Company Number: 05329401 (England & Wales)

URA HOLDINGS PLC (formerly Uranium Resources plc)

Annual Report and Financial Statements

for the year ended 30 June 2018

Contents

Corporate Information

Directors	Peter Redmond (Chairman) Melissa Sturgess (Executive Director) Alex Gostevskikh (Non-Executive Director)
Company Secretary	Michael Langoulant
Registered Office	6th Floor 60 Gracechurch Street London EC3V 0HR
Company Number	05329401
Nominated Adviser and Joint Broker	Northland Capital Partners Limited 40 Gracechurch Street London EC3V 0BT
Joint Broker	Peterhouse Capital Limited 15 Eldon Street London EC2M 7LD
Solicitors	Memery Crystal 165 Fleet Street London EC4A 2DY
Group Auditors	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Share Registrar	Computershare Services plc P.O. Box 82 The Pavilions Bridgwater Road Bristol BS99 7NH
Bankers	Barclays Bank plc Level 27 1 Churchill Place London E14 5HP

Chairman's Statement

URA Holdings plc (formerly Uranium Resources plc), became an AIM Rule 15 cash shell on 20 December 2017. As the Company had not completed an acquisition or acquisitions which constitute a reverse takeover ("RTO") under AIM Rule 14 before 21 June 2018 its shares were suspended from trading on that date.

On 21 June 2018 the Company announced it had signed non-binding heads of terms in connection with the proposed acquisition of Entertainment AI Limited ("EAI"). EAI has been formed to acquire 100% of Tagasauris, Inc. ("Tagasauris") and the GTChannel, Inc. (the "GTChannel"). Both Tagasauris and GTChannel are USA incorporated companies.

Tagasauris has developed a patented "tagging" technology, which enables viewers of video clips to interact with the subject matter and purchase items highlighted in the video. Tagasauris is developing its proprietary technology via commercial relationships with some of the world's largest entertainment and media companies. In addition, as announced earlier this year, Tagasauris is currently working with Water Intelligence plc (AIM:WATR.L) to create a sustainability channel on YouTube.

The GTChannel operates an automotive lifestyle brand and channels across social media and digital outlets such as YouTube. It generates advertising revenue from Google based on GTChannel's current base of approximately three billion and growing annual YouTube video views. It also provides marketing campaigns for numerous automotive and consumer brands.

The Directors believe that Tagasauris combined with the GTChannel as an entertainment platform will enable the GTChannel to further monetize and unlock value from its installed base of automotive viewers and brand relationships through the use of artificial intelligence and machine learning. With these core operating assets, the EAI platform will target the global direct-to-consumer market for car and lifestyle enthusiasts. It is EAI's ambition to leverage this platform to take advantage of wider contextual commerce opportunities.

If completion of this acquisition does not occur on or before 20 December 2018, admission of the Company's shares to trading on AIM will be cancelled pursuant to AIM Rule 41. In such circumstances, the Company will need to re-apply for admission of its shares to trading on AIM to complete the transaction.

Concurrent with becoming an AIM Rule 15 cash shell, the Company completed the following corporate transactions/events in December 2017:

- The sale of 100% of its Tanzanian Mtonya uranium exploration interests to Estes Limited ("Estes"), the Company's largest shareholder, for US$1.2 million, satisfied by the partial settlement of outstanding loans from Estes to the Company.
- This sale value was 25% higher than the top of the fair market range of Mtonya provided by independent consultants.
- A share capital reorganisation wherein the number of shares in issue was reduced on a 15:1 basis with the New Ordinary Shares (being shares in issue after the share capital reorganisation) having a par value of £0.0015 each.
- Capitalisation of the balance of the Estes loans to the Company (US$870,000) into 9,280,000 New Ordinary Shares.
- Amounts owing to directors (£35,000) were satisfied by the issue of 7,777,778 New Ordinary Shares.
- A private placement of 200,000,000 New Ordinary Shares that raised £900,000 (gross) in working capital.
- Appointed a new board consisting of Peter Redmond (Chairman), Melissa Sturgess (Executive Director) and Alex Gostevskikh (Non-executive Director).
- Changed its name from Uranium Resources plc to URA Holdings plc.

Financial Results

The Company made a pre-tax loss for the year ended 30 June 2018 of US$568,000 (Year ended 30 June 2017: loss US$991,000).

Outlook

The Company is engaged in the process of completing the necessary activities to complete the acquisition of EAI as noted above.

Peter Redmond
Chairman

Strategic Report

The Directors present their Strategic Report for the year ended 30 June 2018.

Principal Activities

As from 20 December 2017 the Company became an AIM Rule 15 cash shell. The principal activity of the Company from that point to the year end was to seek an acquisition that could create significant value for shareholders in the form of capital growth and/or dividends. Prior to 20 December 2017 the principal activity of the Company was to consider mineral exploration and development of a Tanzanian uranium project.

The Company's strategy during the reporting period was to:

- Sell its mineral project holdings for maximum value and in a manner that enabled the Company to fully repay its significant borrowings;
- To refinance the Company to provide sufficient working capital to continue as an AIM Rule 15 cash shell following disposal of its mineral properties;
- Generate substantial shareholder value by seeking an attractive reverse takeover (RTO) acquisition
- Minimize the Company's and shareholders' value risk exposure.

Review of Business and Development in the Year

The Company results for the year and the financial position at 30 June 2018 are considered satisfactory by the Directors. A review of the year's activities and future prospects is contained in the Chairman's Statement.

