



URANIUM EQUITIES LIMITED

ACN 009 799 553

**NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY
MEMORANDUM**

Time: 10.00 am (WST)

Date: Tuesday 22 November 2011

Place: Middletons

Level 32, St Martins Tower

44 St Georges Terrace

Perth, Western Australia

This Notice of Meeting and the accompanying Explanatory Memorandum should be read in its entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Uranium Equities Limited ("**Uranium Equities**" or the "**Company**") to which this Notice of Meeting relates will be held at 10.00 am (WST) on Tuesday 22 November 2011 at:

Middletons
Level 32, St Martins Tower
44 St Georges Terrace
Perth, Western Australia

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

All Shareholders who are entitled to attend and vote at the meeting have the right to appoint a proxy to attend and vote for them. The proxy does not have to be a Shareholder. Shareholders holding two or more shares can appoint either one or two proxies. If two proxies are appointed, the appointing Shareholder can specify what proportion of their votes they want each proxy to exercise.

To vote by proxy, please complete and sign the proxy form enclosed and either send it:

- (a) by post to Uranium Equities Limited, Level 5, 29 King William Street, Adelaide, SA 5000; or
- (b) by facsimile to the Company on (+61 8) 8110 0777,

so that it is received no later than **12.30 pm (ACDT) on 20 November 2011**, being not less than 48 hours prior to the commencement of the meeting. Proxy forms received later than this time will be invalid. Where the proxy form is executed under power of attorney, the power of attorney must be lodged in the same way as the proxy form.

BODIES CORPORATE – CORPORATE REPRESENTATION

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at the meeting of Shareholders. The appointment may be a standing one. An Appointment of Corporate Representative is enclosed with this notice.

VOTING ENTITLEMENTS

The Board has determined that, for the purpose of voting at the meeting, Shareholders are those persons who are the registered holders of the Company's shares at 6.30pm (ACDT) on 20 November 2011.

ENQUIRIES

The Company welcomes enquiries in respect of matters covered in this Notice of Meeting and Explanatory Memorandum and the attendance of Shareholders at the Annual General Meeting. Should you require further information please contact:

The Company Secretary
Rolf Heinrich
Phone: (+61 8) 8110 0700
Fax: (+61 8) 8110 0777
Email: rolf.heinrich@uel.com.au

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the Annual General Meeting (**Meeting**) of the Uranium Equities Limited (the **Company**) will be held at Middletons, Level 32, St Martins Tower, 44 St Georges Terrace, Perth, Western Australia on Tuesday 22 November 2011 at 10.00 am (WST).

AGENDA

FINANCIAL STATEMENT AND REPORTS

To receive, consider and discuss the Company's Financial Report and the reports of the Directors and auditor for the year ended 30 June 2011.

RESOLUTION 1 - ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, to pass as an ordinary resolution:

"To adopt the Remuneration Report for the financial year ended 30 June 2011."

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

The Company will disregard any vote cast on Resolution 1 by, or on behalf of:

- (a) a member of the key management personnel as disclosed in the Remuneration Report (**Key Management Personnel**); and
- (b) a closely related party (such as close family members and any controlled companies) of those persons,

unless the vote is cast by a person as a proxy for a person entitled to vote in accordance with a direction on the Proxy Form.

The Chairman of the meeting intends to vote all available proxies (directed and undirected) in favour of Resolution 1.

RESOLUTION 2 - ELECTION OF MR TOM POOL AS A DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass, as an ordinary resolution:

"To elect Tom Pool as a Director of the Company in accordance with Listing Rule 14.4 and clause 71 of the Company's constitution."

RESOLUTION 3 – RE-ELECTION OF MR ANTHONY KIERNAN AS A DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass, as an ordinary resolution:

"To elect as a Director of the Company, Anthony Kiernan, who retires by rotation in accordance with the Listing Rule 14.4 and clause 75 of the Company's constitution and, being eligible, offers himself for re-election."

RESOLUTION 4 – ISSUE OF OPTIONS TO MR TOM POOL

To consider and, if thought fit, to pass as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to allot and issue to Mr Tom Pool (or his nominee) 500,000 options on the terms and conditions set out in the Explanatory Memorandum ."

Voting Exclusion Statement

The Company will disregard votes cast on Resolution 4 by Mr Pool (or his nominee) and any associate of Mr Pool or his nominee).

