



27th November 2008

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

Attn: The Manager – Companies

Dear Sir,

2008 FIELD SEASON

PROJECT UPDATE

NABARLEK MINING LEASE and WEST ARNHEM JV

Highlights - 2008 Exploration Programme:

Ore grades and wide spread anomalous uranium in 2008 drilling programmes confirm the presence of large mineral systems and the outstanding **uranium exploration potential** in the **Nabarlek region**.

- **Nabarlek ML:** Limited drilling was completed late in the field season. Best result achieved on the Nabarlek Shear **9.5m @ 0.069% eU₃O₈ from 68.5 m including 1.3 m @ 0.254% eU₃O₈ from 73.8 m.**
 - **N147 Prospect:** High grade uranium mineralisation extended 55 metres to the west with best intersection **36.2m @ 0.172% eU₃O₈ from 108.2 m.**
 - **SMLB Prospect:** Best intersection **15.4m @ 0.045% eU₃O₈ from 94.1 m.**
 - Bedrock drilling along major structures identified uranium anomalies at the **North Tip, Delver, N84, Cooper** and **Embayment** prospects.
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Field exploration results in 2008 have confirmed the high potential for discovery within Uranium Equities' ("UEQ") extensive tenement interests surrounding the historic Nabarlek Uranium Mine in the Alligator Rivers Uranium Field, Northern Territory.

Ore-grade mineralisation was extended in drilling at the N147 Prospect. As a result, the east-northeast control on mineralisation at N147 is now more clearly defined and the potential for extensions identified.

In addition, wide-spread anomalous uranium (6 Prospects) has been identified associated within major structures which elsewhere host ore grade mineralisation at Nabarlek and N147.

Set out below is a summary of the key exploration results achieved during the 2008 field season within the Nabarlek Mining Lease (UEQ 100%) and the surrounding West

Arnhem Joint Venture Area (UEQ 40%; Cameco Australia 60%) in the Alligator Rivers Uranium Field, Northern Territory.

Exploration

The Nabarlek Shear Zone, host to the Nabarlek ore body and lying within the regional Nabarlek Structural Corridor, is a major control on the location of uranium mineralisation near Nabarlek (Figure 1).

The Nabarlek Shear Zone extends along a northwest trend over a distance of 4 kilometres within the Nabarlek Mining Lease and a possible 5 to 14 kilometres in the surrounding West Arnhem Joint Venture Area. It and the Nabarlek Structural Corridor remain largely untested by systematic drilling.

A second key structure, the Gabo Fault Zone, containing the N147 Prospect, was confirmed as an important controlling structure. It lies immediately to the south of the Mining Lease and extends over 14 kilometres in an east-northeast direction within the West Arnhem Joint Venture Area.

Past airborne and surface radiometric surveys in the Nabarlek region have had limited success in detecting basement uranium anomalies as their radiometric signature is obscured by surface soil and sandstone cover. In addition, historical short-hole drilling sampled the bottom of hole only and potentially missed anomalous uranium within the overlying weathered profile.

Key objectives of the 2008 programme were to:

- extend known uranium mineralisation at the N147 and SMLB prospects and conduct initial drilling within the Nabarlek Mining Lease; and
- initiate systematic exploration and geochemical drilling along key structures to test for uranium in the weathered profile and bedrock beneath shallow cover sequences.