The Company achieved the sale of its Tanzanian mining properties and full repayment of its debt liabilities during the year. In addition the Directors were able to recapitalise the Company such that as at year end it had cash resources of US$900,000.

The Company's management is now purely based in London and the Board of Directors is composed of three directors, of which one is non-executive.

The Company aims to add value by a completing a RTO of the US based Tagasuaris and GTChannel companies.

Financial and Performance Review

The Company does not have any income producing assets. Consequently the Company is not expected to report profits unless it completes an acquisition of a profitable business.

The results for the Company are set out in detail in the financial statements. The Company reports a loss of US$568,000 for the year ended 30 June 2018 (2017: loss US$991,000).

The Financial Statements show that, at 30 June 2018, the Company had total assets of US$928,000 (2017: US$1,204,000), which includes current assets of US$928,000 (2017: US$4,000).

Key Performance Indicators

The Group's primary financial key performance indicator ('KPI') at this stage of its development is the monitoring of its cash balances. The Group's cash at 30 June 2018 was US$916,000 (2017: US$4,000). The critical non-financial KPI, at this stage, is the ability of the Company to complete the RTO acquisition currently being progressed.

The usual financial key performance indicators do not apply to a company with no revenue. However, the Directors expect that further KPIs will be reported as the Company completes the proposed RTO acquisition and progresses through development of the acquired businesses.

Minerals Resources, Ore Reserves & Exploration Targets

During the year the Company sold all its mineral properties (refer to Note 11) and it no longer has any reporting obligations in relation to Exploration Targets, Mineral Resources and Ore Reserves.

Health & Safety

During the year the Company had no employees and there were no Health & Safety incidents or reportable accidents during the year.

Environment

During the year the Company sold all its mineral properties (refer to Note 11) and it no longer has any reporting obligations in relation to potential for environmental breaches from exploration activities. There were no breaches of the local Tanzanian regulations recorded against the Group during the reporting period or in prior years.

Risk & Uncertainties

The Board regularly reviews the risks to which the company is exposed and ensures through its meetings and regular reporting that these risks are minimised as far as possible.

Principal risks and uncertainties facing the Company include but are not limited to:

- Management of its cash resources to ensure it has the ability to execute its RTO acquisition strategy.
- The ability of the Board to complete the proposed RTO acquisition.
- There is a risk that upon completion of the proposed RTO acquisition the acquired businesses do not add to a sustained increase in shareholder value.

Use of financial instruments

The Company's financial risk management objectives are to minimise its liabilities, to fund its activities through equity financing and to ensure the Company has sufficient working capital to pursue its corporate strategic objectives.

The Company has in place insurance protection, including a directors and officers liability policy, to insure against risks of loss where management deems appropriate and cost effective; however in some cases risks cannot be effectively covered by insurance and the cover in place may not be sufficient to cover the extent of potential liabilities.

Melissa Sturgess

17 October 2018

Corporate Governance Statement

The Directors recognise the importance of sound corporate governance. As an AIM-listed company, the Board has adopted the Quoted Companies Alliance Corporate Governance Code ("the QCA Code") which it believes best suits a Company of this size.

Peter Redmond, the Company's Chairman, has assumed responsibility for ensuring that the Company has appropriate corporate governance standards and that these standards are applied throughout the Company.

The Board, through its adoption of the QCA Code, believes in the value of putting the necessary systems and processes in place to support the Company's strategic objectives. The Board is aware of the importance of communicating these strategic objectives to stakeholders and in reporting performance in a manner that encourages constructive dialogue to support the the creation of long term shareholder value. The Board recognise their role in setting the strategic direction of the business as well as in establishing the organisation's risk appetite. This is supported with a strong belief in appropriate accountability and performance measures.

The Board currently consists of three directors, two of which are executive and one is non-executive.

The Board has considered each of the 10 principles contained in the QCA Code and implemented these principles appropriately. In addition, the Company has implemented a code of conduct for dealing in the shares of the Company by directors.

The QCA Code sets out 10 principles which should be applied. These are listed below together with a short explanation of how the Company applies each of the principles. Where the Company does not fully apply each principle an explanation as to why has also been provided.

Principle One

Business Model and Strategy

The Company is currently an AIM Rule 15 cash shell and the Board has adopted a strategy appropriate for its status.

URA is focused on securing an acquisition that can create significant value for shareholders in the form of capital growth and/or dividends.

Principle Two

Understanding Shareholder Needs and Expectations

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting (AGM) where the Board make themselves available to deal with any issues in an informal basis after the conclusion of the AGM. Investors also have access to current information on the Company though its website, www.uraholdingsplc.co.uk, and via Peter Redmond, the Chairman, who is available to answer investor relations enquiries.

Principle Three

Stakeholder Responsibilities

The Board recognises that the long term success of the Company is reliant upon the efforts of its directors, consultants and advisers. The Board has put in place a range of processes and systems to ensure that there is close Board oversight and contact with its key resources and relationships. For example, the Board ensures that all key relationships with professional advisers are the responsibility of, or are closely supervised by, one of the directors or the financial controller (Michael Langoulant).

Principle Four

Risk Management

In addition to its other roles and responsibilities the Audit Committee is responsible to the Board for ensuring that procedures are in place, and are being effectively implemented to identify, evaluate and manage the risks faced by the Company.

The Directors have established procedures, as represented by this statement, for the purpose of providing a system of internal control including policies that cover matters such as share dealing and insider legislation.