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the chairperson of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a member of Key Management Personnel and their closely related parties may not vote as a proxy on this resolution if the appointment does not specify how the proxy is to vote.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 4.

RESOLUTION 5 – APPROVAL OF EMPLOYEE & CONSULTANT OPTION PLAN

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purpose of Listing Rule 7.2 (exception 9) and for all other purposes, approval is given for the Company's Employee & Consultant Option Plan, the terms and conditions of which are summarised in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard votes cast on Resolution 5 by a Director (except a Director who is ineligible to participate in any employee incentive scheme in relation to the Company) or any associate of a Director.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the chairperson of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a member of Key Management Personnel and their closely related parties may not vote as a proxy on this resolution if the appointment does not specify how the proxy is to vote.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 5.

By order of the Board



Rolf Heinrich
Company Secretary
6 October 2011

EXPLANATORY MEMORANDUM

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders of Uranium Equities Limited (ACN 009 799 553) ("**Company**") in connection with the business to be transacted at the Annual General Meeting of the Company to be held on 22 November 2011 ("**Meeting**").

The purpose of this Explanatory Memorandum is to provide information that the Board believes to be material to Shareholders in deciding whether or not to pass these Resolutions. It explains the Resolutions and identifies the Board's reasons for putting them to Shareholders. The Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

FINANCIAL STATEMENT AND REPORTS

The Corporations Act requires the Company to lay before the Annual General Meeting the Financial report, Directors' report (including the remuneration report) and the Auditor's report for the last financial year that ended before the Annual General Meeting.

No resolution is required for this item, but Shareholders will be provided with a reasonable opportunity to ask questions or make comments in relation to these reports. The Company's auditor will also be present at the meeting and Shareholders will be given the opportunity to ask the auditor questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor.

RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

Section 298 of the Corporations Act requires the annual Directors' Report to contain a remuneration report prepared in accordance with section 300A of the Corporations Act.

The remuneration report of the Company for the financial year ended 30 June 2011 is set out in the Directors' Report contained in the 2011 Annual Report to Shareholders ("**Remuneration Report**").

The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and key management personnel. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting. However, the vote on this Resolution is only advisory and does not bind the Company or its Directors. The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the Proxy Form. The Chairman of the meeting intends to vote all available proxies (directed and undirected) in favour of Resolution 1.

The Board unanimously recommends that Shareholders vote in favour of this resolution.

RESOLUTION 2 - ELECTION OF MR TOM POOL AS A DIRECTOR OF THE COMPANY

Mr Tom Pool was appointed to the Board on 21 April 2011. Under Listing Rule 14.4 and clause 71 of the Company's constitution, a Director who is newly appointed must stand for election at the next general meeting. Mr Pool, being eligible, has offered himself for election as a Director of the Company.

Tom is a mining engineer with more than 35 years experience in the resources industry, the last 25 years of which has focussed on assessment and evaluation of projects in the uranium and nuclear fuels sector. Tom is Chairman of International Nuclear Inc (iNi) based in Golden, Colorado, having previously held senior positions with Nuclear Fuels Corporation and the Concord Group of Companies.

The Board (other than Mr Pool) unanimously recommends that Shareholders vote in favour of this resolution.

RESOLUTION 3 - RE-ELECTION OF MR ANTHONY KIERNAN AS A DIRECTOR OF THE COMPANY

Mr Anthony Kiernan was first elected as a Director of the Company on 3 June 2003 and is required to retire by rotation in accordance with Listing Rule 14.4 and clause 75 of the Company's Constitution. Mr Kiernan, being eligible, has offered himself for re-election as a Director of the Company.

Details regarding Mr Kiernan are set out in the 2011 Annual Report.

The Board (other than Mr Kiernan) unanimously recommends that Shareholders vote in favour of this resolution.

RESOLUTION 4 – ISSUE OF OPTIONS TO MR TOM POOL

Resolution 4 seeks Shareholder approval for the Company to issue 500,000 unlisted options to Mr Tom Pool, a Director of the Company, or his nominee.

