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

28 March 2013

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 2012.

Highlights

- Development of maiden resource at the Company’s flagship Mtonya project is underway
- 26,485 metre 2012 drilling programme successfully completed in 2012 to delineate the initial resource at Mtonya
- Mtonya is expected to host uranium mineralisation amenable to in-situ recovery, the most cost-effective and environmentally acceptable method of uranium extraction
- The Mtonya discovery signals the new and exciting potential for other Uranium Resources holdings in Tanzanian sedimentary basins

Post Period End Highlights

- Entered into a US$1 million loan facility agreement with our strategic cornerstone investor Estes Limited
- Maiden N43-101 resource estimate due to be announced in April 2013

Managing Director’s Report

Uranium Resources is establishing itself as a leading uranium exploration company in Africa and I believe the outlook for the Company is very positive. With a maiden resource at our flagship Mtonya project to be released imminently, continued expansion of the resource with further drilling and a planned development path to prove its economic viability as an in-situ recovery (“ISR”) uranium project, the future for Mtonya and Uranium Resources is very exciting and I believe we have all the foundations in place to deliver growth and create significant shareholder value.

Exploration Update

Mtonya

I am pleased to report on Uranium Resources progress as we continue to advance our flagship Mtonya uranium project ('Mtonya' or 'the Project') in southern Tanzania towards defining an imminent maiden resource.

During the period under review we completed a sizeable 26,485 metre, 120-hole core drilling programme at Mtonya, which defined significant laterally-extensive roll-front uranium mineralisation, once again confirming our proprietary exploration model and exploration methodology. Importantly, this roll-front uranium mineralisation is expected to be amenable to in-situ recovery ('ISR'), the most cost-effective and environmentally acceptable method of uranium extraction.

The drilling programme, which was fully detailed in a press release of 25 October 2012, defined uranium mineralisation over 4.5km of strike length in several stacked roll-fronts. The drilling programme was carried out on a lesser part of the land position on a relatively coarse grid (200 x 50 metres) and leaves a significant potential to infill and step-out drilling.

Uranium Resources' exploration programme revealed that the roll-front widths, thicknesses and grade tenor discovered at Mtonya are remarkably similar to other world-class roll-front deposits found in Wyoming's Wind River Basin and Powder River Basin where Cameco and Uranium One operate successful ISR facilities. Notably, our Project is located in a highly prospective uranium region in southern Tanzania, approximately 60 km south of the world-class Mkuju River sandstone-hosted uranium project, which is operated by Uranium One.

The maiden resource at the Company's Mtonya discovery is expected to validate and quantify the Company's exploration work at the property since 2010. Based only on core drilling and chemical assays, this estimate will establish a superior quality and reliability foundation for advancing Mtonya to further resource drilling and production.

The resource estimate represents a key milestone in the development of the project. Our future work will concentrate on infill and step-out drilling to dramatically increase the resource by taking advantage of the mineralisation being open along strike and at depth. We continue to pursue a world-class uranium deposit in southern Tanzania.

In 2013, we are planning to execute pump tests at Mtonya to determine the host-rock permeability and recoveries.

Further to these developments, post-period end we entered into a US$1 million loan facility agreement with our strategic cornerstone investor Estes Limited ('Estes'). The

Loan, which is unsecured, available for a period of 18 months and bears interest at LIBOR, will be used to fund working capital requirements pending publication of our maiden resource at Mtonya. Importantly, the loan highlights Estes continuing support in providing a flexible funding option that avoids dilution at a pivotal time, as we look to complete our maiden resource at Mtonya and enter the next phase of our evolution.

Other projects

The Company continues to establish itself as a uranium-focused exploration company and we view Mtonya as our priority project. In addition to Mtonya, the Company has to date conducted early-stage exploration work in Tanzania at its other projects which include Ruvumu (Foxy and Gundua), Ruhuhu (Pedro) and Lukimwa.

As previously reported the initial exploration results on these projects has been encouraging and the Company sought to farm these properties out in order to focus on ISR uranium potential to maximize the company's strengths and expertise. All preliminary discussions with third parties have so far failed to lead to any farm-in agreements.

In light of the recent changes in Tanzanian licensing fees, a critical review of the Company's assets has led to a conclusion that our resources are best invested in advancing the Mtonya project and adjacent properties. Consequently, the Company has elected to exit the Kapinga Joint Venture and return all of its non-core tenements to its joint-venture partners. The Kapinga Joint Venture included the Ruvuma projects (Foxy, Gundua). All other assets in Tanzania are also being reviewed.

The 100%-owned Lukimwa Project is an integral part of our exploration strategy at Mtonya and it likely represents the SW extension of the Mtonya deposit. The Company intends to drill-test Lukimwa in the very near future.

An impairment charge of US$87,551 has been recorded in the financial statements in respect of the Kapinga joint venture termination decision.

Financial results

I am reporting a pre-tax loss for the six months ended 31 December 2012 of US$467,000 (6 months ended 31 December 2011 US$1,854,000; Year ended 30 June 2012: US$2,110,000). The loss for the six month ended includes an impairment charge of US$87,551 and a share based payment charge of $Nil (6 months ended 31 December 2011 US$1,721,000; Year ended 30 June 2012: US$1,721,000).