The main risk faced by the Company is the inability to conclude a reverse takeover (RTO) transaction before 21 December 2018, at which point the admission of the Company's shares to trading on AIM will be cancelled. In these circumstances, the Company would need to re-apply to AIM for admission to trading of its shares on AIM to be able to complete an RTO transaction.

Principle Five

A Well-Functioning Board of Directors

As from 20 December 2017 and since the year end the Board has comprised, the Chairman, Peter Redmond, Executive Director, Melissa Sturgess and one Non-Executive Director, Alex Gostevskikh. Each director will devote as much time as is required to carry out the roles and responsibilities that the director has agreed to take on. Biographical details of the current directors are set out within Principle Six below. Executive and non-executive directors are subject to re-election intervals as prescribed in the Company's Articles of Association. At each Annual General Meeting one-third of the Directors, who are subject to retirement by rotation shall retire from office. They can then offer themselves for re-election.

The Directors are all employed under letters of appointment with no termination benefits.

The Company has established Audit, Nomination and Remuneration Committees which meet whenever required within the context of the Company being an AIM Rule 15 cash shell. Peter Redmond is Chairman of the Audit and Remuneration Committees and Melissa Sturgess is Chairman of the Nomination Committee.

Board Meetings

The Board has full control of the Company with day-to-day operational control delegated to the Chairman and Executive Director. The full Board meets on occasions it considers necessary. During the year ended 30 June 2018 there were seven Board meetings.

Principle Six

Appropriate Skills and Experience of the Directors

The Board currently consists of three directors and, in addition, the Company uses the services of Michael Langoulant for ad hoc financial advisory services and also to act as Company Secretary.

Alex Gostevskikh is currently the Company's only independent non-executive director. The Company acknowledges that the guidance in the QCA Code is for a company to have at least two independent non-executive directors. However, the Directors are satisfied that the Company's board composition is appropriate given its classification as an AIM Rule 15 cash shell. The Directors shall keep the position under regular review and to the extent additional independence is felt to be required on the Board, it shall be sought.

Brief biographies of the Board are shown below.

Peter Redmond, Chairman

Peter Redmond is a corporate financier with over 30 years of experience in corporate finance and venture capital. He has acted on and assisted a wide range of companies to attain a listing over many years on various stock exchanges, whether by IPO or in many cases via reverse takeovers, across a wide range of sectors, ranging from technology to natural resources. He was a founder director of Cleeve Capital plc (now Satellite Solutions Worldwide Group plc) and Mithril Capital plc (now Be Heard Group plc), both listed on AIM, and took a leading role in the reconstruction and refinancing of AIM-quoted Kennedy Ventures plc and 3Legs Resources plc (now SalvaRx Group plc). He is a director of Hemogenyx plc and Pires Investments plc.

Melissa Sturgess, Executive Director

Melissa Sturgess holds a BSc and an MBA and has many years of experience as a director of AIM and ASX quoted companies. She was most recently a key driver in the successful recapitalisation of Messaging International plc during 2016 which subsequently changed its name to SigmaRoc Plc, acquired a building materials business via a reverse takeover and raised £50 million from a range of investors in the Channel Islands and the UK. She is a director of Ananda Developments plc, LB-Shell plc and Imperial Minerals plc.

Alex Gostevskikh, Non-Executive Director

Alex Gostevskikh MSc MBA, is a geologist with 28 years of experience in international mining and exploration for such commodities as gold, silver, antimony, mercury, and base metals. He has extensive corporate experience through his involvement with a number of listed companies on the TSE and NYSE markets. Alex is a member of the Mining and Metallurgical Society of America and acts as a Competent Person under the definitions of 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.

Principle Seven

Evaluation of Board Performance

Internal evaluation of the Board, the Committee and individual directors is important and will develop as the status of the Company changes in the future. The expectation is that Board reviews will be undertaken on annual basis in the form of peer appraisal to determine the effectiveness and performance of the directors in various areas.

Principle Eight

Corporate Culture

Notwithstanding the Company's Rule 15 cash shell status the Directors are very aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole. Therefore, the importance of sound ethical values and behaviour is a factor in the ability of the Company to successfully achieve its objective of completing an acquisition by 21 December 2018 which constitutes a reverse takeover under the AIM Rules. The Board's current assessment of the culture within the Company is one where there is respect for all individuals, there is open dialogue within the Company and there is a commitment to best practice operations.

Principle Nine

Maintain Appropriate Governance Structures and Processes

Given the Company's current status as a Rule15 cash shell the Board has placed on hold its scheduled meeting calendar, and only meets when necessary. Notwithstanding the above, the Board and its Committees receive appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting, and Board and Committee papers are distributed several days before meetings take place. Any Director may challenge Company proposals and decisions are taken democratically after discussion. Any Director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. Any specific actions arising from such meetings are agreed by the Board or relevant Committee and then followed up by the Company's management.

Principle Ten

Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year announcements, the Annual General Meeting (AGM) and one-to-one meetings with large existing or potential new shareholders. A range of corporate information (including all Company announcements and presentations) is also available to shareholders, investors and the public on the Company's corporate website, www.uraholdingsplc.co.uk.

Directors' Report for the year ended 30 June 2018

The Directors present their Directors' Report together with the audited financial statements of URA Holdings Plc (formerly Uranium Resources plc) (the "Company" or "URA") for the year ended 30 June 2018.

Results and dividends

The Company reports a loss of US$568,000 for the year ended 30 June 2018 (2017: Company loss US$991,000, Group loss US$1,598,000). The Directors have not recommended any dividends for the year ended 30 June 2018 (2017: $Nil).

Changes in share capital

Details of movements in share capital during the year are set out in note 12 to these financial statements.