Shareholder approval for the issue of the options, the subject of Resolutions 4, is sought for the purposes of:

- (a) Division 3 of Part 2E.1 of the Corporations Act, which governs the giving of financial benefits to "related parties", such as directors of a company; and
- (b) Listing Rule 10.11, which requires the grant of securities to a Director of a company to be approved by shareholders.

Purpose of the Issue

The purpose of the proposed grant of options to Mr Pool is to provide Mr Pool with an added incentive in carrying out his duties as non-executive Director of the Company.

Given the size of the Company and its need to preserve cash, the issue of options is a valuable part of the compensation to be provided to Mr Pool.

The Company acknowledges that the issue of options to non-executive Directors is contrary to guidelines under recommendation 8.2 of the ASX Principles of Good Corporate Governance and Best Practice Recommendations. The Board considers the issue of options in Resolution 4 to be reasonable in the circumstances given the Company's size, stage of development, and the need to attract and retain directors of high calibre while still maintaining a cash reserve.

Terms of the Options

Subject to Shareholder approval, the options will be issued on the terms and conditions set out in Annexure A to this Notice of Meeting.

Part 2E of the Corporations Act

Part 2E.1 of the Corporations Act prohibits the Company from giving a financial benefit to a related party (such as a Director) unless either:

- the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed grant of unlisted options to Mr Pool involves the provision of a financial benefit to a related party of the Company, and therefore, requires Shareholder approval.

In accordance with the requirements of Part 2E of the Corporations Act, and in particular sections 219 and 221, the following information is provided to Shareholders to allow them to assess the proposed issue of Options:

- (a) Mr Pool, as a Director, is a related party of the Company to whom Resolution 4 would permit a financial benefit to be given, if Resolution 4 is passed.
- (b) The nature of the financial benefit to be given is the grant of unlisted options on the terms noted above. Should Shares be trading on the ASX at a price in excess of the exercise price of the options granted to the related party (or his nominee) pursuant to the Resolution being passed at this Meeting, Mr Pool will obtain a financial gain on the exercise of the Options and subsequent sale of Shares.

- (c) The options will be issued to Mr Pool free of charge and therefore no funds will be raised from the grant of the options. A total of \$125,000 would be raised if the options were exercised by Mr Pool in full, proceeds of which will be used for the Company's general working capital requirements.
- (d) The options to be issued will be issued upon approval by Shareholders with an exercise price of \$0.25 exercisable on or before 24 November 2014.
- (e) Based on a Black & Scholes valuation method, the Company estimates that each option, the subject of Resolution 4, has a value of \$0.048 with assumptions detailed in the table below:

Exercise Price	\$0.25
Market value of underlying Shares at time of setting exercise price	\$0.105
Time to expiration of option	3 years
Volatility	98%
Risk free interest rate	4.75%
Annualised dividend yield	Nil

On the basis of that valuation, the total value of the options proposed to be issued to Mr Pool is \$23,892.

- (f) Over the past 12 months prior to the date of this Notice of Meeting, the lowest recorded price of Shares trading on ASX was \$0.064 on 16 June 2011 and the highest was \$0.200 on 3 February 2011. At the close of trading on 21 September 2011 the Share price was \$0.085.
- (g) Following the passing of Resolution 4, Mr Pool will hold an interest in 559,548 Shares and 500,000 options.
- (h) Mr Pool receives a director's fee of \$60,000 per annum. In addition, Mr Pool will receive an additional benefit of \$23,892, being the approximate value of the options proposed to be issued to Mr Pool in accordance with Resolution 4.
- (i) The Company has a total of 210,260,801 Shares and 12,400,000 options on issue. Assuming that all of the options to be issued pursuant to Resolution 4 are exercised, the Shares in the Company will be increased from 210,260,801 to 210,760,801 and (assuming that no other Options or Shares are issued) this will have the effect of diluting the shareholding of existing Shareholders by 0.24%.
- (j) The issue has no taxation consequences for the Company (including exposure to fringe benefits tax).
- (k) Ownership of Shares pursuant to the exercise of the options will entitle the holder of Shares to receive benefits of ownership/membership on the same basis as existing Shareholders.
- (l) Mr Pool has a material personal interest in the outcome of Resolution 4.
- (m) Neither the Directors nor the Company are aware of any other information that would be reasonably required by the Shareholders to make a decision whether it is in the best interests of the Company to pass Resolutions 4.

