



25 September 2008

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

Attn: The Manager – Companies

Dear Sir,

BEDROCK URANIUM ANOMALIES IN SHALLOW DRILLING

WEST ARNHEM JOINT VENTURE

Uranium Equities Limited (“UEQ”) is pleased to advise that shallow geochemical drilling carried out under the West Arnhem Joint Venture (UEQ 40%; Cameco Australia Pty Ltd 60%) has identified 2 significant zones of anomalous uranium geochemistry within oxidised bedrock along key structural trends immediately to the south of the Nabarlek Mining Lease.

A program of shallow aircore (“AC”) and reverse circulation (“RC”) drilling was undertaken to systematically test whether geochemically anomalous uranium was present along the key structures beneath a thin cover sequence comprising soil, alluvium and sandstone (Figure 1).

Although thin, the cover sequence in these areas is considered to have obscured any radiometric response in the historical airborne radiometric surveys which led to the identification of the Nabarlek Deposit and the N147 Prospect.

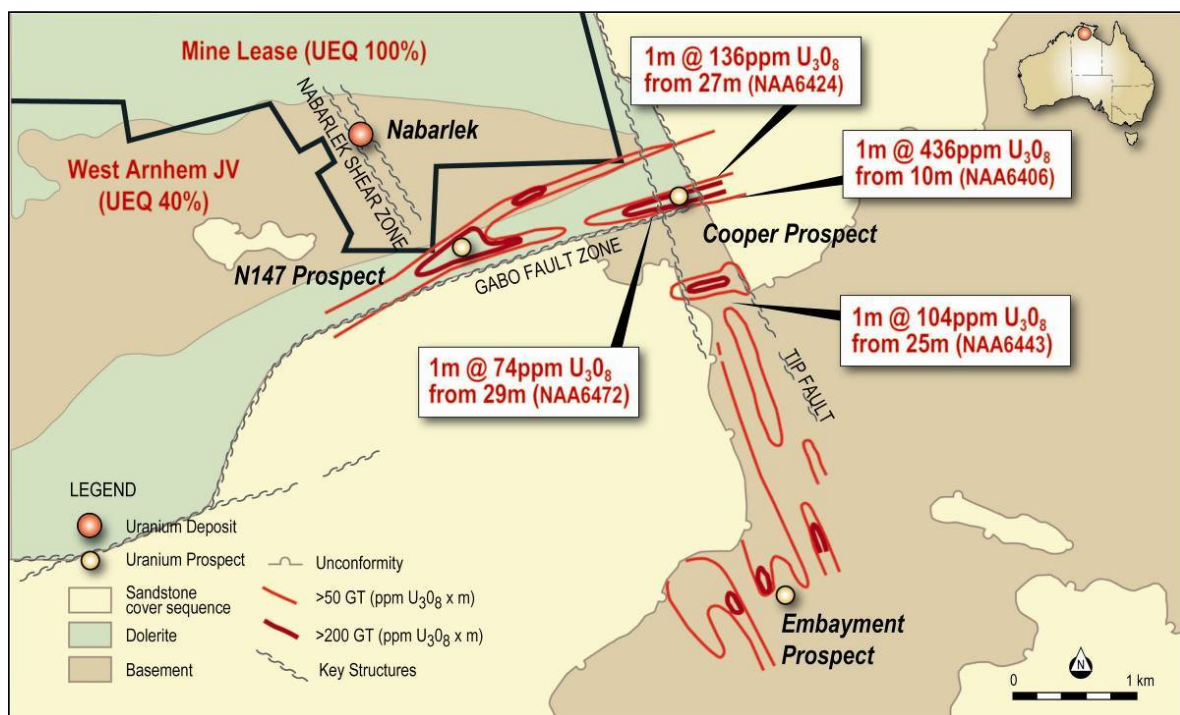


Figure 1: Near-surface Geochemical Anomalies mapped from AC and RC Drilling

177 AC holes totalling 2,827 metres and 50 RC holes totalling 2,527 metres were drilled to the end of August, 2008.

Two highly anomalous¹ zones (ppm U₃O₈ grade x metres thickness >200) have been identified:

- The **Cooper Prospect** forms an along strike extension of the N147 Prospect along the Gabo Fault Zone where anomalous uranium geochemistry extends over a strike of 1,000 metres within dolerite. Another anomaly, located 600 metres to the south of Cooper Prospect is present within basement rocks and has an overall strike of 500 metres. The highest uranium values are shown in Figures 1 and 2.
- The **Embayment Prospect** comprises a broader area of anomalism located over basement rocks with a north-westerly trending orientation sub-parallel to the Nabarlek Shear (Figure 1).