The recently completed Loan facility with Estes Limited, the Company's cornerstone shareholder, provides the Company with access to sufficient cash to be able to meet its operational and minimum licence commitments over the next twelve months.

The announcement of the maiden resource will be an important step as the Company clarifies its Mtonya project development strategy. The Directors remain confident that Mtonya's potential will enable the Company to secure finance to develop Mtonya as this development strategy is implemented.

Outlook

In conclusion, the past year has seen Uranium Resources continue its emergence as a leading uranium exploration company in Africa. The Company has developed a credible exploration model and has successfully demonstrated the deep mineralisation potential at Mtonya, which is expected to be amenable to in-situ recovery. By any measure, this is a new and exciting discovery and it signals the immense magnitude of uranium potential in Tanzanian sedimentary basins. Aiming to increase the resource at Mtonya and carry out pump test places the Company on a clear development path.

With the Mtonya outlook, clear strategy, proven potential for the entire basin and well-developed and effective exploration methodology, along with Estes Limited, our highly supportive cornerstone investor, I believe we have all the foundations in place to deliver growth and create significant shareholder value for the future.

Alex Gostevskikh
27 March 2013

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 2012

	Notes	Half-year ended 31 Dec 2012 (Unaudited) US$'000s	Half-year ended 31 Dec 2011 (Unaudited) US$'000s	Year ended 30 June 2012 (Audited) US$'000s
Share based payment charge		-	(1,721)	(1,721)
Impairment charge		(88)	-	-
Other administrative expenses		(410)	(389)	(788)
Total administrative expenses and group operating loss		(498)	(2,110)	(2,509)
Interest receivable		31	256	399
Loss before taxation		(467)	(1,854)	(2,110)
Taxation		-	-	-
Loss for the period		(467)	(1,854)	(2,110)
Other comprehensive income				
Exchange differences on translating foreign operations		24	(152)	(231)
Total comprehensive loss attributable to the equity holders of the parent		(443)	(2,006)	(2,341)
Loss per share (cents)				
Basic and diluted	3	(0.06)	(0.33)	(0.34)

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Note	31 Dec 2012 (Unaudited) US$'000s	31 Dec 2011 (Unaudited) US$'000s	30 June 2012 (Audited) US$'000s
ASSETS				
Non-current assets				
Exploration & evaluation assets	4	17,194	10,594	14,226
		17,194	10,594	14,226
Current assets				
Other receivables		7	20	53
Cash and cash equivalents		234	1,350	4,288
		241	1,370	4,341
Total Assets		17,435	11,964	18,567
LIABILITIES				
Current liabilities				
Trade and other payables		(176)	(157)	(865)
Total Liabilities		(176)	(157)	(865)
Net Assets		17,259	11,807	17,702
EQUITY				
Share capital		1,206	946	1,206
Share premium		21,713	15,743	21,713
Foreign exchange reserve		(311)	(256)	(335)
Retained losses		(5,349)	(4,626)	(4,882)
Total Equity		17,259	11,807	17,702

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	Share capital US$'000s	Share premium US$'000s	Foreign currency translation reserve US$'000s	Retained losses US$'000s	Total shareholders equity US$'000s
As at 1 July 2011	**946**	**15,743**	**(104)**	**(4,493)**	**12,092**
Total comprehensive income	-	-	(152)	(1,854)	(2,006)
Transactions with owners:					

Share based payments	-	-	-	1,721	1,721
Total transaction with owners	**-**	**-**	**-**	**1,721**	**1,721**
Balance at 31 December 2011	**946**	**15,743**	**(256)**	**(4,626)**	**11,807**
Total comprehensive income	-	-	(79)	(256)	(335)
Transactions with owners:					
Issued share capital	260	5,983	-	-	6,243
Cost of share issue	-	(13)	-	-	(13)
Total transaction with owners	**260**	**5,970**	**-**	**-**	**6,230**
Balance at 30 June 2012	**1,206**	**21,713**	**(335)**	**(4,882)**	**17,702**
Total comprehensive income	-	-	24	(467)	(443)
Balance at 31 December 2012	1,206	21,713	(311)	(5,349)	17,259

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	Half-year ended 31 Dec 2012 (Unaudited) US$'000s	Half-year ended 31 Dec 2011 (Unaudited) US$'000s	Year ended 30 June 2012 (Audited) US$'000s
Cash flows from operating activities			
Loss for the period	(467)	(1,854)	(2,110)
Adjustments for non-cash items:			
Interest income	(1)	(2)	(3)
Impairment	88	-	-
Share-based payments charge	-	1,721	1,721
Foreign exchange	(30)	-	(396)
Decrease/ (Increase) in receivables	46	2	(33)
Increase /(Decrease)in payables	23	(7)	(37)
Net cash used in operating activities	(341)	(140)	(858)
Investing activities			
Funds used for exploration and evaluation	(3,744)	(2,890)	(5,619)
Interest received	1	2	3
Net cash used in investing activities	(3,743)	(2,888)	(5,616)
Financing activities			
Proceeds from share application/issue of shares	-	-	6,243
Cost of share issues	-	-	(13)

Net cash from financing	-	-	6,230
Decrease in cash and cash equivalents	(4,084)	(3,028)	(244)
Foreign exchange movements on cash	30	241	395
Cash and cash equivalents at beginning of the period	4,288	4,137	4,137
Cash and cash equivalents at the end of the period	234	1,350	4,288

NOTES TO THE UNAUDITED HALF-YEARLY FINANCIAL REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

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 2012 comprise the Company and its subsidiaries (together referred to as 'the Group').