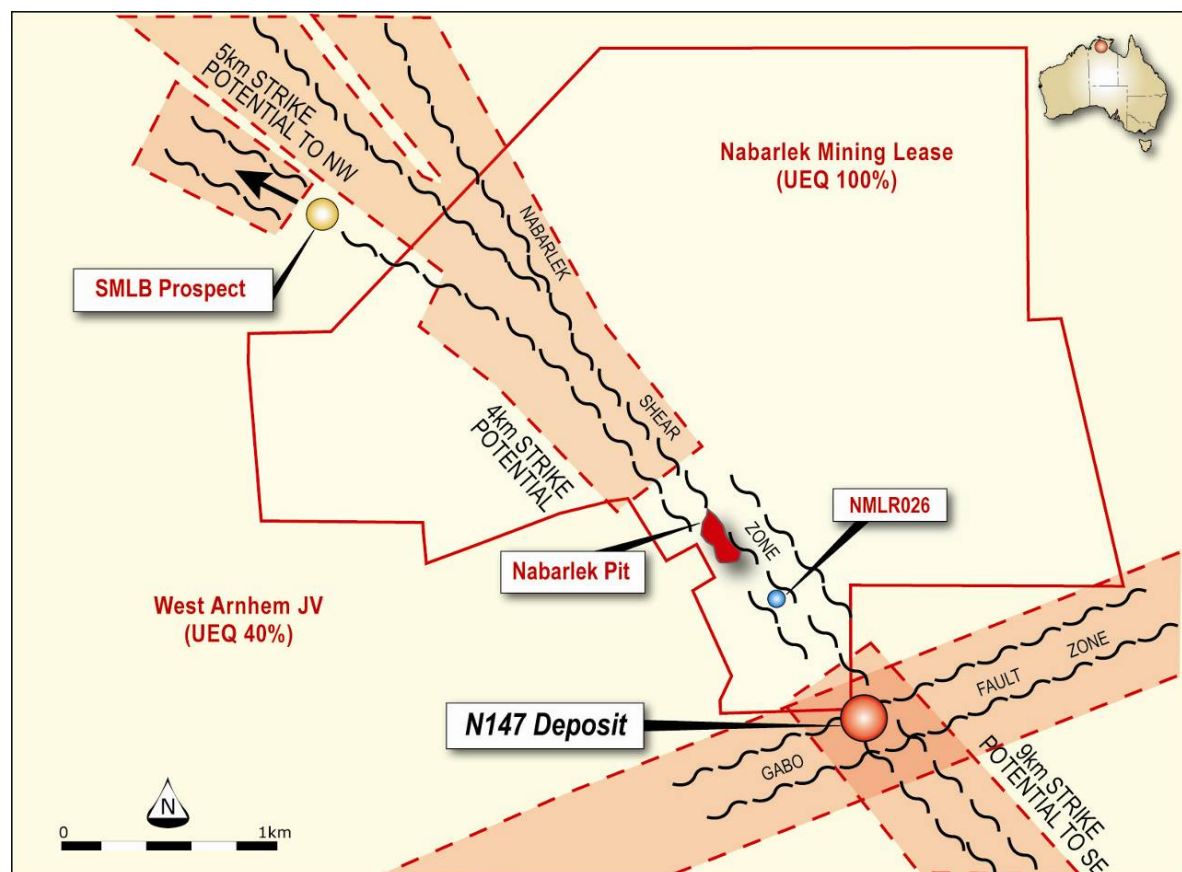


Figure 1 – Structural Framework for Nabarlek ML & Surrounding JV Area

Results

A total of 113 reverse circulation ("RC") drillholes for 10,740 metres and 616 aircore ("AC") drillholes for 9,533 metres were completed in the 2008 field season.

601 drill holes effectively tested through to the basement. 33% (200 holes) detected uranium anomalism >20 ppm $U_3O_8^1$ and 26% (157 holes) encountered uranium mineralisation above a 100GT (ppm $U_3O_8 \times$ metres)¹ cut-off.

These results confirm the widespread extent of uranium mineralisation in the Nabarlek region and substantiate the presence of large mineral systems and outstanding uranium exploration potential.

Nabarlek Mining Lease:

Drilling, which commenced late in the field season following the grant of Traditional Owner and statutory approvals, was limited to the area to the northwest and south of the former open-pit.

AC drilling was completed north, east and south of the former open-pit with a view to defining new areas of mineralisation. Targets generated were followed up with RC drilling.

