

# ASX ANNOUNCEMENT 25 November 2010

URANIUM EQUITIES LIMITED ACN 009 799 553



**URANIUM**  
EQUITIES

The Company Announcement Officer  
Australian Securities Exchange Ltd  
via electronic lodgement

## Chairman's Address 2010 Annual General Meeting

As I noted in my report in this year's Annual Report, this year has seen Uranium Equities make good progress with its key assets, being the Nabarlek Uranium Project in the Northern Territory and the process for extraction of uranium from phosphates which we call the PhosEnergy Process.

In relation to the Nabarlek Uranium Project, this remains a very important focus of the Company's exploration efforts. The recent discovery of uranium mineralisation at the U40 Prospect which is located within the West Arnhem Joint Venture we have with Cameco, includes one of the highest grade intersections to come out of the Alligator Rivers region in recent years. The joint venture surrounds the historic Nabarlek Mine which your company owns 100%.

Diamond drilling following the discovery hole at U40 intersected 6.65m @ 2.6% U<sub>3</sub>O<sub>8</sub> equivalent from a moderate downhole depth of 74 metres as measured using a downhole gamma probe (*see announcement dated 21<sup>st</sup> October 2010*).

This intercept, coupled with other very positive drilling results, which Bryn will outline in his address, underscores the focus Uranium Equities has on its Nabarlek Uranium Project.

In relation to PhosEnergy, shareholders will be aware that in November 2009 we entered an agreement with Cameco Corporation which gave Cameco the right to earn up to a 70% share of our interest in the PhosEnergy technologies by investing US\$16.5M.

As I noted earlier the PhosEnergy process is a process for the extraction of uranium as a by-product from the production of phosphate fertilisers.

To date Cameco has invested US\$7.5M in the process and has been an active participant in its continued development and commercialisation.

Uranium Equities' technical staff, in conjunction with Cameco, have undertaken some fantastic work this year which underscores not only the robust nature of the PhosEnergy technology, but gives further support to our assumptions that the process can keep the cost of producing uranium to around \$20-25/lb. Current uranium prices and the long term outlook see this process as being one with substantial commercial upside. In this regard we continue to work with phosphate producers in various parts of the world with the intention of establishing a demonstration plant on an operating phosphate facility.

### Our Strengths

- PhosEnergy Process – Low cost by-product uranium recovery
- Nabarlek Project – A highly endowed uranium region
- Multiple near term growth opportunities

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Shareholders will be aware that a year or two ago we ran a pilot plant at a phosphate facility which again enabled us to support some of our technical and commercial assumptions.

In addition to these two projects, Uranium Equities has an excellent portfolio of uranium exploration projects and has been successful in attracting significant joint venture partners to fund early stages of exploration.

The Board would like to congratulate management, under the leadership of Bryn Jones, on what has been a good year.

We still have a lot of work to do to add uranium pounds to our portfolio and I can assure shareholders the Board is determined to execute this work as robustly and timely as possible.



Tony Kiernan  
Chairman

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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  $U_3O_8$ . 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%  $U_3O_8$ ). 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.