21 November 2016

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

Uranium Resources plc
(“Uranium Resources” or the “Company”)

Final Results and Notice of AGM

Uranium Resources plc, the AIM listed uranium exploration company operating in Tanzania, announces its results for the year ended 30 June 2016.

The Annual Report for the year ended 30 June 2016 will be posted to shareholders shortly along with a notice of the Company's Annual General Meeting ("AGM").

The AGM will be held at the offices of Shakespeare Martineau LLP, 6th Floor, 60 Gracechurch Street, London EC3V 0HR on Wednesday 21st December 2016 at 11.00 am

The Annual Report and Notice of AGM can also be viewed on the Company's website at http://www.uraniumresources.co.uk/index.php?cid=0065.

For further information please visit www.uraniumresources.co.uk or contact:

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Notes to editors

Uranium Resources plc is an AIM listed exploration and development company. It is the Company's strategy to advance its existing assets and strengthen its portfolio via opportunistic acquisition. Uranium Resources has uranium licences in the highly prospective Karoo Basin in Southern Tanzania.

MANAGING DIRECTOR'S STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

The Company is a uranium explorer with its principal focus on the Mtonya Project and various exploration prospects within the Project area ('Mtonya' or 'the 'Project') in the United Republic of Tanzania. The Mtonya Project area hosts roll-front uranium mineralisation and is expected to be amenable to in-situ recovery ('ISR'), the most cost-effective and environmentally safe method of uranium extraction.

In May 2013, the Company announced a maiden uranium resource for its flagship Mtonya project. The Project achieved this major milestone in one of the most challenging times for the uranium industry as uncertainty the uranium market continues to persist amidst the declining prices.

During the reporting period, the Mtonya Project remained on care and maintenance although the Company continued to review its exploration and development strategy, including the possibility of corporate transactions, to advance and unlock Mtonya's potential.

The Company's Board believes that Mtonya has the potential to become a world-class uranium deposit and that the Company will benefit from increased global demand for uranium in the future as any profound solution to climate change is not possible without a prominent role for nuclear power generation. Mtonya's ISR potential could become even more attractive as the uranium industry attempts lower production costs and seeks targets for ISR.

Following the definition of Mtonya's maiden resource, the Company reached a loan agreement with Estes Limited ('Estes'), its cornerstone investor and strong supporter of the Project. As at the date of the signing Financial Statements, the Estes loan agreements of 15 March 2013 and 18 March 2014 were fully drawn and amounted to a total of US$1,300,000 excluding the interest and were extended to 31 December 2016. On 30 September 2016 the Company announced that the bridging loan facility had been increased to US$500,000 and extended to 31 January 2017, thus reaffirming Estes' ongoing support for the Company as management explore opportunities to finance a new drilling programme with the objective of expanding Mtonya's footprint.

Uranium Resources remains committed to developing Mtonya and advancing it to the development stage with a focus on ISR projects. The Company also continues to identify and assess new resource opportunities which complement its existing assets.

Mtonya

The Company's 100%-owned flagship Mtonya project is located approximately 60 km south of the significant Mkuju River deposit, which is owned by ARMZ and operated by Uranium One, and has an indicated and measured resource of 93.3 Mlb U3O8 grading 257 ppm U3O8.

The Company's exploration model is based on the premise that the neighbouring Mkuju River project to the north of Mtonya is a small segment of a regional mineralised roll-front feature, most of which has no surface exposure.

The Company believes that the Mkuju River is an uplifted and eroded part of a regional roll-front roughly following a regional normal fault, forming narrow, thin, and disconnected pods and lenses of uranium ore that are dominated by secondary uranium minerals such as metaautunite and metauranocircite. The near-surface uranium mineralisation at Mtonya remains a valid exploration target, but its significance is viewed as a lesser priority in contrast with deeper mineralisation that may yield a high class uranium deposit, which is amenable to ISR.

The completion of the 26,485 m resource-definition drilling programme in 2012 allowed the Company to delineate a maiden CIM-compliant Inferred Resource of 2.014 Mlb U3O8 grading 255 ppm U3O8. On a

250x50 m grid the resource drilling remains fairly coarse and significant upside potential remains untested along strike of the roll-front feature and at depth. Volumetrically, only 1/6 of prospective lithologies have been systematically drilled at Mtonya.