The best RC drilling result was encountered in drill hole NMLR026 (**9.5 m @ 0.069% e $U_3O_8^2$ from 68.5 m including 1.3 m @ e0.254% $U_3O_8^2$ from 73.8 m**), 250 metres south of the pit, where mineralisation was intersected along the projected southern trend of the Nabarlek Shear Zone. Mineralisation is open along strike within the Nabarlek structure to 80 metres in both directions.

N147 Prospect:

RC drilling extended dolerite-hosted uranium mineralisation to the West along the Gabo Fault Zone (ASX release 7th August 2008). Eleven holes intersected uranium mineralisation with three of these returning significant high-grade intercepts.

36.2m @ 0.172% e $U_3O_8^2$ from 108.2 m (NAR6318)
14.5m @ 0.224% e $U_3O_8^1$ from 116.9 m (NAR6320)
23.4m @ 0.138% e $U_3O_8^1$ from 117.1 m (NAR6324)

The high grade mineralisation, as presently defined, occurs over approximately 200 metres by 50 metres with an east-northeast strike, parallel to the Gabo Fault Zone. The mineralised body remains open along strike in both directions.

Grade-thickness contours illustrating the current extent and orientation of the mineralization are shown in Figure 2.

¹ Uranium (U_3O_8) 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 U_3O_8 for values up to 100 ppm U_3O_8 . From 100 to 500 ppm U_3O_8 the values were in the range +/- 22 ppm U_3O_8 .

² Logged by an Auslog Total Gamma 32mm slimline probe through the drill rods with equivalent U_3O_8 grades calculated using a Dead Time Correction Factor = 1.011203E-05 seconds, Calibration Constant (k) = 4.732521E-05, Casing Factor = 1.95 & Logging Speed = 4m/min. Tools were calibrated in the South Australia Glenside test pits in March 2008.

All intercepts have been calculated from equivalent grades U_3O_8 using a minimum grade of 0.02%e U_3O_8 and maximum internal dilution of 2.0m. All intercepts are down hole lengths.

