



4th April 2008

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

Attn: The Manager – Companies

Dear Sir,

Acquisition of the Nabarlek Uranium Mine Lease

Uranium Equities Limited (“UEQ”) has reached agreement with Hanson Australia Pty Ltd to acquire 100% of the issued capital in Queensland Mines Pty Ltd, the registered owner of Mineral Lease MLN 962 in the Alligator Rivers Uranium Province, Northern Territory.

Mineral Lease MLN 962 contains the historic Nabarlek Uranium Mine and covers an area of 12.79 km² surrounded by the tenements of the West Arnhem Joint Venture (Figure 1) between UEQ (40%) and Cameco Australia Pty Ltd (60%).¹

The Nabarlek Mine, Australia’s highest grade uranium mine, operated between 1979-1988 and produced a total of 24.4 million pounds of U₃O₈ at an average grade of 1.84% U₃O₈ (40.5 lb/tonne U₃O₈). It lies within the Alligator Rivers Uranium Province.

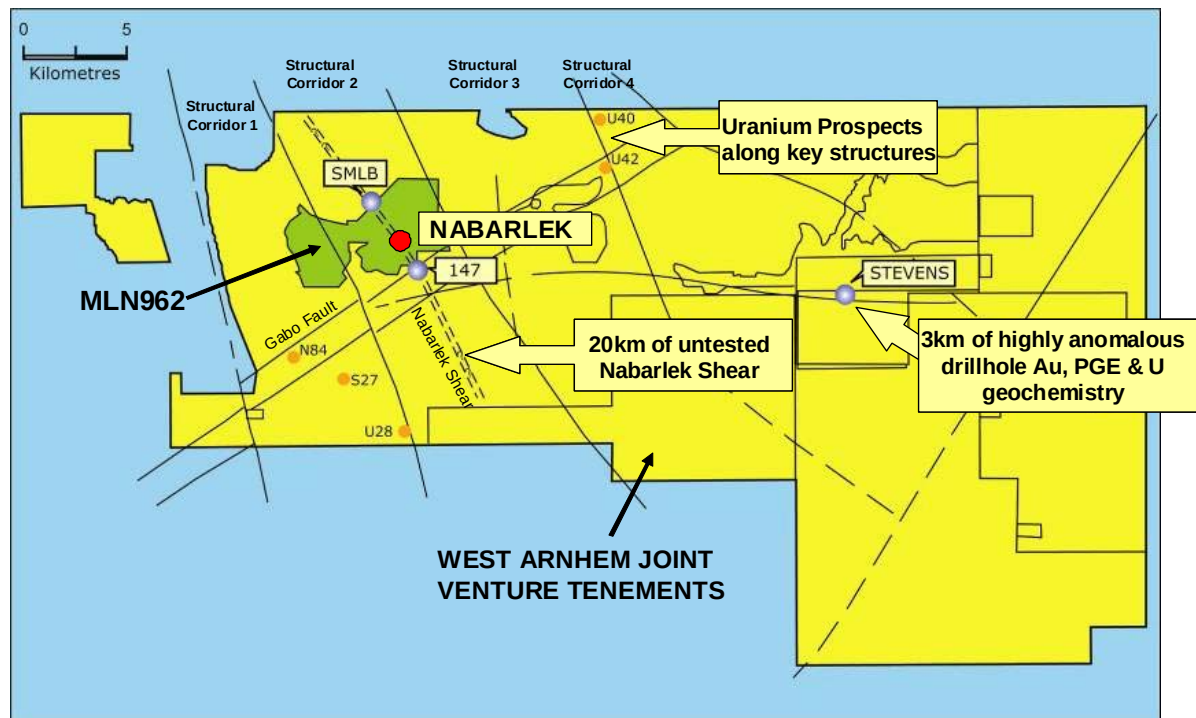


Figure 1: Location Map - Nabarlek Mining Lease, West Arnhem Joint Venture¹ tenements and main uranium prospects

¹ Uranium Equities Limited 40% earned in western area; earning 40% in eastern area.

The Nabarlek uranium deposit is a structurally controlled ore body hosted by sheared and altered basement metamorphic rocks, lying in the Nabarlek Shear Zone and within a northwest trending structural corridor. This corridor extends across MLN 962 and into the surrounding West Arnhem Joint Venture exploration tenements which are held by Cameco Australia Pty Ltd (60%) and Uranium Equities Limited (40%).

No exploration has been conducted on MLN 962 in the current uranium price environment. The last exploration drilling was carried out in 1994 with drilling beyond the immediate mine environment being relatively shallow by current standards.

In the immediate mine environment, exploration has not been exhaustive and potential to generate drill targets at depth and along and across strike is high.

Terms of Acquisition – Queensland Mines Pty Ltd

Uranium Equities is to acquire 100% of the issued capital in Queensland Mines Pty Ltd in consideration for:

- the payment of approximately \$96,000 for on-site plant and equipment;
- the assumption of the environmental and rehabilitation obligations of Queensland Mines Pty Ltd relating to MLN 962; and
- as a pre-condition to settlement, the release of Hanson Australia Pty Ltd from the bank guarantee of \$400,000 provided to the Northern Territory Department of Primary Industries, Fisheries and Mines to secure Queensland Mines rehabilitation obligations.

Arrangements are currently being made to replace the bank guarantee which will allow settlement to be completed in the short term.

As a wholly owned subsidiary of Uranium Equities, Queensland Mines Pty Ltd shall be responsible for completing the environmental rehabilitation of the old mine site.

An intensive program of data review and reinterpretation has been initiated in preparation for a major exploration thrust which will involve RAB, RC and/or diamond drilling. On ground exploration is expected to begin in June-July 2008 following the end of the wet season and completion of heritage clearances with the traditional owners.

Further details of the exploration potential and proposed program will be released as the data review and assessment is completed.

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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