Pensions

The Company does not operate a pension scheme and has not paid any contributions to any scheme for Directors or employees.

Going concern

As at year end the Company's cash resources are sufficient for the Company to continue as a going concern.

Therefore the Directors have continued to adopt the going concern basis.

Directors' remuneration

Details of the remuneration of the Directors can be found in note 7.

Directors' interests in transactions

No Director had, during or at the end of the year, a material interest in any contract which was significant in relation to the Company's business.

Directors

The following Directors held office during the year:

Peter Redmond (appointed 20 December 2017)
Melissa Sturgess (appointed 20 December 2017)
Alex Gostevskikh
James Pratt (resigned 20 December 2017)
Andrew Lewis (resigned 20 December 2017)
Viacheslav Medvedev (resigned 20 December 2017)
Sergey Alekhin (resigned 20 December 2017)

Directors' interests

Peter Redmond has a beneficial interest in 11,111,111 ordinary shares; Melissa Sturgess has a beneficial interest in 24,322,222 ordinary shares; and Alex Gostevskikh has a beneficial interest in 6,666,667 ordinary shares.

Internal controls and corporate governance

The Board is responsible for identifying and evaluating the major business risks faced by the Company and for determining and monitoring the appropriate course of action to manage these risks.

Subsequent events

Details of subsequent events are disclosed in Note 16 of the financial statements.

Annual general meeting

This report and the financial statements will be presented to shareholders for their approval at the Company's Annual General Meeting ("AGM"). The Notice of the AGM will be distributed to shareholders together with the Annual Report.

Audit committee

The purpose of the Audit Committee, which is chaired by Peter Redmond, is to provide formal and transparent arrangements for considering how to apply the financial report and internal control principles set out in the UK Corporate Governance Code, and to maintain an appropriate relationship with the Company's auditors. The key terms are as follows:

- to monitor the integrity of the financial statements of the Company, and any formal announcement relating to the Company's performance;
- to monitor the effectiveness of the external audit process and make recommendations to the Board in relation to the appointment, re-appointment and remuneration of the external auditors;
- to keep under review the relationship with the external auditors including (but not limited to) their independence and objectivity;
- to keep under review the effectiveness of the Company's financial reporting and internal control policies and systems; and
- to review, at least annually, the need for an internal audit function.

Remuneration committee

The purpose of the Remuneration Committee, which is chaired by Peter Redmond, is to establish a formal and transparent procedure for developing policy on executive remuneration and to set the remuneration packages of individual full-time Executive Directors. The key terms are as follows:

- to determine and agree with the Board the framework or broad policy for the remuneration of the full-time Executive Directors;
- to determine the total individual remuneration package of each full-time Executive Director including, where appropriate, bonuses, incentive payments and share options;
- to determine targets for any performance related pay schemes; and
- to determine the policy for and scope of pension arrangements for full-time Executive Directors.

Statement of directors' responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable laws and International Financial Reporting Standards ("IFRS") as adopted by the European Union. Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

a) select suitable accounting policies and then apply them consistently;

b) make judgements and estimates that are reasonable and prudent;

c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;

d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors confirm that the financial statements comply with the above requirements.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the Company and hence for taking steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Information to shareholders – Website

The Company has its own website (www.uraholdingsplc.co.uk) for the purposes of improving information flow to shareholders as well as to potential investors.

Statement of disclosures to auditor

So far as all the Directors, at the time of approval of their report, are aware:

a) there is no relevant audit information of which the Company's auditors are unaware; and

b) each Director has taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the board

Melissa Sturgess
Executive Director

17 October 2018

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF URA HOLDINGS PLC FOR THE YEAR ENDED 30 JUNE 2018

Opinion

We have audited the financial statements of URA Holdings Plc (previously known as Uranium Resources Plc) for the year ended 30 June 2018 which comprise the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statements of Financial Position, the Statements of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company’s affairs as at 30 June 2018 and of the Company’s loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following risks of material misstatement that we believe had the greatest impact on our overall audit strategy and scope, the allocation of resources in the audit; and directing the efforts of the engagement team. This is not a complete list of all risks identified by our audit.

Key audit matter	**How our audit addressed the key audit matter**
Management override of controls Intrinsically there is always a risk of material misstatement due to fraud as a result of possible management override of internal controls.	We reviewed the nominal ledger accounts, journals and cash transactions to identify any unusual or exceptional transactions. We investigated and tested a sample of items to ensure amounts paid during the year related to business expenses and that transactions were appropriate. We reviewed and enquired into the accounting systems, processes, controls and segregation of duties that existed in the Company. We also evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement of fraud.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF URA HOLDINGS PLC (continued)

Our application of materiality

The scope and focus of our audit was influenced by our assessment and application of materiality. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements.

We define financial statement materiality as the magnitude by which misstatements, including omissions, could reasonably be expected to influence the economic decisions taken on the basis of the financial statements by reasonable users.

We also determine a level of performance materiality which we use to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Overall materiality	We determined materiality for the financial statements as a whole to be US$20,630.
How we determine it	Based on the main key indicator, being 5% of the Company's results before tax.
Rationale for benchmarks applied	We believe results before tax is the most appropriate benchmark due to the size of the Company and due to the Company not yet generating any revenue.
Performance materiality	On the basis of our risk assessment, together with our assessment of the Company's control environment, our judgement is that performance materiality for the financial statements should be 75% of materiality, and this was rounded to US$15,470.