The Company's Board has spent much of the last two years refining plans for an extensive in-fill and step-out drilling programme for Mtonya to test the deeper redox tiers and extend the known uranium mineralization along strike. The Company intends to undertake this drilling programme at Mtonya when it has raised sufficient funds in order to complete the programme and the uranium market fundamentals have improved to the extent that the potential of the Project can be recognised by the wider market.

Some of the Company's licences will have reached the end of their term within 12 months of the date of the group financial statements. This includes the main Mtonya licence. In such cases license renewal, extension, or conversion of the licence has been or will be applied for. While management currently expect that each renewal, extension or conversion will be granted this cannot be guaranteed. Interests in exploration and mining tenements in Tanzania are governed by Tanzanian legislation and are evidenced by the granting of leases or licences. Each lease or licence is for a specific term and carries with it work commitments and reporting conditions as well as other conditions requiring compliance. These conditions include the requirement, for exploration licences, for reduction in the area held under licence from time to time unless it is considered that special circumstances apply. They also include that at the end of the exploration licence period application be made for extension of the exploration licence or for conversion to a mining licence.

With respect to the pending application for extension of one of the Company's key licenses, the Directors note that delays in processing such applications are not unusual in Tanzania and that this is reflected in the fact that the Tanzanian government continues to allow the company to enjoy full access to the site.

Financial Results

Uranium Resources is at the exploration stage of its development. It is not producing revenue and as such the Company is reporting a loss of US$15,447,000 for the year ended 30 June 2016 mainly due to the impairment of the Exploration and evaluation assets (2015: loss US$393,000).

Funding and going concern

In March 2013, March 2014 and February 2015 (with Supplementary agreement dated April 19, 2016) the Company entered into a US$1 million, US$300,000 and US$500,000 loan facility agreements ('the Loans') respectively with its major shareholder and strategic investor Estes Limited ('Estes'). The Loans are unsecured and bear interest at LIBOR.

At 30 June 2016, the Company had drawn down US$1,689,610 (excluding interest) against these facilities. Estes continues to show its support in providing this flexible funding option to the Company. The Group plans to continue its work programme in the next twelve months and beyond as it develops and evaluates its Uranium project pipeline. 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 Company has received a confirmation of interest from Estes Limited in providing additional finance. Consequently the directors consider it appropriate to prepare the financial statements on a going concern basis.

Pursuant to the requirements of IFRS 6 and IFRS 13, the Directors assessed the Company's assets for impairment in the current market for exploration uranium properties. The Directors, drawing on their skills, knowledge, and experience and taking into account external geological consultants reports, aggregate past expenditures on the project, its state of development, its rarity and large potential size, lack of active market for exploration uranium properties, as well as the range of prices that would be considered in a non-distressed sale in the current market, have determined the fair market value of the Company's E&EA in the amount of USD 2,800,000 thus resulting in impairment charge of after recognition of an impairment charge of US$14,901,000 to the evaluation and exploration assets.

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 in full on 31 January 2017. Estes remains very supportive of the Company and acknowledges the challenges that continue to impact the market for uranium exploration and may consider extending its outstanding loans on an ongoing basis while the Company continues its discussions with potential strategic partners and seeks additional sources of finance.

Outlook

Negative conditions continue to persist in the uranium market and they adversely affect the Company's ability to fund further exploration and development at Mtonya. The Company is currently reviewing a number of strategic alternatives including, but not limited to, joint ventures, strategic partnerships, and mergers or other corporate transactions to enhance shareholder value.

Major shareholder Estes continues to be supportive of the Company and, at this stage, has indicated it intends to invest alongside a suitable strategic investor.

Despite the challenging conditions the Company is currently facing, management believe the uranium market has the potential to make a sustained recovery. The recent announcement by Mantra Tanzania Limited, a subsidiary of Uranium One Holdings, regarding a new mining programme at the Mkuju River Project, has given the Board grounds for some cautious optimism as we look ahead to 2017.

