



Uranium Equities to raise A\$23 million

12 February 2007

A\$23 Million equity capital raising

Uranium Equities Limited ("Uranium Equities") (**ASX:UEQ**) is pleased to announce a substantial equity raising to fund its uranium exploration and development projects in Australia by the proposed issue of 46 million shares at 50 cents per share raising A\$23 million before issue costs.

The Company has received verbal firm commitments to place the full 46 million shares from a range of Australian and international sophisticated and professional investors, subject to completion of a final due diligence review, which is expected to be confirmed shortly.

Southern Cross Equities as lead manager of the issue, has together with Taylor Collison, arranged the placement in Australia and also placed shares in the United Kingdom. Westwind Partners (UK) Ltd has arranged the placement in North America and Europe.

The placement will comprise two tranches and be subject to usual subscription conditions including typical termination events.

The first tranche of 13.8 million shares is expected to settle on 21 February 2007. The second tranche of 32.2 million shares is conditional on the Company's shareholders approving the same at a shareholders meeting to be held in mid March 2007.

As a substantial portion of the placement is to Canadian investors, it is subject to the Company receiving an exemption from the Canadian authorities to facilitate secondary trading by Canadian investors in the issued shares over the facilities of the ASX. Application has been made for that exemption, which is expected to take approximately two weeks to process.

Laramide Resources Limited of Toronto (TSX:LAM, market capitalisation of A\$600 million), Uranium Equities' largest shareholder, has agreed, subject to satisfaction of the appropriate conditions, to subscribe for 6 million shares for A\$3 million.

Mark Chalmers, Uranium Equities' Managing Director, said "We are delighted with the support for the raising from both Australian and international institutions, backing our team of experienced uranium professionals and the potential of the Company's excellent ground position."

The funds will be applied to progress Uranium Equities' extensive Australian uranium exploration interests including its joint venture project with Cameco (ASX press release: 21 December 2007) in the highly prospective Alligator Rivers Uranium Province in the Northern Territory. The project covers 1,269km² surrounding the Nabarlek Uranium Mine (historically, Australia's highest grade uranium mine which extracted 22 million pounds at an average grade of 1.95% U₃O₈).

The funds will also be applied to advance the Company's ongoing corporate development objectives and provide working capital.

Brokerage fees of 5% will be paid on the funds raised, plus 1.2 million options to Southern Cross Equities Ltd, 0.8 million options to Taylor Collison Ltd and 1 million options to Westwind Partners (UK) Ltd, all exercisable at \$0.75 per share over a 3 year term. Additionally, Southern Cross Equities will receive a fee of 1% of funds raised for management of the issue.

The Notice of Meeting to approve the second tranche will be released to ASX in the next day or so with a subsequent dispatch to shareholders.

Capital Structure

Listed Capital
- ordinary shares 133.3M

Unlisted Capital
- performance shares 14.4M
- options 20.6M

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