We agreed with the Audit Committee that we would report to them all misstatements identified during the audit that, in our view, warrant reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account an understanding of the structure of the Company, their activities, the accounting processes and controls, and the industry in which they operate. Our planned audit testing was directed accordingly and was focused on areas where we assessed there to be the highest risk of material misstatement.

The audit testing included substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls and the management of specific risk.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during the audit.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF URA HOLDINGS PLC (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for internal controls as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.This description forms part of our auditor's report.

This report is made solely to the Company's members, as a body, in accordance with part 3 of Chapter 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Subarna Banerjee (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young LLP, Statutory Auditor
Quadrant House
4 Thomas More Square
London E1W 1YW

Date 17 October 2018………………

URA HOLDINGS PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	Company Year ended 30 June 2018 US$'000s	Company Year ended 30 June 2017 US$'000s	Consolidated Year Ended 30 June 2018 US$'000s	Consolidated Year Ended 30 June 2017 US$'000s
Continuing operations					
Administrative expenses		(447)	138	(419)	138
Interest payable and foreign exchange losses		(48)	(59)	(48)	(59)
(Loss)/profit before taxation		(495)	79	(467)	79
Taxation	4	-	-	-	-
(Loss)/profit for the period from continuing operations		(495)	79	(467)	79
Discontinued operations					
Loss after tax on discontinued operations	3	(73)	(1,070)	(73)	(1,677)
Loss for the period		(568)	(991)	(540)	(1,598)
Other comprehensive income					
Exchange difference on translating foreign operations		(40)	(394)	(40)	41
Total comprehensive loss attributable to the equity holders of the parent		(608)	(1,385)	(580)	(1,557)
Loss for the period per share (cents)					
Basic and diluted	5	(0.9)	(0.19)	(0.9)	(0.21)

URA HOLDINGS PLC
STATEMENT OF FINANCIAL POSITION
AS AT 30 June 2018

	Note	Company Year ended 30 June 2018 US$'000s	Company Year ended 30 June 2017 US$'000s	Consolidated Year Ended 30 June 2017 US$'000s
ASSETS				
Non-current assets				
Exploration & evaluation assets	9	-	-	1,200
Investment in subsidiaries	9	-	1,200	-
Total Non-current Assets		-	1,200	1,200
Current assets				
Other receivables	8	12	-	8
Cash and cash equivalents		916	4	6
Total Current Assets		928	4	14
Total Assets		928	1,204	1,214
LIABILITIES				
Current liabilities				
Borrowings	11	-	(1,912)	(1,912)
Trade and other payables	10	(51)	(62)	(100)
Total Current Liabilities		(51)	(1,974)	(2,012)
Total Liabilities		(51)	(1,974)	(2,012)
Net Assets		877	(770)	(798)
EQUITY				
Share capital	12	1,773	1,225	1,225
Share premium		23,358	21,776	21,776
Foreign exchange reserve		(3,243)	(3,328)	(65)
Retained losses		(21,011)	(20,443)	(23,734)
Total Equity		877	(770)	(798)

These financial statements were approved and authorised for issue by the Board of Directors on 17 October 2018 and signed on its behalf by:

Melissa Sturgess, Executive Director
Company number: 05329401

URA HOLDINGS PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Share Capital	Share premium	Reserves	Retained losses	Total shareholders' equity
	US$'000s	US$'000s	US$'000s	US$'000s	US$'000s
Consolidated					
As at 1 July 2016	1,225	21,776	(106)	(22,136)	759
Total comprehensive income	-	-	41	(1,598)	(1,557)
Balance at 30 June 2017	1,225	21,776	(65)	(23,734)	(798)
As at 1 July 2017	1,225	21,776	(65)	(23,734)	(798)
Total comprehensive income	-	-	(40)	(540)	(580)
Net equity issued	548	1,582	-	-	2,130
Share based payments	-	-	125	-	125
Transfers within equity (refer Note 3)	-	-	(3,263)	3,263	-
Balance at 30 June 2018	1,773	23,358	(3,243)	(21,011)	877
Company					
As at 1 July 2016	1,225	21,776	(2,934)	(19,452)	615
Total comprehensive income	-	-	(394)	(991)	(1,385)
Balance at 30 June 2017	1,225	21,776	(3,328)	(20,443)	(770)
As at 1 July 2017	1,225	21,776	(3,328)	(20,443)	(770)
Total comprehensive income	-	-	(40)	(568)	(608)
Net equity issued	548	1,582	-	-	2,130
Share based payments	-	-	125	-	125
Balance at 30 June 2018	1,773	23,358	(3,243)	(21,011)	877

URA HOLDINGS PLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	Company Year ended 30 June 2018 US$'000s	Company Year ended 30 June 2017 US$'000s	Consolidated Year Ended 30 June 2018 US$'000s	Consolidated Year Ended 30 June 2017 US$'000s
Cash flows from operating activities					
Loss for the period		(568)	(991)	(540)	(1,598)
Salary payable written back		-	(326)	-	(326)
Impairment loss		-	1,443	-	1,584
Interest expense		8	14	8	14
Foreign exchange loss/(gain)		40	(329)	40	45
Share based payment		125	-	125	-
Increase in receivables		(12)	-	(4)	(8)
Increase/(decrease) in payables		19	97	(17)	89
Net cash used in operating activities		(388)	(92)	(388)	(200)
Investing activities					
Cash disposed on sale of subsidiaries		-	-	(2)	-
Loans to subsidiaries		-	(100)	-	-
Net cash used in investing activities		-	(100)	(2)	-
Financing activities					
Issue of shares for cash, net of costs		1,150	-	1,150	-
Borrowings		150	183	150	183
Net cash from financing		1,300	183	1,300	183
Increase /(decrease) in cash and cash equivalents		912	(9)	910	(17)
Foreign exchange movements on cash		-	(1)	-	1
Cash and cash equivalents at beginning of the period		4	14	6	22
Cash and cash equivalents at the end of the period		916	4	916	6

NOTES TO THE FINANCIAL REPORTS
FOR THE YEAR ENDED 30 JUNE 2018

1. General information

URA Holdings Plc (formerly Uranium Resources Plc) ('the Company' or 'URA') is domiciled in England having been incorporated on 11 January 2005 under the Companies Act with registered number 05329401 as a public company limited by shares. The Company's shares are traded on the AIM Market ("AIM") of the London Stock Exchange plc.