Alex Gostevskikh

Managing Director

21 November 2016

URANIUM RESOURCES PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 US$'000	2015 US$'000
Administrative expenses		(218)	(292)
Share options expense	16	-	(47)
Impairment of exploration assets	9	(14,901)	-
Group operating loss	3	(15,119)	(339)
Interest payable	4	(11)	(8)
Foreign exchange (losses)/gains	4	(317)	(46)
Loss before taxation		(15,447)	(393)
Taxation	5	-	-
Loss for the year		(15,447)	(393)
Other comprehensive income			
Exchange differences on translating foreign operations		220	52
Total comprehensive loss attributable to the equity holders of the parent		(15,227)	(341)
Loss per share (cents)			
Basic and Diluted	6	(203.89)	(0.05)

The results shown above related entirely to continuing operations and are attributable to equity shareholders of the Company.

URANIUM RESOURCES PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	2016 US$'000	2015 US$'000
ASSETS			
Non-current assets			
Exploration and evaluation assets	9	2,800	17,651
Current assets			
Receivables	11	-	10
Cash and cash equivalents		22	21
		22	31
Total Assets		2,822	17,682
LIABILITIES			
Non-current liabilities			
Borrowings	14	-	(111)
Current liabilities			
Borrowings	13	(1,715)	(1,305)
Trade and other payables	12	(348)	(280)
		(2,063)	(1,585)
Total Liabilities		(2,063)	(1,696)
Net Assets		759	15,986
EQUITY			
Capital and reserves attributable to equity holders			
Share capital	15	1,225	1,225
Share premium		21,776	21,776
Foreign exchange reserve		(106)	(326)
Retained losses		(22,136)	(6,689)
Total Equity		759	15,986

The financial statements were approved by the Board of Directors on 21 November 2016 and signed on its behalf by:

Alex Gostevskikh

Managing Director

Company Registration Number: 05329401

URANIUM RESOURCES PLC

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	2016 US$'000	2015 US$'000
ASSETS			
Non-current assets			
Investments in subsidiaries	10	2,621	18,184
Current assets			
Receivables	11	-	10
Cash and cash equivalents		14	4
		14	14
Total Assets		2,635	18,198
LIABILITIES			
Non-current liabilities			
Borrowings	14	-	(111)
Current liabilities			
Borrowings	13	(1,715)	(1,305)
Trade and other payables	12	(305)	(251)
		(2,020)	(1,556)
Total Liabilities		(2,020)	(1,667)
Net Assets		615	16,531
EQUITY			
Capital and reserves attributable to equity holders			
Share capital	15	1,225	1,225
Share premium		21,776	21,776
Foreign exchange reserve		(2,934)	(334)
Retained losses		(19,452)	(6,136)
Total Equity		615	16,531

The financial statements were approved by the Board of Directors on 21 November 2016 and signed on its behalf by:

Alex Gostevskikh

Managing Director

Company Registration Number: 05329401

URANIUM RESOURCES PLC

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

Consolidated statement of changes in equity

	Share capital US$'000	Share premium US$'000	Foreign currency translation reserve US$'000	Retained losses US$'000	Total equity US$'000
At 1 July 2014	1,206	21,713	(378)	(6,343)	16,198
Issue of share capital	19	63	-	-	82
Share based payment	-	-	-	47	47
Total comprehensive income/(loss)	-	-	52	(393)	(341)
At 30 June 2015	1,225	21,776	(326)	(6,689)	15,986
Total comprehensive income/(loss)	-	-	220	(15,447)	(15,227)
At 30 June 2016	1,225	21,776	(106)	(22,136)	759

Company statement of changes in equity

	Share capital US$'000	Share premium US$'000	Foreign currency translation reserve US$'000	Retained losses US$'000	Total equity US$'000
At 1 July 2014	1,206	21,713	987	(6,802)	17,104
Issue of share capital	19	63	-	-	82
Share based payment	-	-	-	47	47
Total comprehensive income/(loss)	-	-	(1,321)	619	(702)
At 30 June 2015	1,225	21,776	(334)	(6,136)	16,531
Total comprehensive income/(loss)	-	-	(2,600)	(13,316)	(15,916)
At 30 June 2016	1,225	21,776	(2,934)	(19,452)	615

