitation at the Nabarlek Mineral Lease following the acquisition of Queensland Mines Pty Ltd in 2008. There is a risk that the actual cost of rehabilitating the site to a standard acceptable to all stakeholders (including the Department of Mines and Energy, Traditional Owners and Office of the Supervising Scientist) is more than what is expected and provided for in the Company's financial statements.

## 4.2 Mining Industry Risks

(a) Exploration Risk

Mineral exploration by its nature is a high risk activity and there can be no guarantee of exploration success on the Company's projects. There can be no assurance that exploration of the tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

Further, exploration involves certain operating hazards, such as failure and or breakdown of equipment, adverse geological, seismic and geotechnical conditions, industrial accidents, labour disputes, adverse weather conditions, pollution and other environmental hazards and risks.

(b) Payment Obligations

Pursuant to the licences comprising the projects the Company will become subject to payment and other obligations. In particular, licence holders are required to expend the funds necessary to meet the minimum work commitments attaching to the tenements. Failure to meet these work commitments will render the licence liable to be cancelled or its size reduced. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of the Company's interest in the Projects.

(c) Commodity Price Volatility

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to price and exchange rate risks. Commodity prices (including uranium) fluctuate and are affected by many factors beyond the control of the Company including the international supply and demand for commodities, the quality of the minerals produced, actions taken by governments, forward selling activities and other macro-economic factors.

(d) Environmental risk

Uranium extraction and processing is an industry that has become subject to increasing environmental responsibility and liability. Future legislation and regulations governing uranium production may impose significant environmental obligations on the Company. The Company intends to conduct its activities in a responsible manner which minimises its impact on the environment, and in accordance with applicable laws.

#### **4.3 General Risks**

(a) Market Conditions and other Economic risks

General economic conditions, movements in interest and inflation rates, commodity prices and currency exchange rates may have an adverse effect on the Company's operations and any future development activities, as well as on its ability to fund those activities.

The price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) Changes in Government Policies and Legislation

Any material adverse changes in government policies or legislation of Australia or any other country that the Company may acquire economic interests in may affect the viability and profitability of the Company.

(c) Unforeseen expenditure risk

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(d) Insurance

The Company will, where possible and economically practicable, endeavour to mitigate some project and business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable and the policy provisions and exclusions may render a particular claim by the Company outside the scope of the insurance cover.

#### **4.4 Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

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## **5. Additional information**

### **5.1 Rights and liabilities attaching to Shares**

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) General meeting and notices

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act or the Listing Rules.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of the Company every holder of fully paid Shares present in person or by an attorney, representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per Share on a poll.

A person who holds a Share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the Share.

(c) Issues of further Shares

The Directors may, on behalf of the Company, issue, grant Options over or otherwise dispose of unissued Shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, the Listing Rules, the Corporations Act and any rights for the time being attached to the Shares in any special class of those Shares.

(d) Variation of rights

At present, the Company has on issue one class of Shares only, namely ordinary Shares. Unless otherwise provided by the Constitution or by the terms of issue of a class of Shares, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued Shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

(e) Transfer of Shares

Subject to the Constitution, the Corporations Act and the Listing Rules, ordinary Shares are freely transferable.

(f) Dividends

Subject to the Constitution and to the rights attaching to Shares issued on special conditions (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the holders of ordinary Shares in proportion to the number of Shares held by them respectively and are paid proportionately to the amounts paid or credited as paid on Shares.

(g) Winding up

Subject to the Constitution, the Corporations Act and the rights of holders of Shares with special rights in a winding-up (at present there are none), on a winding-up of the Company, the liquidator may, with the sanction of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set the value the liquidator considers fair upon any property to be so divided and may determine how the division is to be carried out as between members or different classes of members.

(h) Dividend reinvestment and share plans

The members of the Company, in general meeting, may authorise the Directors to implement and maintain dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid Shares in the Company) and any other share plans (under which any member may elect to forego any dividends that may be payable on all or some of the Shares held by that member and to receive instead some other entitlement, including the issue of Shares).

