



UNITED URANIUM LIMITED

ACN 123 920 990

2 June 2014

Manager of Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2001

By E-Lodgement

STRATEGIC REVIEW

The Board of United Uranium Limited (ASX: UUL) (“United” or “the Company”) has undertaken a strategic review of the operations of Company with a view to increasing shareholder value, given the continual trading of the share price below the Company’s cash asset backing.

The strategic review underlined a consistent theme, that junior resource companies and in particular uranium focussed companies, are currently “unloved” by the investment community.

Given the overall market weakness and unwillingness for investors to invest in junior resource companies, the Board are exploring opportunities, which will most likely result in a shift away from resource exploration, in an effort to increase shareholder value.

The primary reasons for moving away from resource exploration are:-

- Investors unwillingness to invest;
- Early stage status of current portfolio of projects, requiring significant funding to explore, with no guarantee of commercial success;
- Continued depressed uranium prices, and commodities prices in general;
- Significant value having been stripped from most junior resource companies over the last 12 months; and
- Funds being better deployed elsewhere to provide greater returns

The Board have discussed a number of opportunities and believe that moving into “property development” would provide the Company with the best opportunity to increase shareholder value.

The primary reasons for moving into property development are:-

- Shareholders strongly supporting the Company's current property development in Como at the Annual General Meeting held in late November 2013;
- Investors willingness to invest in property developments as opposed to resource exploration;
- The property sector is currently experiencing strong housing demand;
- Mr Simon Yan, the Chairman, having been involved in a number of successful property developments in Perth; and
- The ability to borrow funds, if required, at current low interest rates, reducing dilution to current shareholders

The Board believes the Company needs to be generating revenue and profits to enable the Company's share price to increase and reduce the need for any future capital raisings and shareholder dilution. This is not currently possible, if the Company continues to be involved in the resources sector.

To continue with our current projects and strategy the Board believes will lead to further depletion in cash reserves, with little or no value being added through further exploration, given the current negative sentiment for junior resource companies.

In the event that the Company moves into property development, the ASX may make a determination that the Company is required to re-comply with Chapters 1 and 2. The Company will be required to complete a number of elements determined by the ASX Listing Rules summarised but not limited to the following.

The Company would be required to call a meeting of shareholders, at which the shareholders will be asked to vote on the proposal to change activities into property development. If the shareholders approve the change of activities, the Company's shares will be suspended from trading on the ASX until the requirements of Chapters 1 and 2 of the ASX Listing Rules have been satisfied.

The Board will continue to keep shareholders and the market updated.

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