

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

URANIUM EQUITIES LIMITED

ABN

74 009 799 553

Quarter ended ("current quarter")

31 DECEMBER 2006

Consolidated statement of cash flows

	Current quarter \$A	Year to date (6 months) \$A
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	165,256	270,865
1.2 Payments for (a) exploration and evaluation	(732,078)	(1,312,835)
(b) development	-	-
(c) production	-	-
(d) administration	(706,793)	(1,196,878)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	99,602	119,803
1.5 Interest and other costs of finance paid	(2,350)	(2,974)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(1,176,363)	(2,122,019)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	(26,136)	(83,778)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	1,098,145
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (deferred consideration on disposal of tenements)	143,871	143,871
Net investing cash flows	117,735	1,158,238
1.13 Total operating and investing cash flows (carried forward)	(1,058,628)	(963,781)

+ See chapter 19 for defined terms.

Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc. (net)	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	15,896	4,496
Net financing cash flows		15,896	4,496
Net increase (decrease) in cash held		(1,042,732)	(959,285)
1.20	Cash at beginning of quarter/year to date	4,478,362	4,394,915
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,435,630	3,435,630

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	250,118
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Included in item 1.2 are tenement related expenditures in relation to tenements sold under a tenement sale agreement between the Company and Liontown Resources Limited which completed on 15 December 2006. Approximately \$325,000 has been reimbursed in January 2007 by Liontown Resources following that company being listed on ASX on 27 December 2006.

Included in item 1.19 is approximately \$285,000 of corporate related costs paid on behalf of Liontown Resources Limited offset by full repayment of the same by Liontown Resources Limited during the quarter.

Included in item 1.23 is \$47,549 paid to Chalice Gold Mines Limited for the provision of corporate services and \$69,549 to Grimwood Davies Pty Ltd for drilling services. Both these entities are director related entities and the subject transactions were on an arms length basis. The remaining balance of payments under 1.23 relate to salaries and directors fees paid to Directors of the Company.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A	Amount used \$A
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A
4.1 Exploration and evaluation	1,800,000
4.2 Development	-
Total	1,800,000

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A	Previous quarter \$A
5.1 Cash on hand and at bank	3,435,630	4,478,362
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (Bank Guarantee)	-	-
Total: cash at end of quarter (item 1.22)	3,435,630	4,478,362

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed NIL				

+ See chapter 19 for defined terms.

6.2 Interests in mining tenements acquired or increased	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
	EL10176 EL24371 EL24372 EL23700	Nabarlek – Joint Venture Agreement with Cameco Corporation – right to earn 40%	0%	0%
	EL3347 EL22785 EL22784	Cadell – Joint Venture Agreement with Cameco Corporation – right to earn 40%	0%	0%
	EL3313 EL3323 ELA379/06	Watson – Joint Venture Agreement with Internet Resources – right to earn up to 80%	0%	0%
	E59/1205	Yowergabbie - Granted	100%	100%
	E31/0749	Menangina - Application	0%	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	Nil	Nil	Nil	Nil
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs.	N/A	N/A	N/A	N/A
7.3 +Ordinary securities	133,310,801	133,310,801	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital.	Nil	Nil	N/A	N/A
	Nil	Nil	N/A	N/A
7.5 +Convertible debt securities <i>(description)</i>	Nil	Nil	N/A	N/A
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured.	Nil	Nil	N/A	N/A
7.7 Options			Exercise price	Expiry date
Share Options	5,000,000	Nil	\$0.155	21.10.2009
	500,000	Nil	\$0.155	30.11.2009
	100,000	Nil	\$0.155	20.12.2010
	10,000,000	Nil	\$0.35	17.05.2008
	2,400,000	Nil	\$0.35	31.05.2011
	700,000	Nil	\$0.35	01.09.2011
	150,000	Nil	\$0.35	01.10.2011
	225,000	Nil	\$0.55	01.11.2011
	800,000	Nil	\$0.55	01.12.2011
Partly Paid Performance Shares (1)	14,350,000	Nil	Issued at \$0.15 credited as paid to \$0.075 with \$0.075 to pay.	17.05.2016
7.8 Issued during quarter				
Share Options	225,000	Nil	\$0.55	01.11.2011
	800,000	Nil	\$0.55	01.12.2011

+ See chapter 19 for defined terms.

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7.9	Exercised during quarter	Nil	Nil	N/A	N/A
7.10	Expired during quarter	Nil	Nil	N/A	N/A
7.11	Debentures <i>(totals only)</i>	Nil	Nil		
7.12	Unsecured notes <i>(totals only)</i>	Nil	Nil		

- (1) Partly paid performance shares issued do not represent ordinary shares or preference shares and have therefore been classified as share options for this purpose.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 31 January 2007

Managing Director

Print name: Mark Chalmers

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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