(i) Directors

The Constitution states that the minimum number of Directors is three.

(j) Powers of the Board

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors have power to manage the business of the Company and may exercise all powers of the Company as are not required by the Corporations Act, Listing Rules or Constitution, required to be exercised by the Company at general meeting.

(k) Unmarketable parcels

The Constitution permits the Company to sell the Shares held by a Shareholder if they comprise less than a marketable parcel within the meaning of the Listing Rules.

If a Shareholder does not want its Shares sold, that Shareholder may notify the Company accordingly.

(l) Capitalisation of profits

The Company may capitalise profits, reserves or other amounts available for distribution to members. Subject to the Constitution and the terms of issue of Shares, members are entitled to participate in a capital distribution in the same proportions in which they are entitled to participate in dividends.

(m) Capital reduction

Subject to the Corporations Act and the Listing Rules, the Company may reduce its share capital.

(n) Preference Shares

The Company may issue preference Shares including preference Shares that are liable to be redeemed. The rights attaching to preference Shares include, without limitation, those in the Constitution.

## 5.2 Underwriting Agreement

By an agreement between the Underwriter and the Company (**Underwriting Agreement**) dated 17 July 2014, the Underwriter agreed to conditionally and partially underwrite the Entitlements Offer to the value of \$330,000 (**Underwritten Amount**).

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriter an underwriting fee of 3.5% of the total Underwritten Amount and the Company will also reimburse the Underwriter for all reasonable costs and expenses incidental to the Entitlements Offer.

In the event that the Entitlements Offer is not completed for any reason, including termination of the Underwriting Agreement by the Underwriter, the Company has agreed to reimburse the Underwriter for any costs and expenses incurred up to the date of termination of the Underwriting Agreement or the date the Entitlements Offer is otherwise brought to an end.

The obligation of the Underwriter to underwrite the Entitlements Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement in the event of any of the termination events set out below:

- (a) **(adverse change)**: any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a related corporation (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a related corporation).
- (b) **(alteration of capital structure or constitution)**: the Company alters its capital structure or its constitution without the prior written consent of the Underwriter.

- (c) **(ASX listing)**: ASX does not give approval for the Shares to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld.
- (d) **(banking facilities)**: the Company's bankers terminate or issue any demand or penalty notice or amending the terms of any existing facility or claiming repayment or accelerated repayment of any facility or requiring additional security for any existing facility.
- (e) **(change in laws)**: any of the following occurs:
  - (i) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia;
  - (ii) the public announcement of prospective legislation or policy by the Federal Government, or the Government of any State or Territory; or
  - (iii) the adoption by the ASIC, its delegates, ASX, the Reserve Bank of Australia or any other regulatory authority of any regulations or policy,

which does or is likely to prohibit, restrict or regulate the principal business of the Company, the Offer or the operation of stock markets generally.
- (f) **(default)**: the Company is in default of any of the terms and conditions of the Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement.
- (g) **(due diligence)**: there is a material omission from the results of the due diligence investigation performed in respect of the Offer or the results of the investigation or the verification material are false or misleading.
- (h) **(Event of Insolvency)**: an event of insolvency occurs in respect of a related corporation.
- (i) **(extended force majeure)**: a force majeure, which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of 2 weeks occurs.
- (j) **(failure to comply)**: the Company or any related corporation fails to comply with any of the following:
  - (i) a provision of its constitution;
  - (ii) any statute;
  - (iii) a requirement, order or request, made by or on behalf of ASIC or any Governmental Agency; or
  - (iv) any material agreement entered into by it.
- (k) **(general meeting required)**: the ASX or ASIC or any other governmental agency requires the Company to, or stipulates that the Company should, convene a general meeting to consider any aspect of the issue of the

Shares, including, without limitation, the participation of the Underwriter or any sub-underwriter.