The financial statements of the Company for the year ended 30 June 2018 comprise the Company and its subsidiaries held during the period (together referred to as 'the Group'). As at 30 June 2018 the Company had completed the sale of all its subsidiaries such that it was no longer a parent company. Accordingly these financial statements for the year ended 30 June 2018 and as at 30 June 2018 only incorporate the accounts of URA Holdings plc. Unless otherwise stated they are not consolidated accounts.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied to all years presented, unless otherwise stated below.

In the opinion of the Directors the financial statements present fairly the financial position, and results from operations and cash flows for the year in conformity with the generally accepted accounting principles consistently applied.

2. Accounting policies

The financial statements 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 and the Companies Act 2006.

Basis of preparation and going concern
The financial statements are prepared on the going concern basis, under the historical cost convention as modified for fair value accounting, if applicable. The financial statements are presented in US$ and have been rounded to the nearest US$'000.

At 30 June 2018 the Company had cash resources of approximately US$900,000 which provides the Company with sufficient available resources to meet all of its commitments for the next 12 months and, accordingly these financial statements are prepared on a going concern basis.

Cash and cash equivalents
Cash and cash equivalents are carried in the statement of financial position at cost and comprise cash in hand, cash at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position. For the purposes of the statement of cashflows, cash and cash equivalents also includes any the bank overdrafts.

Investment in subsidiaries
Investments in subsidiary companies are stated at cost less provision for impairment in the Company's statement of financial position.

Deferred taxation
Deferred income taxes are provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income taxes are determined using tax rates that have been enacted or substantially enacted and are expected to apply when the related deferred income tax asset is realised or the related deferred income tax liability is settled.

The principal temporary differences arise from depreciation or amortisation charged on assets and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Foreign currencies

(i) Functional and presentational currency

Although the Directors consider the Pound Sterling to be the Company's functional currency, the financial statements are presented in US$ to be consistent with prior years.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income.

Receivables

Receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the recoverable amount. Provisions for impairment of receivables are included in the statement of comprehensive income.

Payables

Payables are recognised initially at fair values and subsequently measured at amortised cost using the effective interest method.

Financial instruments

Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. The Company currently has no financial assets that are considered to be of a financing transaction nature.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the increase of new shares or options are shown in equity as a deduction from the proceeds.

Segmental reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segment and that make strategic decisions, has been identified as the Board of Directors. The Company had no operating revenue during the period.

Standards, amendments and interpretations effective in 2018:
The accounting policies adopted in the preparation of these financial statements are consistent with those followed in the preparation of the prior year's financial statements except for the adoption of new standards and interpretations effective as of 1 July 2017. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective:

- IFRS 16 – Leases (Effective 1 January 2019)

There were no IFRS standards or IFRIC interpretations adopted for the first time in the financial statements that had a material impact material impact on the Company's financial statements.

3. Discontinued operations

On 20 December 2017 the Company completed a sale to its largest shareholder, Estes Limited (Estes), of the various subsidiaries that owned all of the Group's Tanzanian located uranium exploration assets. These subsidiaries are reported in this annual report as discontinued operations.

The sales consideration the Company received from this sale was US$1,200,000 paid by way of a partial settlement of the Company's loans from Estes. All existing liabilities owed by the discontinued operations were absorbed by Estes. In addition the Company secured warranties from Estes that Estes is responsible for any/all future liabilities/contingent liabilities arising from the discontinued operations.

The carrying amount of assets and liabilities of the discontinued operations as at the date of sale were:

	2018	2017
	US$'000s	US$'000s
Exploration and evaluation assets	1,200	1,200
Other receivables	-	8
Cash	2	2
Total assets	1,202	1,210
Trade creditors	(27)	(38)
Net assets	1,175	1,172

Financial performance and cash-flow information
The Company's financial performance and cash-flow information for the discontinued operations are presented for the year ended 30 June 2018 with the comparative figures being the year ended 30 June 2017.

Financial performance from discontinued operations

	Consolidated And Company 2018 US$'000s	Company 2017 US$'000s	Consolidated 2017 US$'000s
Revenue	-	-	-
Expenses	(30)	(1,070)	(1,677)
Discontinued operations loss before tax	(30)	(1,070)	(1,677)
Taxation	-	-	-
Loss after tax from discontinued operations	(30)	(1,070)	(1,677)
Loss on the sale of discontinued operations after transaction costs	(43)	-	-
Loss for the period from discontinued operations	(73)	(1,070)	(1,677)
Cash flows from discontinued operations:			
Net cash outflows from operating activities	(73)	-	(108)
Net cash outflows from investing activities	-	(100)	-
Net cash outflows	(73)	(100)	(108)

Transfers within Equity

The disposal of the Company's subsidiaries gave rise to a re-allocation of past foreign currency translation adjustments to retained losses. The result of this transfer within equity is that the year end balances for retained losses and reserves are the same in both the consolidated and the company accounts.