Recommendation

In respect of Resolution 4, those Directors who have no interest in the outcome of Resolution 4 (being all Directors other than Mr Pool) recommend that Shareholders vote in favour of Resolution 4 on the basis that the Options to be granted provide Mr Pool with an appropriate incentive in recognition of his extensive knowledge, experience and capabilities. Mr Pool makes no recommendation in relation to Resolution 4 on the basis that he has an interest in the outcome of the Resolution.

ASX Listing Rule 10.11

Listing Rule 10.11 requires Shareholders to approve the grant of the Options to Mr Pool. Listing Rule 10.11 requires Shareholders' approval by ordinary resolution for any issue by a listed company of securities to a related party. As approval of Shareholders is being sought pursuant to Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

Additional Information

For the purposes of Listing Rule 10.13, the following information is provided to Shareholders:

- (a) The options will be granted to Mr Pool on the basis described above.
- (b) The maximum number of options to be granted is 500,000.
- (c) The options the subject of Resolution 4 will be issued within one month of Shareholder approval.
- (d) The options will be granted for no consideration.
- (e) No funds will be raised by the grant of the options. A total of \$125,000 would be raised if the options were exercised by Mr Pool in full, proceeds of which will be used for the Company's general working capital requirements.
- (f) The terms and conditions of the Options are set out in Annexure A to this Explanatory Statement.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 4.

RESOLUTION 5: TO APPROVE THE EMPLOYEE & CONSULTANT OPTION PLAN

Resolution 5 seeks Shareholder approval for the Company's Employee & Consultant Option Plan (the "**Plan**").

Listing Rule 7.1 provides that an entity must not issue or agree to issue more than 15% of its total equity securities without the approval of shareholders, unless one of the exceptions contained in Listing Rule 7.2 applies.

An issue of equity securities under an employee incentive scheme will fall within exception 9 of Listing Rule 7.2 if, within 3 years before the date of the issue, holders of ordinary securities have approved the issue of securities under the scheme as an exception to Listing Rule 7.1.

The Company has an established Plan to provide a means to reward its employees, upon whom the responsibility for the successful growth of the Company rests, and to recognise the ability and efforts of those who have contributed to the successes of the Company. In order to allow the Company to issue equity securities under the Plan, Shareholder approval is sought pursuant to Listing Rule 7.2, exception 9.

The Plan was last approved at the meeting of Shareholders dated 27 November 2008.

Terms of the Plan

The Plan is available to both full-time and part-time employees (including Directors) and consultants and its salient terms and conditions are set out below.

Pursuant to the Plan, the Board may issue invitations to eligible employees or eligible consultants inviting applications for a grant of free Options up to a number specified in the invitation ("**Invitation**").

An eligible employee is an employee or a Director of the Company who, in the opinion of the Board, will be substantially responsible for the continued growth and prosperity of the Company. An eligible consultant is a consultant of the Company who, in the opinion of the Board, will provide substantial input to the continued growth and prosperity of the Company.

An application from the eligible employee or eligible consultant for the Options must be received by the Company within the acceptance period, together with any information the Board considers necessary in relation to the applicant's entitlement to lodge an application.

If the Board so determines, the Options will be issued and exercisable by such date as advised in writing by the Company to the participant and if not exercised by that date will lapse and be forfeited.

The Board has the exclusive power to select participants to receive such Options and to determine the amount of Options that will be issued and any conditions that may attach to the grant.

Options must be exercised in multiples of 10,000, unless the holder exercises all Options able to be exercised at that time.

Each issued option shall entitle the holder upon exercise to one Share, which will rank equally with all other Shares. Options will be granted free of charge.

The Board shall not offer or issue Options to a participant if the total number of Shares the subject of the Options, when aggregated with:

- (a) the number of shares in the same class which would be issued if each outstanding offer or invitation or option to acquire unissued shares in the Company, being an offer or invitation made or option acquired pursuant to the Plan or under an employee share scheme, were to be accepted or exercised (as the case may be); and
- (b) the number of shares in the same class issued during the previous 5 years pursuant to the Plan or any other employee share scheme, (but disregarding any offer or invitation made, or option acquired or share issued following the making of an offer or invitation, to a person situated at the time of receipt of the offer or invitation outside Australia or by way of excluded offer or invitation within the meaning of the Corporations Act),

would exceed 5% of the total number of issued Shares as at the time of the proposed offer or issue.

