

ASX ANNOUNCEMENT

21 December 2010

URANIUM EQUITIES LIMITED ACN 009 799 553



URANIUM
EQUITIES

The Company Announcement Officer
Australian Securities Exchange Ltd
via electronic lodgement

Securities Trading Policy

In compliance with Listing Rule 12.9, attached is a copy of the Company's Securities Trading Policy which was approved by the Board in November 2010.

The policy is also available on the Company's website at www.uel.com.au. Any future material amendments to the policy will be lodged with the ASX and posted to the Company's website.

Yours faithfully,

Rolf Heinrich
Company Secretary

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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Securities Trading Policy

Purpose

This securities trading policy imposes basic trading restrictions on all employees, contractors, consultants and advisors of the Company and their associates with 'inside information', and additional trading restrictions on the key management personnel of the Company.

The policy includes procedures which aim to reduce the risk of breaching insider trading provisions of the Corporations Act and Listing Rules of the Australian Securities Exchange (ASX).

Key Defined Terms

"Securities" includes shares in the Company or a Group member, options over those shares and any other derivatives or financial products of the Company.

"Trading" of securities includes:

- applying for, acquiring or disposing of, securities;
- entering into an agreement to apply for, acquire or dispose of, securities; and
- Exercising or discharging an option or other right or obligation to acquire or dispose of securities.

"Key Management Personnel" includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director.

Insider Trading

It is illegal to trade in the Company's securities while in possession of inside information concerning the Company. Under the Corporations Act a person with inside information must not, and must not procure another person, to trade in the securities of a company or enter into an agreement to trade in the securities of a company.

'Inside information' is information that:

- is not generally available; and
- if it were generally available, it would, or would be likely effect the price of the Company's securities or influence investors in deciding whether to buy or sell the Company's securities.

If a director, employee, contractor, consultant or advisor possesses inside information, the person must not:

- trade in the Company's securities;
- advise others or procure others to trade in the Company's securities; or
- pass on the inside information to others – including colleagues, family or friends – knowing (or where the employee or director should have reasonably known) that the other persons will use that information to trade in, or procure someone else to trade in, the Company's securities.

This prohibition applies regardless of how the information is obtained.

Closed Periods

Key Management Personnel are prohibited from trading in the Company's securities during the following Closed Periods irrespective of whether or not they are in possession of inside information:

- within five trading days immediately preceding and 24 hours immediately following the release of the Company's quarterly, half year and annual financial accounts; and
- any other period determined by the Chairman and Managing Director from time to time when the board of the Company is considering matters which are subject to Listing Rule 3.1A.

ASX ANNOUNCEMENT

URANIUM EQUITIES LIMITED ACN 009 799 553



The Company Secretary must inform all Key Management Personnel by email the start and finish dates of these Closed Periods.

Restrictions on Short-Term Trading

The Company encourages Directors and employees to adopt a long-term attitude to their investment in the Company's securities. Consequently, Directors and employees may not engage in short-term or speculative trading of the Company's securities.

Clearance for Proposed Trade

Key Management Personnel (other than the Chairman) wishing to trade in the Company's securities may only do so after first having advised the Chairman of his or her intention and having received clearance.

Employees (other than Key Management Personnel) and the Chairman must advise and receive clearance from the Managing Director prior to trading.

In addition to the above, directors must notify the Company Secretary as soon as practicable, but not later than 2 business days, after they have bought or sold the Company's securities or exercised options. In accordance with the provisions of the Corporations Act and the Listing rules of the ASX, the Company on behalf of the directors must advise the ASX of any transactions conducted by them in the securities of the Company.

Exceptions to the Policy

The policy does not apply in the following circumstances:

- transfers of the Company's securities already held by Key Management Personnel into a superannuation fund or other saving scheme in which the Key Management Personnel member is a beneficiary;
- trading in the Company's securities by a managed securities portfolio where the Key Management Personnel member is not in a position to influence choices in the portfolio;
- where the Key Management Personnel member is a trustee, trading in the Company's securities by that trust provided the Key Management Personnel member is not a beneficiary of the trust and any decision to trade during a Closed Period is taken by the other trustees or by the investment managers independently of the Key Management Personnel member;
- undertakings to accept, or the acceptance of, a takeover offer;
- trading under an offer or invitation made to all or most of the security holders of the Company, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the board of the Company; this includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- a disposal of the Company's securities that is the result of a secured lender exercising their rights, for example, under margin lending arrangements;
- trading under a non-discretionary trading plan for which has been approved by the Chairman and Managing Director and where:
 - the Key Management Personnel member did not enter into the plan or amend the trading plan during a Closed Period;

ASX ANNOUNCEMENT

URANIUM EQUITIES LIMITED ACN 009 799 553



- the trading plan does not permit the Key Management Personnel member to exercise any influence or discretion over how, when or whether to trade.

Such a trading plan may not be cancelled during a Closed Period other than in exceptional circumstances.

The Chairman may give clearance for a director or employee to sell (but not buy) Company Securities in exceptional circumstances where the director or employee would otherwise not be able to do so under this policy. For example, if the director or employee is under severe financial hardship or to satisfy a court enforceable undertaking such as a family settlement.

The Chairman may also give clearance to the exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise or conversion of the security falls during an exceptionally long prohibited period.

Prior clearance by the Chairman must be dated and in a written form, which may include email. In the case of directors, a copy of the written clearance must be provided to the Company Secretary either when received or at the time of advising of the trading of securities under the above exceptions.

Margin Lending

Margin lending is a form of finance which may be arranged by Key Management Personnel at the time of purchase of Company's securities or at another time.

If a Key Management Personnel member receives a margin call from the lender in relation to the Company's securities then the Key Management Personnel member has the choice of meeting the call by providing additional cash to the margin lender or meeting the obligation under the margin call by selling Company's securities. Key Management Personnel may only sell the Company's securities to meet an obligation under a margin call in accordance with the procedures in this policy.

Directors must disclose margin lending positions involving 5% or more of the Company's shares to the Board and Company Secretary.

Trading in derivative products

Key Management Personnel are prohibited from trading during a Non Trading Period in financial products issued or created over or in respect of the Company's securities.

Breach of Policy

A breach of this policy will result in disciplinary action, which may include termination of employment. It may also be a breach of the law.

Distribution of Policy

This policy must be distributed to all directors, employees or contractors, consultants and advisors likely to come into possession of inside information during the course of providing services to the Company.

Material Changes to Policy

Where a material change is made to this policy, the amended policy must be given to the ASX company announcements office for release to the market within 5 business days of the material changes taking effect.