



7<sup>th</sup> August 2008

Australian Securities Exchange Limited  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

Attn: The Manager – Companies

Dear Sir,

**N147 PROSPECT EXTENDED:**

**NEW HIGH-GRADE DRILLING RESULTS**

Uranium Equities Ltd ('UEQ') is pleased to advise that recent drilling at the N147 Prospect has extended the prospect to the west through significant new intersections of additional high-grade uranium mineralisation.

The prospect is located 1.2 km south of the former Nabarlek mine site within West Arnhem Land Joint Venture tenements held with Cameco Australia Pty Ltd (Cameco 60% UEQ 40%).

17 RC drill holes totaling 3,500m were completed to 1<sup>st</sup> August 2008. Holes were drilled at declination of 60 degrees and orientated either south west or south east. Equivalent uranium grades (eU<sub>3</sub>O<sub>8</sub>) were calculated from wireline downhole gamma logging.<sup>1</sup>

11 holes intersected uranium mineralisation. 3 of these holes intersected significant intercepts of mineralisation i.e. GT > 3.0 m%eU<sub>3</sub>O<sub>8</sub> (GT = grade\*thickness).<sup>2</sup>

**36.2 m @ 0.172% eU<sub>3</sub>O<sub>8</sub> from 108.25m (Hole 6318)**  
**14.55 m @ 0.224% eU<sub>3</sub>O<sub>8</sub> from 116.95m (Hole 6320)**  
**23.45 m @ 0.138% eU<sub>3</sub>O<sub>8</sub> from 117.1m (Hole 6324)**

The highest GT mineralisation was intersected in Hole 6318.

The completed 2008 drilling at N147 demonstrates the mineralisation, as presently defined, is approximately 200m by 50m as shown in the Figure. Based on current drilling, the mineralised body is interpreted to have an approximate NE-SW strike and to be lying within the NW trending Nabarlek structural corridor. This is in contrast to the earlier interpretation of a northerly trend to the mineralisation.

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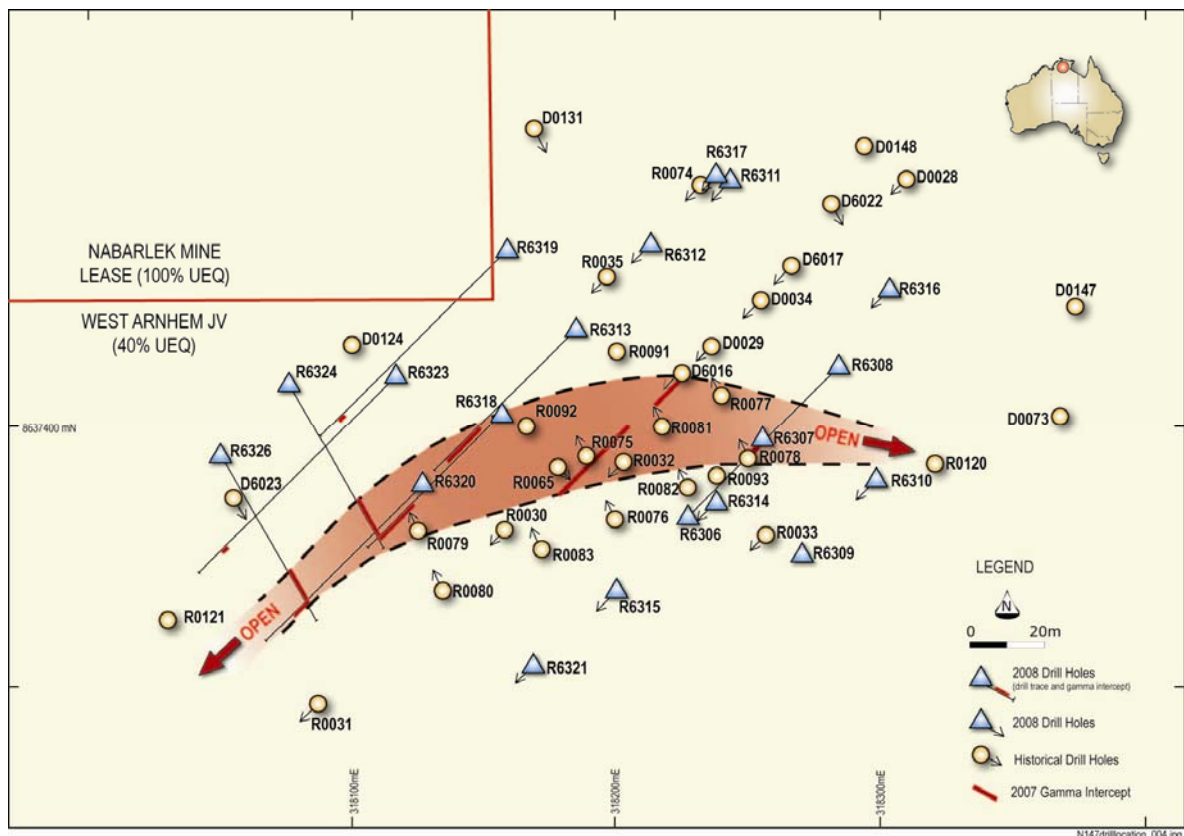
<sup>1</sup> All holes were logged with Auslog Total Gamma 32mm slimline probe through the drill rods and grades calculated using proprietary Cameco gamma logging software. Tool Serial Number 838; Dead Time Correction Factor 1.011203E-05 and Calibration Constant (k) 4.732521E-05. Other Correction factors: Water Factor=1.0; Casing Factor=1.95; Logging Speeds=4 m/min. Tools were calibrated in the South Australia Glenside test pits in March 2008.