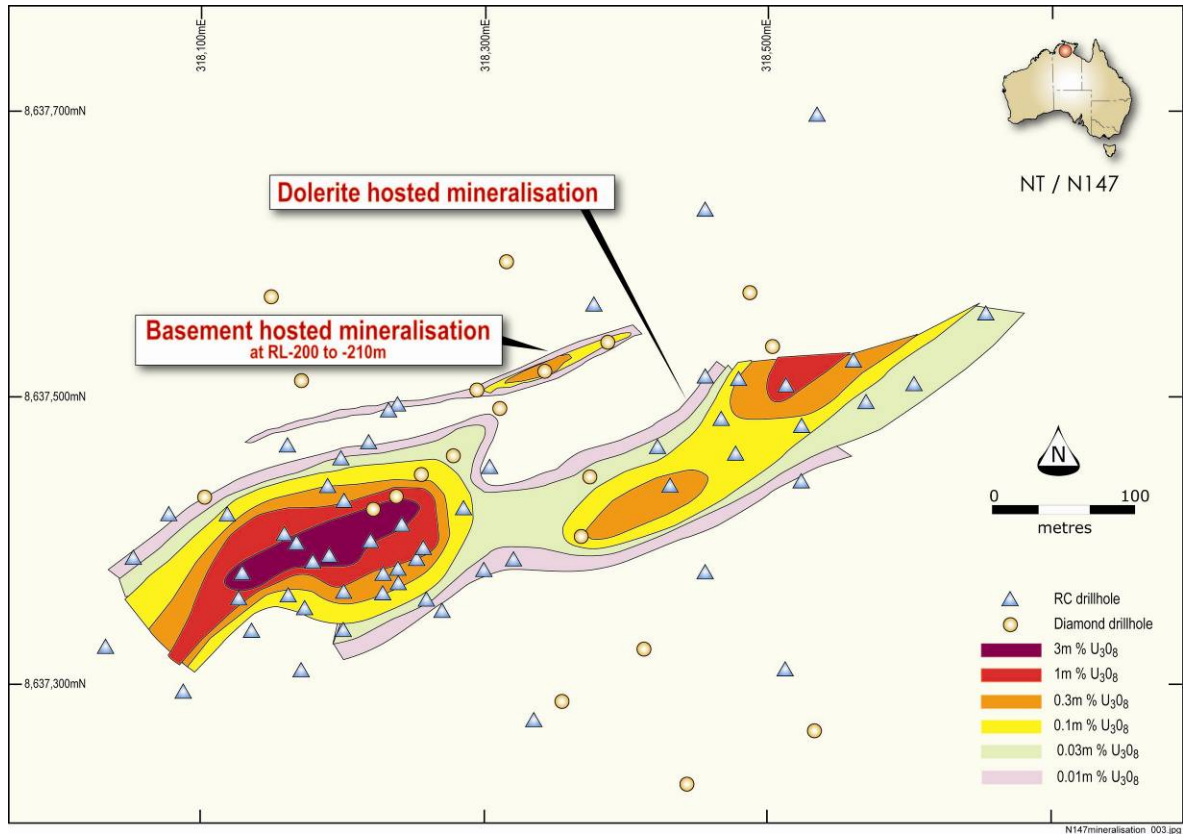


Figure 2 – N147 Prospect – Grade Thickness contours mapped from drill hole intercepts

SMLB Prospect:

RC drilling to follow up an historical intercept of 27 m @ 0.06% U_3O_8 was conducted. Two drill holes intersected significant uranium mineralisation which remains open to the north.

Significant intercepts include:

NAR6382: 2.5 m @ 0.02% $eU_3O_8^3$ from 127.8m
16.6 m @ 0.036% $eU_3O_8^2$ from 132.6m

NAR6384: 44.3 m @ 0.029% $eU_3O_8^2$ from 71.9m including:
8.1 m @ 0.025% $eU_3O_8^2$ from 71.9m
3.2 m @ 0.027% $eU_3O_8^2$ from 87.0m
15.4 m @ 0.045% $eU_3O_8^2$ from 94.1m
4.0 m @ 0.051% $eU_3O_8^2$ from 112.2m

³ Logged by the UEQ Geovista 38mm total count gamma probe through the drill rods with equivalent U_3O_8 grades calculated using a Dead Time Correction Factor = 4.0078E-6 seconds, Calibration Constant (k)= 2.46874E-05, Casing Factor=1.357 & Logging Speed=4m/min. Tools were calibrated in the South Australia Glenside test pits in April 2007.

All intercepts have been calculated from equivalent grades U_3O_8 using a minimum grade of 0.02% eU_3O_8 and maximum internal dilution of 2.0m. All intercepts are down hole lengths.

Bedrock Geochemical Drilling:

Anomalous uranium⁴ was identified in bedrock geochemical drilling at the **Delver**, **North Tip**, **N84**, **Cooper** and **Embayment** Prospects (see Figure 3).

The **Cooper Prospect** lies along the strike extension of the N147 Prospect within the Gabo Fault Zone. Anomalous uranium, with values to 436 ppm U_3O_8 occurs over a strike length of 1,000 metres within dolerite and remains open to the east-northeast.

AC drilling to the west southwest of the N147 Prospect along the Gabo Fault Zone has identified anomalous uranium at the **Delver Prospect** and upgraded the significance of the historical **N84 Prospect**. Both Prospects are within the Gabo Fault Zone. Heritage surveys in the area between the Delver and N84 Prospects could not be completed in sufficient time to undertake drilling this year.

At the **North Tip** and **Embayment Prospects** several areas of uranium anomalism were defined. The northern extremities of both prospects were not adequately tested as the AC drilling rig was unable to penetrate the cover sequence (sandstone).