The condensed half-year accounts for the period 1 July 2012 to 31 December 2012 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 2011 to 31 December 2011 and the audited financial year to 30 June 2012.

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 2012 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 2013.

Basis of preparation and going concern

The operations of the Group are currently being financed from funds which the Company raised from private and public placings of its shares. The Group has not yet earned revenue as it is still in the exploration phase of its business. The Group is reliant on the continuing support from its existing and future shareholders.

The recently completed Loan facility with Estes Limited, the Company's cornerstone shareholder, provides the Company with access to sufficient cash to be able to meet its operational and minimum licence commitments over the next twelve months. The financial statements have, therefore, been prepared on the going concern basis.

Standards, amendments and interpretations effective in 2012:

The following new standards and amendments to standards are mandatory for the first time for the Group for the financial year beginning 1 July 2012. Except as noted, the implementation of these standards did not have a material effect on the Group:

Standard	Impact on initial application	Effective date
IAS 12 (Amendment)	Deferred tax: recovery of underlying assets	1 January 2012*

Standards, amendments and interpretations that are not yet effective and have not been early adopted:

Standard		Effective date
IFRS 10	Consolidated financial statements	1 January 2013
IFRS 11	Joint arrangements	1 January 2013
IFRS 12	Disclosure of interest in other entities	1 January 2013
IFRS 13	Fair value measurement	1 January 2013
IAS 19 (Amendment 2011)	Employee benefits	1 January 2013*1
IAS 27 (Amendment 2011)	Separate financial statements	1 January 2013
IAS 28 (Amendment 2011)	Investments in associates and joint ventures	1 January 2013
IFRS 7 (Amendment 2011)	Disclosures – offsetting financial assets and financial liabilities	1 January 2013
IAS 32 (Amendment 2011)	Offsetting financial assets and financial liabilities	1 January 2014
IFRS 9	Financial instruments	1 January 2015*1

*1 Not yet endorsed by the EU

The Group is evaluating the impact of the above pronouncements and will consider the potential impact of IFRS 11. No other pronouncement is expected to have a material impact on the Group's earnings or shareholders' funds.

3 Loss per share

The basic loss per share has been calculated using the loss attributable to equity shareholders for the financial period of US$467,000 (six months ended 31 December 2011: US$1,854,000; year ended 30 June 2012: US$2,110,000) and the weighted average number of ordinary shares in issue of 745,493,750 (31 December 2011: 581,743,750; 30 June 2012: 623,265,651). 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.

4 Exploration and evaluation assets

	Unaudited 31 Dec 2012	Unaudited 31 Dec 2011	Audited 30 June 2012

	US$'000s	US$'000s	US$'000s
Exploration and evaluation			
Cost and net book value			
At beginning of period	14,226	7,704	7,704
Additions	3,056	2,890	6,522
Impairment	(88)	-	-
Total net book value	**17,194**	**10,594**	**14,226**

In accordance with the Groups 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 an impairment. After a strategic review the board have elected to allow a number of unprospective licences to lapse and to revert to the government. Accordingly the directors have reviewed the impairments required on each of the exploration and evaluation projects and the carried value for each of the condemned projects has been impaired in full in the current period. The total impairment charge for the period is $87,551 (31 December 2011 and 30 June 2012: $Nil). The remaining carried value relates entirely to the Company's flagship project Mtonya.

5 Share options

	Unaudited 31 Dec 2012 US$'000s	Unaudited 31 Dec 2011 US$'000s	Audited 30 June 2012 US$'000s
Equity-settled share based payment charge	**-**	**1,721**	**1,721**

Options outstanding at 31 December 2011, 30 June 2012 and 31 December 2012 were:

Date of grant	Number of options	Exercise price	Exercisable between
30 November 2011	24,000,000	2.5p	Up to 30 November 2016
30 November 2011	26,000,000	5.0p	Up to 30 November 2016
30 November 2011	10,000,000	10.0p	Up to 30 November 2016
Total at period end	60,000,000		

6 Subsequent events

On 25 March 2013 the Company entered into a US$1 million loan facility agreement with its majority shareholder Estes Limited ('Estes'). The Loan, which is unsecured, available for a period of 18 months and bears interest at LIBOR, will be used to fund working capital requirements pending publication of our maiden resource at Mtonya.

Other than the events disclosed above there have been no significant events after the period end.

7 Related party transactions

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