



Uranium Resources

Half-Year Results

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Uranium Resources PLC
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Uranium Resources Plc / Market: AIM / Epic: URA / Sector: Exploration

Uranium Resources plc ("Uranium Resources" or "the Company") Half-Year Results

Uranium Resources plc, the AIM listed uranium exploration company operating in Tanzania, announces its results for the six month period ended 31 December 2015.

Managing Director's Report

The six months ended 31 December 2015 was a frustrating period for the Company primarily due to the lackluster uranium market, hence there has been a lack of progress at both a project level and a corporate level.

The Company's principal focus is the Mtonya Project ("Mtonya") in the United Republic of Tanzania. Mtonya is the first uranium deposit in Africa that is thought to be amenable to in-situ recovery ("ISR") and the Company's discovery signalled the opening of an emerging ISR basin. With its maiden uranium resource of 2013, Mtonya remains open along strike and at depth and the Company's board is confident that Mtonya has the potential to become a world-class uranium deposit.

During the reporting period, the main Mtonya licence reached the end of its term and the Company applied for an extension. Whilst management currently expect that the extension will be granted it cannot be guaranteed. Some delays with the granting of the extension may have been caused by the re-organisation in the government following the Tanzanian General Election in the autumn of 2015. The Company hopes that the ongoing changes in government herald further improvements in the Tanzanian natural resources regulatory framework that shall position the country well in the overdue resurgence of the mining sector.

Financial results

I am reporting a pre-tax loss for the six months ended 31 December 2015 of US\$ 266,000 (6 months ended 31 December 2014 US\$307,000; Year ended 30

June 2015: US\$ 393,000). The Company's board continues to evaluate additional financing options.

Outlook

Uranium Resources has developed a credible exploration model which led to the discovery of the Mtonya uranium deposit that is thought to be amenable to ISR.

Estes Limited remains supportive of the Mtonya project and the Company, which was once again expressed in their signing a loan extension as announced by the Company on 17 March 2016

The Company has and will continue to investigate opportunities for engaging a strategic investor to advance Mtonya as well as other growth opportunities.

Alex Gostevskikh
24 March 2016

Competent Persons declaration

The information in this statement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information reviewed by Alex Gostevskikh, Managing Director of Uranium Resources plc, who is a Member of the Mining and Metallurgical Society of America. Mr. Gostevskikh has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and as a qualified person under the AIM Note for Mining, Oil and Gas Companies. Mr. Gostevskikh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

****ENDS****

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**UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE
INCOME
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

		Half-year ended 31 Dec 2015 (Unaudited) US\$'000s	Half-year ended 31 Dec 2014 (Unaudited) US\$'000s	Year ended 30 June 2015 (Audited) US\$'000s
	Note			
Administrative expenses		(120)	(190)	(292)
Share options expense		-	-	(47)
Total administrative expenses and group operating loss		(120)	(190)	(339)
Interest payable and foreign exchange losses		(146)	(117)	(54)
Loss before taxation		(266)	(307)	(393)
Taxation	3	-	-	-
Loss for the period		(266)	(307)	(393)
Other comprehensive income				
Exchange differences on translating foreign operations		72	79	52
Total comprehensive loss attributable to the equity holders of the parent		(194)	(228)	(341)
Loss per share (cents)				
Basic and diluted	4	(0.04)	(0.04)	(0.05)

**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	Notes	31 Dec 2015 (Unaudited) US\$'000s	31 Dec 2014 (Unaudited) US\$'000s	30 June 2015 (Audited) US\$'000s
ASSETS				
Non-current assets				
Exploration & evaluation assets	5	17,684	17,586	17,651
		17,684	17,586	17,651
Current assets				
Other receivables		1	10	10
Cash and cash equivalents		33	31	21
		34	41	31
Total Assets		17,718	17,627	17,682

LIABILITIES

Non-current liabilities			
Borrowings		-	(111)
Current liabilities			
Borrowings	6	(1,627)	(1,301)
Trade and other payables		(299)	(356)
		(1,926)	(1,657)
Total Liabilities		(1,926)	(1,657)
Net Assets		15,792	15,970
EQUITY			
Share capital		1,225	1,206
Share premium		21,776	21,713
Foreign exchange reserve		(254)	(299)
Retained losses		(6,955)	(6,650)
Total Equity		15,792	15,970