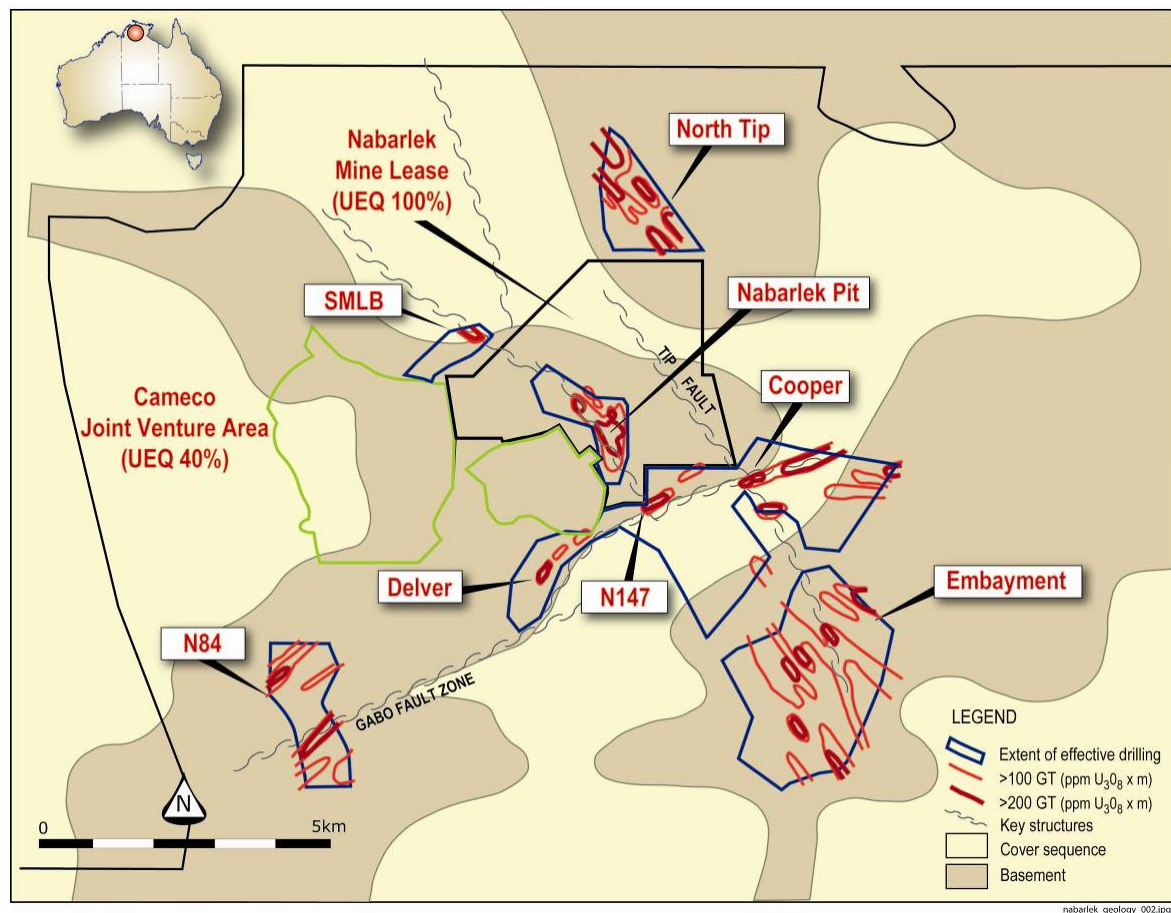


Figure 3 – Bedrock Uranium Anomalies for Nabarlek ML and Surrounding JV Area

⁴ Anomalous uranium geochemistry = >200GT (ppm U_3O_8 x m) as determined by the Niton Portable X-Ray Fluorescence (XRF) Analyser

Conclusions

The "first pass" results achieved in systematic geochemical drilling and sampling confirm widespread exploration potential in areas previously unexplored because of shallow soil or sandstone cover.

Drilling at N147 and along the Gabo Fault Zone has confirmed a coherent high-grade body of mineralisation and has highlighted the potential for extensions or repetitions along strike in both directions.

The 2008 exploration programme continues to establish the Nabarlek region as one of the most prospective exploration areas within the world class Alligator Rivers Uranium Field.

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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