Commencement of Drilling – Yoweragabbie Project, Yilgarn Craton, Western Australia

8 June 2007

Highlights

- Uranium Equities commences a shallow air-core drilling and wireline gamma logging program to test an important calcrete target at Yowergabbie near Mt Magnet in Western Australia.
- The prospect has approximately 30km strike length of airborne radiometric anomaly associated with calcrete in a prospective yet untested drainage system.
- Drilling will involve approximately 200 holes for an approximate total of 2000m of drilling and is expected to be completed within 3 weeks.

Capital Structure

Listed Capital
- ordinary shares 189.4M

Unlisted Capital
- performance shares 14.4M
- options 13.6M

Uranium Equities Limited
(ABN 74 009 799 553)

Adelaide Office:
Level 6 West
50 Grenfell Street
Adelaide
South Australia 5000

t: +618 8110 0700
f: +618 8110 0777
w: www.uel.com.au
e: info@uel.com.au

Perth Office:
Level 2
1292 Hay Street
West Perth
Western Australia 6005

t: +61 8 9322 3990
f: +61 8 9322 5800

Contact: Mark Chalmers, Managing Director 0417 861 482
David Brunt , Executive Director 0419 848 713

Uranium Equities Ltd is pleased to announce the commencement of an air-core drilling and wireline gamma logging program to test the uranium potential of a radiometrically anomalous calcrete at the Yoweragabbie Project (E59/1205), Yilgarn Craton, Western Australia Australia. The project area covers 211km^2 in area and is located some 200km SW of the Yeelirrie calcrete uranium deposit.

Approximately twenty traverses have been planned for drilling (Figure 1) with an average of 200m spacing between individual drillholes. A total of approximately 200 holes for approximately 2000m of drilling will be completed.

There has been limited historical exploration work targeting uranium within the wider area and with no prior exploration specifically focusing on the outcropping and subsurface calcrete at Yoweragabbie.

Radiometric anomalism is associated with both quaternary sediments and calcrete covering 30km of prospective strike length. Calcrete has formed within a topographic depression (palaeovalley) which acts as a local sink for groundwaters that drain nearby outcrops of Achaean granite and greenstones (Figure 1). These rocks are sources for both uranium and vanadium which is essential for the formation of carnotite, a uranium-vanadate mineral most commonly mined in calcrete-hosted deposits worldwide.

Uranium Equities considers the Yoweragabbie project as one of its most prospective calcrete–style targets within its Western Australian uranium portfolio.

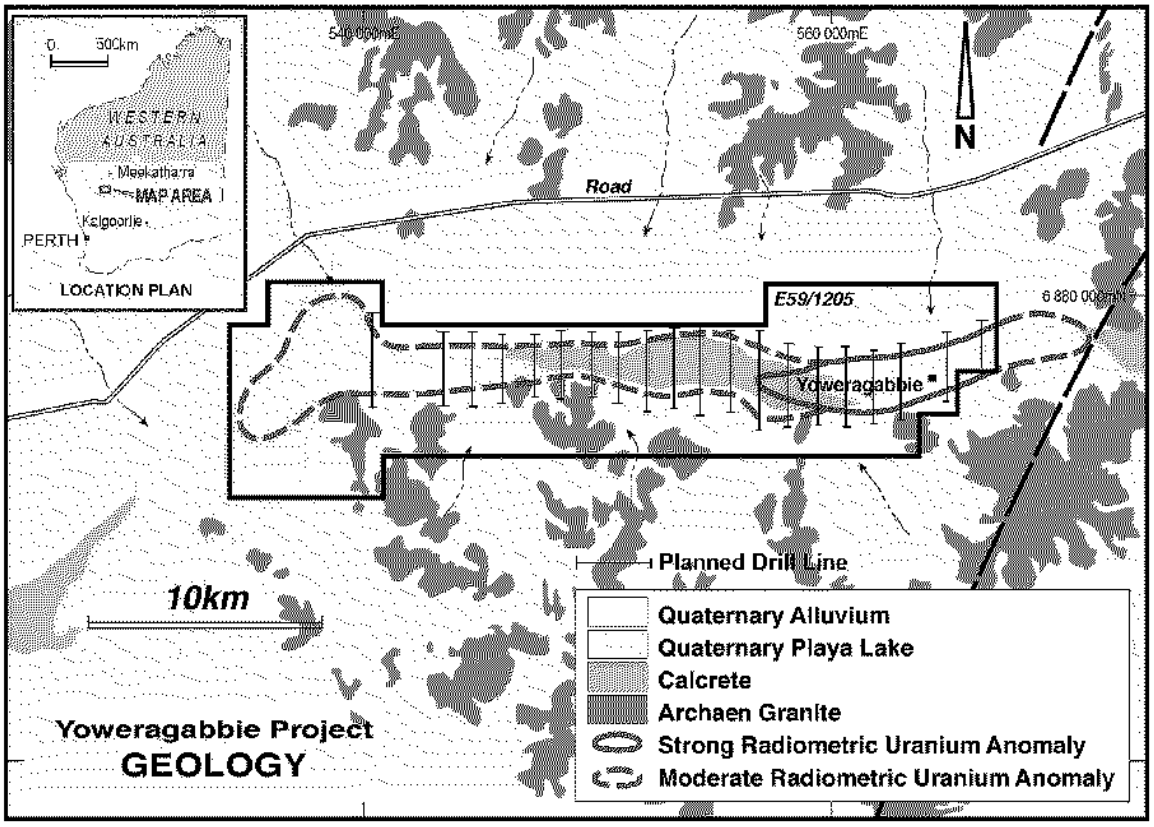

Figure 1: Yoweragabbie Project (E59/1205) area showing location of radiometric anomalies and proposed drill lines.

MARK CHALMERS
Managing Director

The information in this report that relates to Exploration Results is based upon information compiled by or approved by Mr David A. 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.