

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")

30 SEPTEMBER 2006

Consolidated statement of cash flows

	Current quarter \$A	Year to date (3 months) \$A
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	105,609	105,609
1.2 Payments for (a) exploration and evaluation	(580,757)	(580,757)
(b) development	-	-
(c) production	-	-
(d) administration	(490,085)	(490,085)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	20,201	20,201
1.5 Interest and other costs of finance paid	(624)	(624)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(945,656)	(945,656)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	(57,646)	(57,646)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	1,098,149	1,098,149
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	1,040,503	1,040,503
1.13 Total operating and investing cash flows (carried forward)	94,847	94,847

+ 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	(11,400)	(11,400)
	Net financing cash flows	(11,400)	(11,400)
Net increase (decrease) in cash held		83,447	83,447
1.20	Cash at beginning of quarter/year to date	4,394,915	4,394,915
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	4,478,362	4,478,362

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	274,337
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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

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

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		\$A
4.1	Exploration and evaluation	1,900,000
4.2	Development	-
Total		1,900,000

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	4,478,362	4,394,915
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (Bank Guarantee)	-	-
Total: cash at end of quarter (item 1.22)		4,478,362	4,434,915

Changes in interests in mining tenements

6.1 Interests in mining tenements relinquished, reduced or lapsed	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
	E38/1877	Salvation Well - relinquished	100%	0%

+ 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
	E39/1257	Mulga Rock - Application	0%	50%
	E39/1258	Mulga Rock - Application	0%	50%
	E70/3034	Gin Gin - Application	0%	100%
	E70/3035	Gin Gin -Application	0%	100%
	E70/3036	Gin Gin - Application	0%	100%
	E70/3037	Gin Gin - Application	0%	100%
	E38/1827	Hazlett Cliffs - granted	100%	100%
	P39/4442	Mulga Rock - granted	50%	50%
	P39/4443	Mulga Rock - granted	50%	50%
	P39/4444	Mulga Rock - granted	50%	50%
	P39/4445	Mulga Rock - granted	50%	50%
	P39/4446	Mulga Rock - granted	50%	50%
	P39/4447	Mulga Rock - granted	50%	50%
	P39/4448	Mulga Rock - granted	50%	50%
	P39/4449	Mulga Rock - granted	50%	50%
	EL3462	Cocata - Right to earn up to 80%	0%	0%
	EL3463	Cocata – Right to earn up to 80%	0%	0%

+ 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.	37,300,000 Nil	37,300,000 Nil	N/A N/A	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 Share Options	5,000,000 500,000 100,000 10,000,000 2,400,000 700,000 150,000	Nil Nil Nil Nil Nil Nil Nil	Exercise price \$0.155 \$0.155 \$0.155 \$0.35 \$0.35 \$0.35 \$0.35	Expiry date 21.10.2009 30.11.2009 20.12.2010 17.05.2008 31.05.2011 01.09.2011 01.10.2011
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	700,000 150,000	Nil Nil	\$0.35 \$0.35	01.09.2011 01.10.2011
7.9 Exercised during quarter	Nil	Nil	N/A	N/A

+ See chapter 19 for defined terms.

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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 October 2006

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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