**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	Share capital	Share premium	Foreign exchange reserve	Retained losses	Total shareholders' equity
	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s
As at 1 July 2014	1,206	21,713	(378)	(6,343)	16,198
Total comprehensive income	-	-	79	(307)	(228)
Balance at 31 December 2014	1,206	21,713	(299)	(6,650)	15,970
Issue of share capital	19	63	-	-	82
Share based payment	-	-	-	47	47
Total comprehensive income	-	-	(27)	(86)	113
Balance at 30 June 2015	1,225	21,776	(326)	(6,689)	15,986
Total comprehensive income	-	-	72	(266)	(194)
Balance at 31 December 2015	1,225	21,776	(254)	(6,955)	15,792

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	Half-year ended 31 Dec 2015 (Unaudited) US\$'000s	Half-year ended 31 Dec 2014 (Unaudited) US\$'000s	Year ended 30 June 2015 (Audited) US\$'000s
Cash flows from operating activities			
Loss for the period	(266)	(307)	(393)
Interest payable	5	4	8
Foreign exchange loss/ (gain)	77	113	44
Share option expense	-	-	47
(Increase) /decrease in receivables	9	(9)	(9)
Increase in payables	33	85	134
Net cash used in operating activities	(142)	(114)	(169)
Investing activities			
Funds used for exploration and evaluation	(54)	(106)	(150)
Net cash used in investing activities	(54)	(106)	(150)
Financing activities			
Borrowings	206	195	306
Net cash from financing	206	195	306
(Decrease)/increase in cash and cash equivalents	10	(25)	(13)
Foreign exchange movements on cash	2	22	-
Cash and cash equivalents at beginning of the period	21	34	34
Cash and cash equivalents at the end of the period	33	31	21

**NOTES TO THE UNAUDITED HALF-YEARLY FINANCIAL REPORT FOR
THE SIX MONTHS ENDED 31 DECEMBER 2015**

1 General information

Uranium Resources Plc ('the Company') is domiciled in England. The condensed consolidated half-year accounts of the Company for the six months ended 31 December 2015 comprise the Company and its subsidiaries (together referred to as 'the Group').

The condensed half-year accounts for the period 1 July 2015 to 31 December 2015 are unaudited. In the opinion of the Directors the condensed half-year accounts for the period presents fairly the financial position, and results from operations and cash flows for the period in conformity with the generally accepted accounting principles consistently applied. The condensed half-year accounts incorporate unaudited comparative figures for the interim period 1 July 2014 to 31 December 2014 and the audited financial year to 30 June 2015.

The financial information contained in this half-year report does not constitute statutory accounts as defined by section 434 of the Companies Act 2006.

The comparatives for the full year ended 30 June 2015 are not the Company's full statutory accounts for that year. A copy of the statutory accounts for that year has been

delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain a statement under section 498 (2) - (3) of the Companies Act 2006.

2 Accounting policies

The condensed half-year accounts have been prepared using policies based on International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU. The condensed half-year accounts have been prepared using the accounting policies which are expected to be applied in the Group's statutory financial statements for the year ending 30 June 2016.

Basis of preparation and going concern

At 31 December 2015 the Company had drawn down \$1,606,610 against the available facilities of US\$1,630,000 and had incurred accrued interest of US\$20,039.89 in total. The facilities, which are unsecured and bear interest at LIBOR, are for working capital.

Estes continues to show its support in providing this flexible funding option to the Company. As stated above the Group plans to continue its work programme, however the undrawn funds available from the loan facility, in conjunction with the Group's current cash resources, do not provide the Group with sufficient available resources to meet all of its commitments for the next twelve months; the Group will therefore need to raise additional funds.

The Directors remain confident that Mtonya's potential, together with the Group's historic track record of raising additional funds and the interest being shown from potential partners, will enable the Group to fully finance its obligations beyond a period of at least twelve months from the date of this report, including meeting future capital and working capital requirements and also settling the Estes loan facilities, which are due for repayment within the next 12 months, accordingly these condensed half-year accounts are prepared on a going concern basis.

