

ASX ANNOUNCEMENT

31 August 2010

URANIUM EQUITIES LIMITED ACN 009 799 553



URANIUM
EQUITIES

The Company Announcement Officer
Australian Securities Exchange Ltd
via electronic lodgement

Nabarlek Project – Mitsui Option

Mitsui & Co. Ltd (“Mitsui”) has advised the Company that following an internal review by Mitsui of its global resources investment strategy, it will not be exercising the option expiring 31 August 2010 to purchase a 25% interest in the Nabarlek Mineral Lease and a 9% interest in the West Arnhem Joint Venture. In providing this advice, Mitsui says its decision was not based on an assessment of Nabarlek as such, but forms part of a global review.

Mitsui and Uranium Equities have agreed that for a period of 3 months, expiring 30 November 2010 to continue discussions on a possible commercial arrangement in relation to the Nabarlek ML and UEQ’s interest in the West Arnhem Joint Venture. During this period, UEQ will continue to provide technical information to Mitsui which will receive the same under previously entered into confidentiality arrangements.

UEQ is pleased to be able to continue its discussions with Mitsui in relation to these projects and appreciates its continuing strong interest.

Bryn Jones
Managing Director
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About Uranium Equities

Uranium Equities Limited (UEQ) has two main areas of focus: The development of the **PhosEnergy Process**; and exploration activities directed at a small core of high quality exploration assets which include the key **Nabarlek Project**.

The PhosEnergy Process is an innovative patented process for the extraction of uranium as a by-product from phosphate in the production of phosphate based fertilisers.

The global annual production potential of uranium from the phosphate industry is in the order of 20 Mlbs U₃O₈. This quantity of uranium is mined in phosphate ores but not recovered annually on a worldwide basis. The major phosphate based fertiliser producers are located in Northern Africa, North America and Asia.

The PhosEnergy Process has been proven to pilot scale with results establishing a robust process capable of achieving high levels of uranium recovery at the lower end of the cost curve.

The Nabarlek Project provides a rare near mine exploration opportunity surrounding the historic Nabarlek uranium deposit (24 Mlbs @ 1.84% U₃O₈). The deposit lies within an extensive uranium mineral system which extends over more than 50 square kilometres within the Mineral Lease and the surrounding tenements. The mineral system which contains widespread anomalous uranium geochemistry and ore grade mineralisation at several locations remains largely untested.

Our Strengths

- Breakthrough PhosEnergy Process
- Nabarlek Project – A rare investment opportunity
- Multiple near term growth opportunities

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