

ASX ANNOUNCEMENT

6 August 2013

URANIUM EQUITIES LIMITED ACN 009 799 553



URANIUM
EQUITIES

ASX Market Announcements Office
via electronic lodgement

PhosEnergy Process Update

Uranium Equities (ASX: UEQ) is pleased to announce that it has, together with Cameco Corporation, entered into an Agreement with a US based fertilizer producer to assess the commercial viability of applying the PhosEnergy Process (the **Process**) to the producer's existing operations. This follows completion of an independent engineering study in March 2013 (see ASX announcement 5th March, 2013).

The Agreement covers on-site operation of the PhosEnergy demonstration plant with the results providing inputs to a pre-feasibility study. The pre-feasibility study will allow the parties to assess the economic viability of the Process and make a commercial decision on progressing further toward a full scale operation.

Operation of the demonstration plant is expected to commence in August and be ongoing for a number of months with the pre-feasibility study following shortly thereafter.

UEQ Managing Director, Bryn Jones, said *"This is an important step in the commercialisation of the PhosEnergy Process. We are delighted to have the opportunity to further demonstrate the robustness of the Process at an operating fertilizer facility."*

The Process

The Process is a technology for the extraction of uranium from phosphate streams produced in the production of phosphate-based fertilisers. UEQ and global uranium company Cameco Corporation are jointly commercializing the Process via a Colorado company called Urtek LLC, which is owned 73 per cent by Cameco and 27 percent by UEQ.

Yours faithfully,

Bryn Jones
Managing Director

Our Strengths

- Breakthrough PhosEnergy Process
- Nabarlek – rare near mine exploration portfolio
- Multiple near term growth opportunities

ASX: UEQ

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About Uranium Equities

Uranium Equities Limited (UEQ) is positioned for growth in the uranium sector through the development of the PhosEnergy Process and exploration activities directed at high quality exploration assets in Australia's premier uranium districts.

The PhosEnergy Process is an innovative patented process for the extraction of uranium as a by-product from phosphate in the production of phosphate-based fertilisers.

The global annual production potential of uranium from the phosphate industry is in the order of 20 Mlbs U_3O_8 . This quantity of uranium is mined in phosphate ores but not recovered annually on a worldwide basis. The major phosphate based fertiliser producers are located in Northern Africa, North America and Asia.

The PhosEnergy Process has been proven to demonstration plant scale with results establishing a robust process capable of achieving high levels of uranium recovery at the lower end of the cost curve. An independent PFS level engineering study has estimated cash operating costs of less than US\$18 per pound of uranium, putting it in the lowest quartile for operating costs of worldwide uranium production expected to come on line in the next 5 to 10 years.

The Nabarlek Project provides a rare near mine exploration opportunity surrounding the historic Nabarlek Uranium Deposit (previous production: 24 Mlbs @ 1.84% U_3O_8). The previously mined deposit lies within an extensive uranium mineral system which extends over more than 50 square kilometres within the Mineral Lease and the surrounding tenements. The mineral system which contains widespread anomalous uranium geochemistry and ore grade mineralisation at several locations remains largely untested.