URANIUM RESOURCES PLC

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	2016 US$'000	2015 US$'000
Cash flows from operating activities		
Loss for the year	(15,447)	(393)
Impairment of exploration and evaluation assets	14,901	-
Interest expense	11	8
Share Options Expense	-	47
Foreign exchange loss/(gain)	319	44
Decrease / (Increase) in receivables	10	(9)
Increase in payables	5	134
Net cash used in operating activities	(201)	(169)
Investing activities		
Funds used for exploration and evaluation	(87)	(150)
Net cash used in investing activities	(87)	(150)
Financing activities		
Borrowings	288	306
Net cash inflow from financing	288	306
Decrease in cash and cash equivalents	-	(13)
Foreign exchange movements on cash	1	-
Cash and cash equivalents at beginning of the year	21	34
Cash and cash equivalents at the end of the year	22	21

URANIUM RESOURCES PLC

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	2016 US$'000	2015 US$'000
Cash flows from operating activities		
Profit/(Loss) for the year	(13,316)	619
Impairment loss	14,901	-
Interest expense	11	8
Share Options Expense	-	47
Foreign exchange (gain)/loss	(1,787)	(925)
Decrease / (Increase) in receivables	10	(9)
Increase in payables	20	122
Net cash used in operating activities	(161)	(138)
Investing activities		
Investments and loans granted to subsidiaries	(118)	(177)
Net cash used in investing activities	(118)	(177)
Financing activities		
Borrowings	288	306
Net cash inflow from financing	288	306
Decrease in cash and cash equivalents	9	(9)
Foreign exchange retranslation	1	-
Cash and cash equivalents at beginning of the year	4	13
Cash and cash equivalents at the end of the year	14	4

1. Background and accounting policies

The Company is registered in England and Wales, 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 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.

The Company's and Group's financial statements for the year ended 30 June 2016 and for the comparative year ended 30 June 2015 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and IFRIC (International Financial Reporting Interpretations Committee) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

1.1 Basis of preparation

The Group financial statements are prepared on the going concern basis, under the historical cost convention as modified for fair value accounting, if applicable, and in accordance with IFRS, including IFRS6 'Exploration for and Evaluation of Mineral Resources'. The Parent Company's financial statements have also been prepared in accordance with IFRS and the Companies Act 2006.

The Group and Parent Company financial statements are presented in US$ and have been rounded to the nearest US$'000.

The consolidated financial statements incorporate the accounts of the Company and its subsidiaries and have been prepared by using the principles of acquisition accounting ("the purchase method"), which includes the results of the subsidiaries from their dates of acquisition. Intra-group sales, profits and balances are eliminated fully on consolidation.

1.2 Going concern

In April 2016, the company increased its loan facilities with Estes by US$220,000 to a total of US$1,740,000. The facilities, which are unsecured and bear interest at LIBOR, are for working capital. At 30 June 2016, the Company had drawn down $1,689,610 against the available facilities and had incurred $10,825 interest accrued for the reporting period (US$25,733 – accumulated amount of interests). At 30 June 2015, the Company had drawn down US$1,401,000 against the available facilities (US$14,908 – accumulated amount of interests).
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 in June 2016, 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 Company has received a confirmation that Estes shall continue to provide debt funding to the Company should the Company be unable to raise funds on the market or source funds by other means including but not limited to entering into joint-venture agreements, disposal of assets, restructuring or re-assignment of debt etc.

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 in full at the amount of US$1,313,158 on or before 31 December 2016, at the amount of US$402,185 on or before 31 January 31 2017 accordingly these accounts are prepared on a going concern basis. In March 2013, March 2014 and February 2015 (with Supplementary agreement dated April 19, 2016) the Company entered into a US$1 million, US$300 thousands and US$440 thousands loan facility agreements ('the Loans') respectively with its major shareholder and strategic investor Estes Limited ('Estes'). The Loans are unsecured and bear interest at LIBOR.

At 30 June 2016, the Company had drawn down $1,689,610 (excluding interest) against these facilities. Estes continues to show its support in providing this flexible funding option to the Company. The Group plans to continue its work programme in the next twelve months and beyond as it develops and evaluates its Uranium project pipeline. 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.