- (l) (**hostilities**): there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, Philippines, Indonesia, Japan, Russia, the United Kingdom, the United States of America, or the Peoples' Republic of China.
- (m) (**indictable offence**): a Director of the Company or any related corporation is charged with an indictable offence.
- (n) (**investigation**): any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a related corporation.
- (o) (**Index change**): the S&P ASX 200 Index as determined at close of trading falls to a level that is 90% or less of the level at the close of trading on the date of the Underwriting Agreement.
- (p) (**judgment against a related corporation**): a judgment in an amount exceeding \$100,000 is obtained against the Company or a related corporation and is not set aside or satisfied within 7 days.
- (q) (**prescribed occurrence**): a ‘prescribed occurrence’ as set out in the Underwriting Agreement occurs.
- (r) (**return of capital or financial assistance**): the Company or a related corporation takes any steps to undertake a proposal contemplated under section 257A or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter.
- (s) (**sub-underwriters**): any of the sub-underwriters to the Offer do not comply with their respective obligations under the sub-underwriting agreements or threaten to not comply with their respective obligations under the sub-underwriting agreements.
- (t) (**suspension of debt payments**): the Company suspends payment of its debts generally.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

### 5.3 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information

concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.4 below). Copies of all documents announced to the ASX can be found at [www.uel.com.au](http://www.uel.com.au).

#### **5.4 Copies of documents**

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Entitlement Offer a copy of:

- (a) the financial statements of the Company for the financial year ended 30 June 2013, being the last financial statements for a financial year of the Company lodged with ASIC before the issue of this Prospectus;
- (b) the half year report of the Company for the half year ended 31 December 2013, being the half year financial report of the Company lodged with ASIC after lodgement of the financial statements referred to in paragraph (a) above and before the issue of this Prospectus; and
- (c) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the financial statements referred to in paragraph (a) above until the date of this Prospectus:

<b>Date lodged</b>	<b>Subject of Announcement</b>
07/07/2014	Expiry of Unlisted Options
19/06/2014	Corporate Presentation
18/06/2014	Lapse of Unlisted Performance Rights
16/06/2014	Uranium Equities Adds to NT Uranium Portfolio
11/06/2014	Marla and Oodnadatta Project Update
28/04/2014	Quarterly Cashflow Report
28/04/2014	Quarterly Activities Report
17/04/2014	Change of Director's Interest Notice - T Goyder
01/04/2014	Lapse of Unlisted Performance Rights and Appendix 3Y
28/03/2014	Board Changes
17/03/2014	Change of registered office
07/03/2014	Half Yearly Accounts
21/02/2014	Expiry of Unlisted Options
30/01/2014	Quarterly Cashflow Report
30/01/2014	Quarterly Activities Report
02/12/2013	Expiry of Unlisted Options
29/11/2013	Change of Director's Interest Notice - T Goyder
29/11/2013	Share Issue section 708A Notice

29/11/2013	Appendix 3B
28/11/2013	Initial Director's Interest Notice - R Hacker
28/11/2013	Final Director's Interest Notice - A Kiernan
28/11/2013	Results of Annual General Meeting
28/11/2013	AGM Presentation
28/11/2013	Chairman's Address to Shareholders
26/11/2013	Change of Director's Interest Notice - T Goyder
26/11/2013	Change of Director's Interest Notice - B Jones
26/11/2013	Change of Director's Interest Notice - A Kiernan
26/11/2013	Expiry of Unlisted Options
15/11/2013	Expiry of Unlisted Options
13/11/2013	Board Changes and Withdrawal of AGM Resolution
31/10/2013	Becoming a substantial holder for ENU
31/10/2013	Ceasing to be a substantial holder for EMX
31/10/2013	Quarterly Cashflow Report
31/10/2013	Quarterly Activities Report
30/10/2013	ENU: S/S Acquired in Energia Minerals Ltd
30/10/2013	Sale of Interest in Energia Minerals Limited
14/10/2013	Notice of Annual General Meeting and Proxy Form
14/10/2013	2013 Annual Report

The following documents are available for inspection throughout the period of the Entitlement Offer during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.13 and the consents provided by the Directors to the issue of this Prospectus.