4. Taxation

	2018 US$'000s	2017 US$'000s
UK Corporation tax	-	-
Overseas tax	-	-
Deferred tax	-	-
Total tax charge	-	-
The tax charge can be reconciled to the loss for the year as follows:		
Loss for the year	(568)	(1,598)
Tax at the standard rate of UK corporation tax of 19% (2017: 19.75%)	(108)	(316)
Effects of:		
Disallowed expenses	54	-
Tax losses carried forward not yet recognised as a deferred tax asset	54	316
Total tax charge	-	-

Following the sale of its Tanzanian subsidiaries in December 2017, the Company no longer has an exposure to potential Tanzanian tax issues.

As at 30 June 2018 the Company had unused tax losses of US$3.9 million (2017: US$3.6million) available for offset against future non-trading profits. The deferred tax asset relating to these losses is not provided due to the uncertainty over the timing of any future non-trading profits. The amount of the deferred tax asset not recognised is US$655k (2017: US$612k).

5. Loss per share

The basic loss per share has been calculated using the loss for the financial period of $568,000 (2017: $1,598,000).

The weighted average number of shares in issue for the period has been calculated on the basis of the number of equivalent New Ordinary Shares that were on issue prior to the equity reorganisation plus the New Ordinary Shares issued during the reporting period; giving a weighted average number of shares for the year ended 30 June 2018 of 63,555,888. Comparative period calculations for the year ended June 2017 are based on the average number of pre-reorganisation shares being 757,632,495.

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.

6. Loss from continuing operations

	2018 US$'000s	2017 US$'000s
The Company's loss from continuing operations is stated after charging/(crediting):		
Audit fees	19	18
Broker/Nomad fees	71	51
Directors' remuneration	28	91
General expenses	103	20
Professional/legal fees	101	8
Salary payable write-off	-	(326)
Share based payment expense	125	-
Closing balance	**447**	**(138)**

7. Staff Costs (including directors)

Key management of the Company are considered to be the Directors of the Company and their accrued remuneration was as follows:

	Company 2018 US$'000s	Company 2017 US$'000s	Group 2017 US$'000s
Director fees and consulting fees			
Peter Redmond	20	-	-
Melissa Sturgess	20	-	-
Alex Gostevskikh	9	91	91
Closing balance	**49**	**91**	**91**

No fees were paid to the Directors who resigned from the Board in December 2017.

8. Receivables

	Company 2018 US$'000s	Company 2017 US$'000s	Group 2017 US$'000s
Prepayments	3	-	-
Other receivables	9	-	8
Closing balance	**12**	**-**	**8**

9. Non-current assets

	Company 2018 US$'000s	Company 2017 US$'000s	Group 2017 US$'000s
Exploration and evaluation assets			
Cost and net book value			
At beginning of period	-	-	2,800
Foreign exchange	-	-	(16)
Impairment	-	-	(1,584)
Closing balance	**-**	**-**	**1,200**

	Company 2018 US$'000s	Company 2017 US$'000s	Group 2017 US$'000s
Investment in subsidiaries			
Cost and net book value			
At beginning of period	1,200	2,621	-
Foreign exchange	-	(78)	-
Sale consideration	(1,200)	-	-
Impairment	-	(1,343)	-
Closing balance	-	**1,200**	**-**

In December 2017 the Company completed the sale of 100% of its Tanzanian located Mtonya uranium project to Estes for gross consideration of US$1.2 million. The Company no longer holds any exploration and evaluation assets and it no longer has any subsidiaries.

10. Trade and other payables

	Company 2018 US$'000s	Company 2017 US$'000s	Group 2017 US$'000s
Trace creditors	33	42	42
Other accruals	18	20	58
Closing balance	**51**	**62**	**100**

11. Borrowings

	Company 2018 US$'000s	Company 2017 US$'000s	Group 2017 US$'000s
Opening balance	1,912	1,715	1,715
Advances during the year	150	183	183
Interest expense	8	14	14
Proceeds from asset sale	(1,200)	-	-
Debt capitalisation	(933)	-	-
Revaluation on loan settlement	63	-	-
Closing balance	**-**	**1,912**	**1,912**

In December 2017 and concurrent with the Company selling the Mtonya uranium project the Company entered into an agreement with its major shareholder, Estes Limited, for the balance owed under a loan facility with Estes to be fully repaid. The loan was extinguished by a combination of the sale proceeds from the sale of Mtonya, with the balance including all outstanding interest being converted into URA shares at a pre-reorganisation share issue price of £0.005 per share.

12. Share capital

	2018 US$'000s	2017 US$'000s
Allotted, called up and fully paid share capital	1,773	1,225

Movements in Equity

	Issue price	Number of shares on issue
Opening balance of pre-reorganisation shares of 0.1p each		757,632,495
Estes loan settlement by the issue of pre-reorganisation shares	£0.0050	139,200,000
Capital consolidation and reduction; New Ordinary Shares of 0.15p each*		59,788,699
Private placement	£0.0045	200,000,000
Issue to extinguish Director liabilities	£0.0045	7,777,778
Warrants exercised	£0.009	7,000
Closing New Ordinary Shares on issue		267,573,477

* In December 2017 the Company undertook a share capital reorganisation such that shareholders were issued with one (1) post-reorganisation share of 0.15p each ('New Ordinary Share') for every fifteen (15) pre-reorganisation shares of 0.1p each. During the period pre-reorganisation shares were issued in a partial settlement of the Estes loan. In addition, after completion of the capital reorganisation New Ordinary Shares were issued in settlement of outstanding director liabilities and via a private placement.