If in the opinion of the Board, a participant acts fraudulently or dishonestly or is in breach of his or her obligations to the Company, then the Board may deem any unexercised Options of the participant to have lapsed or be forfeited.

Options may only be exercised by notice in writing to the Company delivered to the registered office of the Company. The notice must specify the number of Options being exercised and must be accompanied by:

- (a) the exercise price, that is amount required to exercise the Options; and
- (b) the certificate for those Options for cancellation by the Company.

Within 10 business days of the notice becoming effective, the Board must allot and issue the number of Shares specified in the notice to the participant, cancel the certificate for the Options being exercised and if applicable, issue a new certificate for any remaining Options covered by the certificate in the accompanying notice.

Options may not be transferred or assigned. Quotation of the Options and the right to be issued an Option on the ASX will not be sought; however the Company will apply to ASX for official quotation of the Shares issued on the exercise of the Options.

Unless determined otherwise by the Board, Options may only be exercised during the period commencing one year from their date of issue and prior to the date specified in the Invitation.

A participant shall forfeit his or her unvested entitlement to Options and shall be required to exercise Options that have vested within three (3) months of termination, in the event his/her employment, directorship or consultancy with the Company (as the case may be) is terminated for any reason other than wilful misconduct, gross negligence, death, disability or redundancy prior to the date specified in the Invitation.

In the event that a participant's employment or directorship with the Company terminates due to death, disability or redundancy, any of his/her Options that have vested or vest during this period may be exercised at any time prior to the second anniversary date of such termination or such other period as determined by the Board in its absolute discretion and any Options that have not vested or been exercised by that date shall be forfeited.

Termination of employment, directorship or consultancy for wilful misconduct or gross negligence will result in the participant forfeiting all right to vested and unvested Options.

If:

- (a) the Company enters into a scheme of arrangement;
- (b) a takeover bid for the Company's Shares is announced; or
- (c) a party (or parties) acquires a sufficient interest in the Company to enable them to replace the Board, where that ability was not already held by that person (or its associate) ("**Trigger Event**"),

the Directors may determine:

- (i) that the Options (whether vested or not) may be exercised at any time from the date of such determination, and in any number until the date determined by the Directors acting bona fide so as to permit the holder to participate in the Trigger Event, provided that the Directors will forthwith advise in writing each holder of such determination. Thereafter, the Options shall lapse to the extent they have not been exercised; or
- (ii) to use their reasonable endeavours to procure that an offer is made to holders of Options on like terms (having regard to the nature and value of the Options) to the terms proposed under the Trigger Event, in which case the Directors shall determine an appropriate period during which the holder may elect to

accept the offer and, if the holder has not so elected at the end of that period, the Options shall immediately become exercisable and if not exercised within 10 days, shall lapse.

There are no participating rights or entitlements inherent in the Options and optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that the record date for determining entitlements to any such issue will be at least 10 business days after the issue is announced. Optionholders shall be afforded the opportunity to exercise all options which they are entitled to exercise pursuant to the Plan prior to the date for determining entitlements to participate in such issue.

If the Company makes an issue of Shares to Shareholders by way of capitalisation of profits or reserves ("**Bonus Issue**"), each optionholder holding any Options which have not expired at the time of the record date for determining entitlements to the Bonus Issue shall be entitled to have issued to him upon exercise of any of those options the number of Shares which would have been issued under the Bonus Issue ("**Bonus Shares**") to a person registered as holding the same number of Shares as that number of Shares to which the optionholder may subscribe pursuant to the exercise of those Options immediately before the record date determining entitlements under the Bonus Issue (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise). The Bonus Shares will be paid by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in relation to the Bonus Issue and upon issue rank pari passu in all respect with the other Shares issued upon the exercise of the Options.

In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry of any Options, the number of Options to which each optionholder is entitled or the exercise price of his or her Options or both or any other terms will be reconstructed in a manner determined by the Board which complies with the provisions of the Listing Rules.

Under current taxation laws, any taxation liability in relation to the Options, or the Shares issued on the exercise of the options will fall on the participants. The Company will not be liable to fringe benefits tax in relation to Options or Shares issued under the Plan.