## 5.5 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

## 5.6 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

## 5.7 Directors' interests

Except as disclosed in this Prospectus, no Director and no firm in which a Director or proposed director is a partner:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the

- Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

## **5.8 Directors' interests in Company Shares**

The Directors or their nominees currently each hold at the date of this Prospectus Shares in the Company as follows:

<b>Director</b>	<b>Shares</b>	<b>Options</b>
Tim Goyder <sup>1</sup>	54,038,782	Nil
Bryn Jones <sup>2</sup>	1,930,841	Nil
Richard Hacker	Nil	Nil

**Notes:**

<sup>1</sup> 52,238,782 shares are held directly by Mr Goyder and 1,800,000 shares are held by Plato Prospecting Pty Ltd (**Plato**) as trustee for the TRB Goyder Superannuation Fund (**TRB Fund**). Mr Goyder is the sole director and shareholder of Plato and the sole beneficiary of the TRB Fund.

<sup>2</sup> 26,667 shares are held directly by Mr Jones, 504,547 are held by Mr Bryn Jones and Mrs Kellie Nicole Jones ATF the Jones Family Trust (**Jones Trust**) and 1,399,627 shares are held by Mr Bryn Jones and Mrs Kellie Nicole Jones ATF the Tawel Super Fund (**Tawel Fund**) Mr Jones is a beneficiary of the Jones Trust and a member of the Tawel Fund.

It is the intention of the Directors to take up all of their respective entitlements under the Entitlement Offer.

## **5.9 Directors remuneration**

The Constitution provides that the Directors may be paid for their services as Directors a sum not exceeding such fixed sum per annum as may be determined by the Shareholders in general meetings, to be divided among the Directors as the Directors shall determine, and in default of agreement then in equal Shares.

A Director may also be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Directors received the following remuneration for the year to 30 June 2014:

<b>Director</b>	<b>Directors Fees, Other and Non Monetary Salary \$</b>	<b>Superannuation \$</b>	<b>Share based payments \$</b>	<b>Total \$</b>
Tim Goyder	58,727	5,115	Nil	63,842
Bryn Jones	342,393	18,056	Nil	360,449
Richard Hacker	14,947	1,235	Nil	16,182

### **Notes to 2014 remuneration:**

\$61,875 of the remuneration was accrued and not paid as at 30 June 2014 as a cash conservation measure. Mr Jones' remuneration includes \$131,277 of unused leave entitlements paid upon his resignation as Managing Director of the Company on 28 March 2014.

Directors received the following remuneration for the year ended 30 June 2013:

Director	Directors Fees, Other and Non Monetary Salary \$	Superannuation \$	Share based payments \$	Total \$
Tim Goyder	58,308	4,954	Nil	63,262
Bryn Jones	263,407	22,300	1,224	286,931
Richard Hacker	Nil	Nil	Nil	Nil

### **Notes to 2013 remuneration:**

\$32,110 of Tim Goyder's remuneration was accrued and not paid at 30 June 2013. 1,621,721 ordinary shares were issued to Mr Goyder in lieu of this remuneration following approval at the Company's 2013 Annual General Meeting.

### **5.10 Related party transactions**

Other than the Underwriting Agreement as set out in Section 1.6 of this Prospectus, there are no related party transactions involved in the Entitlement Offer.

