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URANIUM EQUITIES LIMITED ACN 009 799 553

URANIUM EQUITIES

The Company Announcement Officer
Australian Securities Exchange Ltd
via electronic lodgement

Widespread anomalous uranium intersected at Lake Blanche Project

2011 drilling program returns significant widespread anomalous uranium

Highlights:

- 41 holes for 9,057 metres of mud rotary drilling recently completed
- Best result of 0.8m @ 200ppm pU_3O_8 from 123 metres intersected in the Eyre Formation

The Lake Blanche Project is a joint venture between Uranium Equities (UEQ) and Cameco Australia Pty Ltd (Cameco) where Cameco has the right to earn up to a 60% interest. Cameco is currently managing the project and in mid-June commenced a drilling campaign on behalf of the Joint Venture partners.

The Project, which is located within the Frome Basin, comprises seven exploration licences totalling 6,074km^2, and is considered highly prospective for sandstone hosted mineralisation. The tenement package overlies thick sequences of the Miocene aged Namba Formation, host to the Beverley and Four Mile deposits, and the Eocene aged Eyre Formation, host to Honeymoon Well.

Using the 2010 Ground EM survey data and seismic profiles (PIRSA), a broad palaeodrainage "channel" system was interpreted in the near surface Namba Formation. The 2009 drilling program conducted by UEQ along the Strezlecki Track had intersected this channel and returned anomalous intervals from two holes.

The 2011 drilling program was planned to confirm the presence and dimensions of the Namba channel, determine palaeodrainage and modern groundwater flow directions and to test for the redox state in the vicinity of the anomalous holes. The drillholes were extended through the entire Eyre Formation into the underlying Cretaceous stratigraphy to ensure that the holes simultaneously provided important information on the geology and redox state of the Eyre Formation.

A total of 41 mud rotary holes were drilled for 9,057 metres during the 7 week program. GAA Wireline were contracted to complete a suite of downhole geophysical logs for each hole which included natural gamma (MST), density, sonic and magnetic susceptibility. Those holes that returned natural gamma results greater than 100ppm were re-logged with a PFN tool.

Significant widespread anomalism was detected in many of the holes (Figure 1), confirming groundwater and uranium migration through sandstone channels within both the Namba and the upper Eyre Formations.

Our Strengths

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

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The best result of 0.8m @ 200ppm pU_3O_8 was returned from drillhole LB015_2011. The uranium was hosted by an altered siltstone at the top of an oxidised channel in the Eyre Formation at a depth of 123 metres. Follow-up holes drilled within the immediate area returned results of a similar tenor within the same unit.

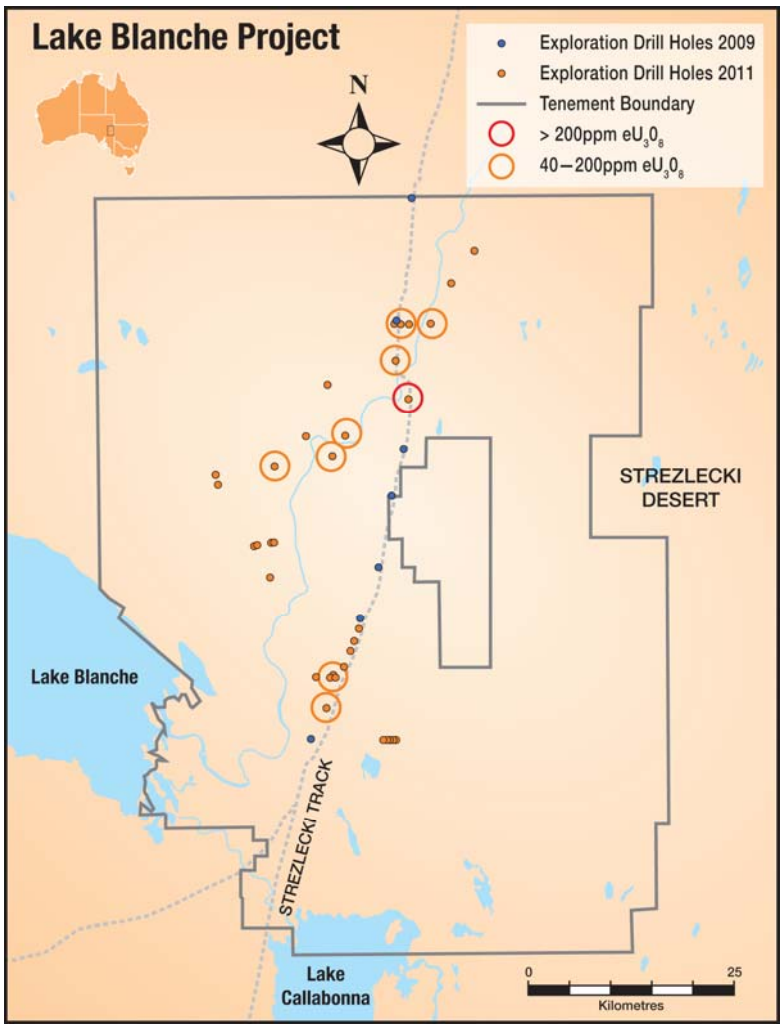

Figure 1

Samples have been submitted for assay and results are awaited.

Bryn Jones, Managing Director of UEQ said: *"This is an outstanding result for such an early stage in a Greenfields location. Cameco has employed sound exploration science in building on the conceptual model used in identifying the ground."*

Bryn Jones
Managing Director
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Competent Person Statement

The information in this announcement that relates to Exploration Results is based on joint venture information supplied by the Joint Venture operator Cameco Australia but compiled by Mr. Grant Williamson, Geology Manager - Exploration of Uranium Equities Limited, who is a Member of the Australian Institute of Geoscientists and of the Australasian Institute of Mining and Metallurgy Inc. Mr. Williamson has sufficient experience in the field of activity being reported to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, and consents to the release of information in the form and context in which it appears here.

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.