The issue of Options does not give a participant any right to continue in the employ or services of the Company and the right to dismiss any participant or terminate the services of any non-employee participant is specifically reserved to the Company.

Participants agree that the issue of Options under the Plan shall not be considered compensation for the purposes of any other benefit, plan or program of the Company.

A copy of the complete rules of the Plan is available upon request by contacting the Company Secretary, Mr Rolf Heinrich on (08) 8110 0700.

Options issued under Plan since last Shareholder Approval

The following Options have been issued under the Plan since it was last approved by Shareholders on 27 November 2008:

Grant Date	Number	Exercise Price	Expiry Date
16-Jun-09	500,000	\$0.30	01-Dec-11
10-Jul-09	1,900,000	\$0.25	01-Jul-12
15-Nov-10	875,000	\$0.25	15-Nov-13
07-Jul-11	1,300,000	\$0.25	07-Jul-14
Total	4,575,000		

The Board unanimously recommends that Shareholders vote in favour of this resolution. The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 5.

GLOSSARY

ACDT:	Australian Central Daylight Savings Time
Annual General Meeting or Meeting:	means the meeting of Shareholders called by the notice of meeting of which this Explanatory Memorandum forms part.
ASIC:	means the Australian Securities and Investment Commission.
ASX:	means the ASX Limited (ACN 008 624 691).
Board:	means the board of the Directors of the Company.
Closely Related Parties:	Is defined in the Corporations Act 2001 - includes certain of Key Management Personnel's family members, dependants and companies they control.
Constitution:	means the constitution of the Company.
Company:	means Uranium Equities Limited (ACN 009 799 553).
Corporations Act:	means the <i>Corporations Act 2001</i> (Cth).
Directors:	means the directors of the Company.
Explanatory Memorandum:	means this explanatory memorandum.
Key Management Personnel:	Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.
Listing Rules:	means the listing rules of the ASX.
Notice of Meeting or Notice:	means the notice of meeting of which this Explanatory Memorandum forms part.
Option:	means the right to subscribe for a Share.
Resolution:	means a resolution to be considered by the Shareholders at the Annual General Meeting.
Share:	means an ordinary share in the capital of the Company.
Shareholder:	means a registered member of the Company.
WST:	means Western Standard Time.

ANNEXURE A

URANIUM EQUITIES LIMITED ACN 009 799 553

Option Terms

- (a) 250,000 Options will vest immediately upon issue with the remaining 250,000 Options vesting 1 year from the date of issue, subject to the optionholder remaining a Director.
- (b) The Options are exercisable at any time prior to 5.00pm ACDT on a date 3 years from the date of issue ("Options Expiry Date").
- (c) Subject to these terms each Option shall entitle the optionholder to acquire one fully paid ordinary share in the capital of the Company upon payment of 25 cents per Option to the Company.
- (d) The Options are not transferable without the prior written consent of the Company which such consent shall not be withheld if the assignee or transferee of the Options is an entity controlled by the Director and in which he has in excess of a 75% equity interest and provided the assignee enters into a deed with the Company agreeing not to transfer the said Options.
- (e) The Options are exercisable by delivering to the registered office of the Company a notice in writing stating the intention of the optionholder to exercise a specified number of options, accompanied by an option certificate, if applicable, and a cheque made payable to the Company for the subscription monies due, subject to the funds being duly cleared funds.
- (f) The exercise of only a portion of the Options held shall not affect the optionholder's rights to exercise the balance of any Options remaining.
- (g) The Company will allot the corresponding Shares upon an exercise of Options and deliver notification of shareholdings within 10 business days after the allotment of the Shares.
- (h) Shares allotted pursuant to the exercise of the Options will rank, as and from the date of allotment, equally in all respects with the then existing Shares.
- (i) A statement of holding will be issued in respect of the Options. The reverse side of each certificate will set out a statement of the rights of the optionholder that is to be completed when exercising the Options. If there is more than one Option comprised in the statement of holding and, prior to the Options Expiry Date, these Options are exercised in part, the Company will issue another statement of holding in respect of the balance of the Options held.
- (j) Application will not be made to the ASX for official quotation of the Options. Application will be made to the ASX for official quotation of the Shares issued on exercise of the Options.
- (k) The Options do not confer any participating rights or entitlements and the optionholder is not entitled to participate in new issues of capital offered to Shareholders during the currency of the Option. However, the Company must ensure, that for the purposes of determining entitlements to any such issue, the books closing date, is at least 10 business days after the issue is announced. This will give the optionholder the opportunity to exercise any Option which the holder is entitled to exercise before the date for determining any entitlements to participate in that issue.
- (l) Each Option will be subject to a condition that in the event of a reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the optionholder will be varied in a manner consistent with the Listing Rules.
- (m) The Options will not give any right to participate in any dividends declared by the Company until such time as Shares are allotted pursuant to the exercise of the relevant Options.
- (n) An optionholder cannot participate in new issues of Shares without first exercising its Options.
- (o) An optionholder has no right to change the exercise price of the Option or to change the number of Shares over which the Option can be exercised.