Historical shallow drilling at the N147 Prospect returned similar uranium geochemical levels from oxidised and leached bedrock.

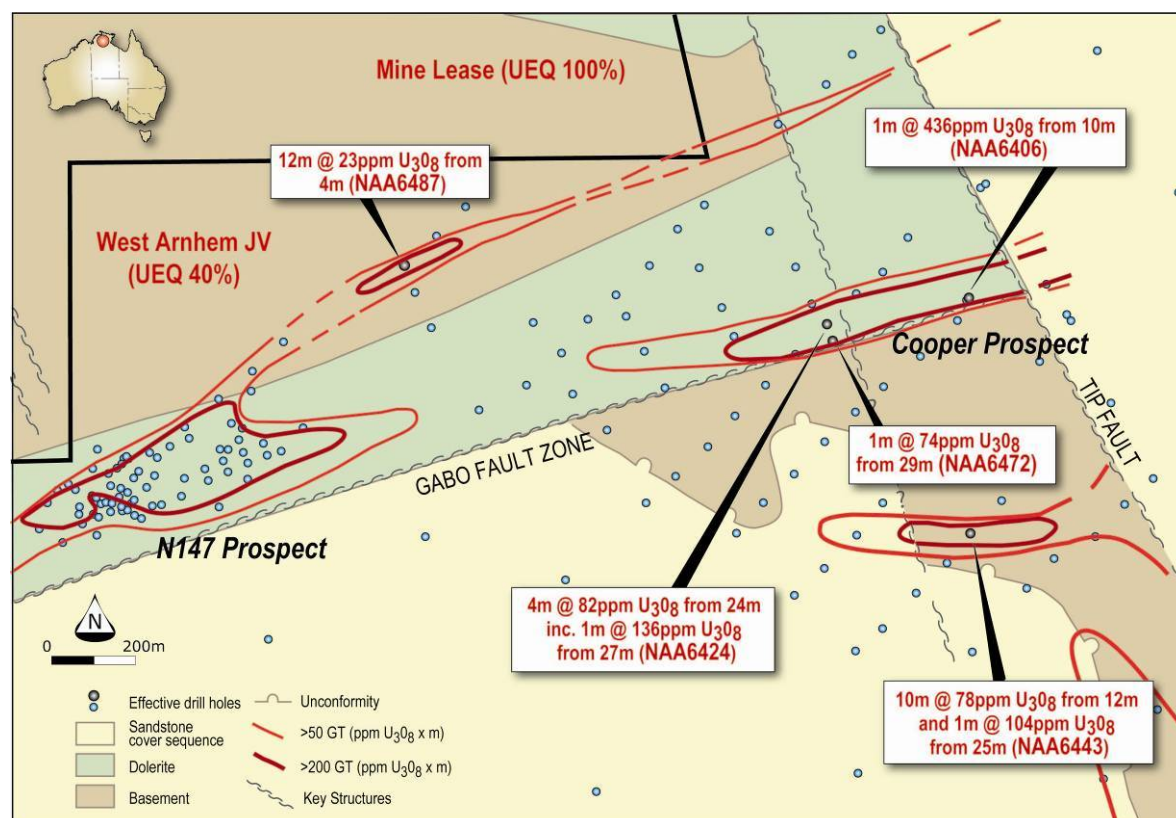


Figure 2: Detailed uranium geochemistry – N147 & Cooper Prospects

Additional AC drilling is planned to test the extension of the anomalous zone along the Gabo Fault system to the west of N147.

Follow-up RC drilling is planned to test the Cooper geochemical anomaly.

¹ Uranium analyses were obtained on-site using a calibrated Niton handheld X-Ray Fluorescence ("XRF") Analyser. Statistical comparison of independent laboratory analyses (ICP method) and Niton XRF values for 140 samples indicates replication of results between the two methods to +/- 11 ppm U₃O₈ for values up to 100 ppm U₃O₈. From 100 to 500 ppm U₃O₈ the values were in the range +/- 22 ppm U₃O₈.

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.

CONTACT:

Mark Chalmers, Managing Director 0417 861 482

David Brunt, Executive Director 0419 848 713

Uranium Equities Limited
ABN 74 009 799 553
Level 6 West, 50 Grenfell Street
Adelaide SA 5000

Tel: +618 8110 0700 Fax: +618 8110 0777
Email: info@uel.com.au Website: www.uel.com.au