<sup>2</sup> All intercepts were calculated from equivalent grades U<sub>3</sub>O<sub>8</sub> using a minimum grade of 0.02%eU<sub>3</sub>O<sub>8</sub> and maximum internal dilution of 2.0m. All intercepts are down hole lengths.

The uranium intersections >0.02% eU<sub>3</sub>O<sub>8</sub> are as follows.

### N147 Prospect Significant Drill Intersections

Hole No.	Depth	Thickness	Grade	GT
NAR	From (m)	(T) m	(G) %eU <sub>3</sub> O <sub>8</sub>	m%eU <sub>3</sub> O <sub>8</sub>
6307	67.40	3.20	0.056	0.179
6308	50.05	1.75	0.180	0.315
	81.00	1.50	0.170	0.255
	90.25	6.55	0.059	0.386
	102.50	1.55	0.172	0.267
6313	58.75	9.20	0.035	0.322
	103.35	20.20	0.039	0.788
	135.55	7.25	0.056	0.406
6314	50.00	1.70	0.042	0.071
	63.25	2.50	0.031	0.078
6316	79.55	1.70	0.102	0.173
6318	60.60	2.95	0.052	0.153
	104.15	1.60	0.052	0.083
	108.25	36.20	0.172	6.226
6319	174.10	2.35	0.076	0.179
6320	116.95	14.55	0.224	3.259
6323	180.15	1.20	0.046	0.055
	183.35	1.00	0.048	0.048
6324	117.10	23.45	0.138	3.236
6326	113.20	9.95	0.036	0.358



**N147 Plan View showing mineralisation outline projected to the surface**

Mineralisation is present in altered dolerite beneath alluvial cover but overlying basement rocks at depths 50 to 150m and in close proximity to a faulted sandstone contact. It dips approximately 45 degrees to the north-west and follows the orientation

of the major ENE trending shear zone. It remains open along strike to the south-west, to the east and has not been fully defined down dip.

The mineralisation is present within 100m of the 100% owned UEQ Nabarlek Mining Lease.

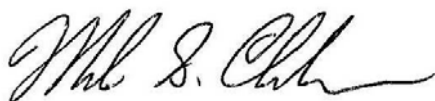
Drilling is continuing at N147 during the current field season to further define the grade and extent of the mineralisation.

In addition to the N147 drilling program, a wide-spaced reconnaissance drill sampling program is also being undertaken to the north-east, east and south-east of N147. The drilling is designed to locate geochemical uranium anomalies within surficial cover and/or below alluvial and sandstone cover rocks. Results are being assessed and will be reported in the near future.

In commenting on these drilling results, David Brunt said:

*"These are easily some of the most exciting drilling results reported in the Alligator Rivers Province in recent years. They confirm the overall prospectivity of N147 and give a very strong indication of the potential of these major mineralised structures. We are looking forward to further exploration results from the ongoing program in this area".*

Yours faithfully,



MARK CHALMERS

**Managing Director**

The information in this report that relates to Exploration Results is based on information compiled by Mr David Brunt, a full-time employee of Uranium Equities Limited, who is a Fellow of the Australasian Institute of Mining and Metallurgy Inc. Mr. Brunt 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, Minerals Resources and Ore Reserves, and consents to the release of information in the form and context in which it appears here.

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