URANIUM EQUITIES LIMITED
ACN 009 799 553

PROXY FORM

APPOINTMENT OF PROXY

I/We

--

being a shareholder of Uranium Equities Limited entitled to attend and vote at the Annual General Meeting, hereby

appoint

--

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Annual General Meeting, as my/our proxy to act generally at the Annual General Meeting on my/our behalf and to vote in accordance with the following directions (or, if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Uranium Equities Limited to be held at 10.00 am (WST) on 22 November 2011 at Middletons, Level 32, St Martins Tower, 44 St Georges Terrace, Perth, Western Australia and at any adjournment of that meeting.

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Mr Tom Pool as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Anthony Kiernan as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Options to Mr Tom Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Employee & Consultant Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

IMPORTANT



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If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote, please place a mark in this box with an 'X'. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolutions (or that they are connected directly or indirectly with the remuneration of a member of key management personnel) and that votes cast by him, other than as a proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolutions and your votes will not be counted in computing the required majority if a poll is called. The Chairman of the Meeting intends to vote undirected proxies in favour of each resolution. **Please note:** By marking this box you further acknowledge that the Chairman will be voting all available proxies favour of, Resolution 1 and all undirected proxies in favour of Resolutions 4 and 5 even though these Resolutions are connected directly or indirectly with the remuneration of a member of key management personnel.

Signed this day of 2011

By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

URANIUM EQUITIES LIMITED
ACN 009 799 553

Instructions for Completing 'Appointment of Proxy' Form

1. A shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a shareholder of the Company.

3. **Signing Instructions**

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate is either included in the Notice of Annual General Meeting or may be obtained from the company's share registry.

4. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
5. Please complete and sign the proxy form enclosed and either:
 - (a) send the proxy form by post to Uranium Equities Limited, Level 5, 29 King William Street, Adelaide, SA, 5000; or
 - (b) send the proxy form by facsimile to the Company on facsimile number (+61 8) 8110 0777,

so that it is received no later than **12.30 pm (ACDT) on 20 November 2011**, being not less than 48 hours prior to the commencement of the meeting. **Proxy forms received later than this time will be invalid.**

Appointment of Corporate Representative

Section 250D of the Corporations Act 2001 (Cwlth)

This is to certify that by a resolution of the directors of:

.....

(Company), *(Insert name of company)*

the Company has appointed:

.....,

(Insert name of corporate representative)

in accordance with the provisions of section 250D of the Corporations Act 2001 (Cwlth), to act as the body corporate representative of that company at the meeting of the members of Uranium Equities Limited to be held at 10.00am (WST) on 22 November 2011 and at any adjournments of that meeting.

DATED 2011

Executed by the Company)
)
in accordance with its constituent documents

.....

Signed by authorised representative

.....

Name of authorised representative (print)

.....

Position of authorised representative (print)

.....

Signed by authorised representative

.....

Name of authorised representative (print)

.....

Position of authorised representative (print)

INSTRUCTIONS FOR COMPLETION

Under Australian law, an appointment of a body corporate representative will only be valid if the Certificate of Appointment is completed precisely and accurately.

Please follow the following instructions to complete the Certificate of Appointment:

1. Execute the Certificate following the procedure required by your company's constitution or other constituent documents.
2. Print the name and position (eg director) of each company officer who signs this Certificate on behalf of the company.
3. Insert the date of execution where indicated.
4. Send or deliver the Certificate to Uranium Equities Limited registered office or fax the Certificate to the registered office at (+61 8) 8110 0777.