13. Share options, share based payment expense and share warrants

Share Options

During the year the Company issued the following options to acquire New Ordinary Shares:

- 40,134,990 options exercisable into New Ordinary Shares at an issue price of £0.0045 per New Ordinary Share on or before 19 December 2022 in accordance with the Company's Employee Share Option Plan.
- 2,675,664 options to the Company's broker, Peterhouse Corporate Finance Limited, exercisable into New Ordinary Shares at an issue price of £0.0045 per New Ordinary Share on or before 19 December 2022; and
- 2,675,664 options to the Company's nominated adviser and broker, Northland Capital Partners Limited, exercisable into New Ordinary Shares at an issue price of £0.0045 per New Ordinary Share on or before 19 December 2022.

Share Based Payment Expense

The share based payment expense of £125,000 (2017:£nil) consists of options issued to directors and consultants. The expense is recognised in the Statement of Comprehensive Income and Statement of Changes in Equity over the 5 year vesting period of these options. The following share-based payment arrangements were in place during the current year:

	2018		2017	
	Number of share options	Exercise price £	Number of share options	Exercise price £
Outstanding at beginning of year	-	-	-	-
Granted during the year	45,486,318	0.0045	-	-
Outstanding at year end	45,486,318	0.0045	-	-

The aggregate value of the estimated fair value of these options that were granted on 20 December 2017 is £888,518. The inputs into the Black Scholes model used to estimate this fair value were as follows:

Weighted average share price	£0.0045
Weighted average exercise price	£0.0045
Expected volatility	50%
Expected life	5 years
Risk free rate	0.5%

Share Warrants

During the period the Company issued the following share warrants that are exercisable at £0.09 per New Ordinary Share on or before the earlier of 21 March 2019 or when the Company completes a reverse takeover transaction in accordance with AIM Rule 14:

- 100,000,000 Placing Warrants issued on a 1:2 basis for every share subscribed in the private placement conducted in December 2017; and.
- 25,254,279 Bonus Warrants were issued to holders of the pre-reorganisation shares held at the Record Date (20 December 2017). The Bonus Warrants were issued to those shareholders on 1:2 basis for every New Ordinary Share held after the capital reorganisation. The Company's largest shareholder, Estes undertook not to exercise their entitlement to subscribe under the Bonus Warrant issue; leaving a maximum of 11,342,473 Bonus Warrants that may be exercised in the future.

Of these Share Warrants, 7,000 were exercised in the reporting period.

14. Financial instruments

Interest rate risk
The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates on classes of financial assets and financial liabilities, was as follows:

	Floating interest rate 2018 US$'000s	**Floating interest rate 2017 US$'000s**
Financial assets and liabilities		
Cash	916	4
Borrowings	-	(1,912)
	916	**(1,908)**

The effective weighted average interest rate was nil (2017: 0.77%) on financial liabilities.

The net fair value of financial assets and financial liabilities approximates to their carrying amount as disclosed in the statement of financial position and in the related notes.

Financial risk management
The Directors recognise that this is an area in which they may need to develop specific policies should the Company become exposed to further financial risks as the business develops.

Capital risk management
The Company considers capital to be its equity reserves. At the current stage of the Company's life cycle, the Company's objective in managing its capital is to ensure funds raised meet the Company's working capital commitments.

15. Related party transactions

During the period liabilities owing to two directors as at 30 June 2017 (£35,000) were discharged by the issue of 7,777,778 New Ordinary Shares.

The Company entered into related party transactions with its major shareholder, Estes Limited, that have been disclosed in Notes 3, 9 & 11. The only other transactions with the Directors relate to their remuneration and interests in shares and share options.

16. Events after the period end date

There were no significant events after the period end date other than:

- On 21 June 2018 the Company announced it had signed non-binding heads of terms in connection with the proposed acquisition of Entertainment AI Limited ("EAI"). EAI has been formed to acquire 100% of US incorporated Tagasauris, Inc. ("Tagasauris") and US incorporated GTChannel, Inc. (the "GTChannel").

  Tagasauris has developed a patented "tagging" technology, which enables viewers of video clips to interact with the subject matter and purchase items highlighted in the video. Tagasauris is developing its proprietary technology via commercial relationships with some of the world's largest entertainment and media companies. In addition, as announced earlier this year, Tagasauris is currently working with Water Intelligence plc (AIM:WATR.L) to create a sustainability channel on YouTube.

  The GTChannel operates an automotive lifestyle brand and channels across social media and digital outlets such as YouTube. It generates advertising revenue from Google based on GTChannel's current base of approximately three billion and growing annual YouTube video views. It also provides marketing campaigns for numerous automotive and consumer brands.

  The Directors believe that Tagasauris combined with the GTChannel as an entertainment platform will enable the GTChannel to further monetize and unlock value from its installed base of automotive viewers and brand relationships through the use of artificial intelligence and machine learning. With these core operating assets, the EAI platform will target the global direct-to-consumer market for car and lifestyle enthusiasts. It is EAI's ambition to leverage this platform to take advantage of wider contextual commerce opportunities.

  If completion of this acquisition does not occur on or before 20 December 2018, admission of the Company's shares to trading on AIM will be cancelled pursuant to AIM Rule 41. In such circumstances, the Company will need to re-apply for admission of its shares to trading on AIM to complete the transaction.