Standards, amendments and interpretations effective in 2015:

The following new standards and amendments to standards are mandatory for the first time for the Group for the financial year beginning 1 July 2015. Except as noted, the implementation of these standards did not have a material effect on the Group:

- IFRS 14: Regulatory Deferral Accounts (Effective 1 January 2016)
- IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation (Effective 1 January 2016)
- IFRS 7 - Financial instruments: Disclosures (Effective 1 January 2016)
- IAS 19 - Employee benefits (Effective 1 January 2016)
- IAS 34 - Interim financial reporting (Effective 1 January 2016)

No any pronouncements are expected to have a material impact on the Group's earnings or shareholders' funds.

3 Taxation

The Group's Tanzanian tax compliance are subject to tax audit by the Tanzanian Revenue Authority, which is empowered by law to impose severe fines, penalties and interest charges for late payments in case of non-compliance.

Taxation system in Tanzania can be subject to different interpretations but management believes that it has adequately provided for the tax liabilities based on its interpretation of the tax legislation.

As at 31 December 2015 no provision has been made (31 December 2014 and 30 June 2015 - \$Nil).

4 Loss per share

The basic loss per share has been calculated using the loss attributable to equity shareholders for the financial period of US\$266,000 (six months ended 31 December 2014: US\$307,000; year ended 30 June 2015: US\$393,000) and the weighted average number of ordinary shares in issue of 757,632,495 (31 December 2014: 745,493,750; 30 June 2015: 746,790,767). A separate diluted loss per share has not been calculated because any potentially dilutive shares would decrease the basic loss per share, thus being anti-dilutive.

5 Exploration and evaluation assets

	Unaudited 31 Dec 2015 US\$'000s	Unaudited 31 Dec 2014 US\$'000s	Audited 30 June 2015 US\$'000s
Exploration and evaluation			
Cost and net book value			
At beginning of period	17,651	17,521	17,521
Additions	68	121	178
Foreign exchange	(35)	(56)	(48)
Total net book value	17,684	17,586	17,651

In accordance with the Group's accounting policy, the Group's exploration and evaluation assets are reviewed for impairment when there have been circumstances suggesting that there has been the possibility of impairment. Accordingly the directors reviewed the impairments required on each of the exploration and evaluation projects and the carried value for each of the condemned projects were impaired in full in the year ended 30 June 2015. The total impairment charge for the current half year period is \$Nil (six months ended 31 December 2014: Nil and year ended 30 June 2015: Nil). The remaining carried value relates entirely to the Company's flagship project Mtonya.

6 Borrowings

	Unaudited 31 Dec 2015 US\$'000s	Unaudited 31 Dec 2014 US\$'000s	Audited 30 June 2015 US\$'000s
Brought forward	1,416	1,102	1,102
Borrowings in period	206	195	306
Interest accrued in period	5	4	8
Borrowings carried forward	1,627	1,301	1,416

On 15 March 2013 the Company entered into a US\$1 million loan facility agreement with its major shareholder and strategic investor Estes Limited. The Loan facility, which is unsecured, has been fully utilised and is repayable on 31 March 2016 in accordance with a supplementary agreement dated 31 December 2015. The Loan bears interest at LIBOR.

On 18 March 2014 the Company entered into a US\$300,000 loan facility agreement with its major shareholder and strategic investor Estes Limited. The Loan is unsecured and bears interest at LIBOR. The facility was available until 1 January 2015 and the Company had drawn down \$290,000 against the available facility. The Loan is repayable on 31 March 2016 in accordance with a supplementary agreement dated 31 December 2015.

On 19 February 2015, the Company entered into a US\$200,000 loan facility agreement with its major shareholder and strategic investor Estes Limited. The Loan, which is unsecured, is repayable on 18 August 2016 and bears interest at LIBOR. On 24 November 2015, the Company entered into a supplementary agreement which increased the total principle amount of the loan facility agreement till US\$340,000. The facility is available until 31 March 2016 in accordance with a supplementary agreement dated 31 December 2015.

7 Related party transactions

During the period there were no related party transactions to disclose other than mentioned above in Note 6. The only transactions with the Directors relate to their remuneration and interests in shares and share options.

8 Events after the year end date

On 17 March 2016, the Company entered into further supplementary agreements which extended the US\$1 million loan facility agreement and the US\$300 thousand loan facility agreement until 30 June 2016.

This information is provided by RNS
The company news service from the London Stock Exchange

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