### **5.11 Interests of other persons**

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

### **5.12 Expenses of Offer**

The estimated expenses of the Offer are as follows:

	\$
ASIC Lodgement fee	2,290
ASX quotation fee	4,825
Legal and preparation expenses	10,000
Printing, mailing and other	17,425

expenses	
Underwriting Fee @ 3.5%	11,200
<b>Total</b>	<b>45,740</b>

### 5.13 Consents

- (a) In accordance with the Corporations Act, Bellanhouse Legal has given, and as at the date of lodgement of this Prospectus with ASIC has not withdrawn, their written consent to being named in this Prospectus as solicitors to the Company. Bellanhouse Legal has not authorised or caused the issue of this Prospectus or the making of the Offer. Bellanhouse Legal make no representation regarding, and to the extent permitted by law exclude any responsibility for, any statements in or omissions from any part of this Prospectus.
- (b) Computershare Investor Services has given, and as at the date of lodgement of this Prospectus with ASIC has not withdrawn, its written consent to being named in this Prospectus as the Company's share registry. Computershare Investor Services has had no involvement in the preparation of any part of this Prospectus other than being named as share registrar of the Company. Computershare Investor Services has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Prospectus.
- (c) Lotaka Pty Ltd has given, and at the time of lodgement of this Prospectus, has not withdrawn its consent to be named as Underwriter to the offer of securities under this Prospectus, in the form and context in which it is named. Lotaka Pty Ltd was not involved in the preparation of any part of this Prospectus and did not authorise or cause the issue of this Prospectus. Lotaka Pty Ltd makes no express or implied representation or warranty in relation to Uranium Equities Limited, this Prospectus or the offer and does not make any statement in this Prospectus, nor is any statement in it based on any statement made by Lotaka Pty Ltd. To the maximum extent permitted by law, Lotaka Pty Ltd expressly disclaims and takes no responsibility for any material in, or omission from, this Prospectus other than the reference to its name.

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## **6. Directors' Statement and Consent**

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:



Tim Goyder

**Executive Chairman**

Dated: 17 July 2014

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## 7. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** means Australian dollars.

**Acceptance** means a valid acceptance of Shares made pursuant to this Prospectus on a Form.

**ACST** means Australian Central Standard Time, being the time in Adelaide, South Australia.

**Additional Shares** means Shares subscribed for by Eligible Shareholders under the Shortfall Offer.

**Applicant** means a person who submits an Entitlement and Acceptance Form.

**Application** means a valid application for Shares made on an Entitlement and Acceptance Form.

**Application Monies** means application monies for Shares received by the Company.

**ASIC** means Australian Shares and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 and where the context permits the Australian Shares Exchange operated by ASX Limited.

**Board** means the Directors meeting as a board.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Company** means Uranium Equities Limited ACN 009 799 553.

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Directors** mean the directors of the Company as at the date of this Prospectus.

**Eligible Shareholder** means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or New Zealand.

**Entitlement and Acceptance Form** means the entitlement and acceptance form provided by the Company with a copy of this Prospectus that describes the entitlement of Shareholders to subscribe for Shares pursuant to the Entitlement Offer.

**Entitlement Offer** has the meaning given to it in Section 1.1.

**Entitlement Offer Closing Date** has the meaning given to it in Section 1.3.

**Issuer Sponsored** means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**Listing Rules** means the Listing Rules of ASX.

**Offer** means the Entitlement Offer and the Shortfall Offer.

**Option** means the right to acquire one Share in the capital of the Company.

**Placement** has the meaning given in Section 1.1.

**Prospectus** means this prospectus dated 17 July 2014.

**Record Date** means 5:00pm (ACST) on the date identified in the proposed timetable.

**Relevant Company** means the Company and each Subsidiary.

**Section** means a section of this Prospectus.

**Securities** mean any securities including Shares or Options issued or granted by the Company.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of Shares.

**Shortfall Offer** has the meaning given to it in Section 1.8.

**Subsidiary** means each company which is a subsidiary of the Company within the meaning of the Corporations Act.

**Sub-Underwriter** means The Emerald Superannuation Fund.

**Sub-Underwriting Agreement** means sub-underwriting agreement between The Emerald Superannuation Fund and the Underwriter.

**Underwriter** means Lotaka Pty Ltd ACN 008 839 192.

**Underwriting Agreement** means the underwriting agreement between the Company and the Underwriter.

**Underwritten Amount** has the meaning given in Section 5.2

**Underwritten Shares** has the meaning give in Section 1.5.