Some of the Company's licenses will have reached the end of their term within 12 months of the date of the group financial statements. This includes the main Mtonya licence. In such cases license renewal, extension, or conversion of the licence has been or will be applied for. While management currently expect that each renewal, extension or conversion will be granted this cannot be guaranteed even though the company has received no indication of regulatory non-compliance and has fully complied with required aggregate expenditure to date. Interests in exploration and mining tenements in Tanzania are governed by Tanzanian legislation and are evidenced by the granting of leases or licences. Each lease or licence is for a specific term and carries with it work commitments and reporting conditions as well as other conditions requiring compliance. These conditions include the requirement, for exploration licences, for reduction in the area held under licence from time to time unless it is considered that special circumstances apply. They also include that at the end of the exploration licence period application be made for extension of the exploration licence or for conversion to a mining licence.

The Company has plans to continue further exploration for and evaluation of mineral resources, although these plans are contingent upon the Company's ability to obtain external funding. For the last two years, the Company has been in nearly continuous discussions with several potential investors but is yet to transact.
The Board plans a modest exploration campaign with varied objectives depending on the size of financing available. Such an exploration campaign would require US$1.0-1.5 million. The Company shall continue testing its ability to raise funds on the public market or otherwise. While there are several indicators that demonstrate the nascent investors' interest to uranium exploration companies, uncertainty persists.
The Directors believe that the Company continue to meet its liabilities as they fall due, and for at least the next twelve months from the date of approval of the Financial Statements.

1.3 New IFRS standards and interpretations

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 2015. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective

New and amended standards and interpretations

There were a number of new standards and interpretations, effective from 1 July 2015 that the Company applied for the first time in the current year.

The nature and the impact of each new standard and amendment that may have an impact on the Company now or in the future, is described below. A few other amendments apply for the first time in 2016; however, they do not impact the annual financial statements of the Company.

Other than the changes described below, the accounting policies adopted are consistent with those of the previous financial year.

Following relevant revisions and amendments to existing standards were issued by the IASB, which are effective for the accounting period beginning on or after January 1, 2016 and have been adopted by the Company:

Standard number	Title	Effective date
IAS 16 & IAS 38	Property, Plant and Equipment and Intangible Assets – Amendments	January 1, 2016
IFRS 11	Joint Arrangements – Amendments	January 1, 2016
IAS 1	Disclosure Initiative - Amendments	January 1, 2016
IFRS 10 & IAS 28	Sale or Contribution of Assets between an Investor and its associate or Joint Venture - Amendments	January 1, 2016
	Annual Improvements 2012 – 2014	
IAS 19	Employee Benefits – Amendments	January 1, 2016
IAS 34	Interim Financial Reporting – Amendments	January 1, 2016
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations – Amendments	January 1, 2016
IFRS 7	Financial Instruments: Disclosures – Amendments	January 1, 2016

The revisions and amendments have been applied in accordance with the transitional provisions and do not have a material impact on the Company's individual financial statements.

Standards issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are described below. This description is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective. The Company expects that adoption of these standards, amendments and interpretations in most cases not to have any significant impact on the Company's financial position or performance in the period of initial application. In cases where it will have an impact, the Company is still assessing the possible impact.

IFRS 9 "Financial Instruments" (2014)
The IASB released IFRS 9 "Financial Instruments" (2014), representing the completion of its project to replace IAS 39 "Financial Instruments: Recognition and Measurement". The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new "expected credit loss" model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting.

The new standard is required to be applied for annual reporting periods beginning on or after 1 January 2018.

IFRS 15 "Revenue from Contracts with Customers"
IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 "Revenue", IAS 11 "Construction contracts", and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance

obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities.

IFRS 15 is effective for reporting periods beginning on or after 1 January 2018.

IFRS 16 "Leases"

IFRS 16 "Leases" brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17 "Leases" and related interpretations and is effective for periods beginning on or after 1 January 2019, with earlier adoption permitted if IFRS 15 "Revenue from Contracts with Customers" has also been applied.

1.4 Exploration and evaluation expenditure

Once a licence has been obtained, all costs associated with exploration and evaluation are capitalised on a project-by-project basis, where a project may be a collection of geographically and geologically similar licences. The costs are carried forward on a project-by-project basis until it has been established that commercial reserves do not exist or are insufficiently supported by the potential carrying value of the project. Costs incurred include appropriate technical and administrative expenses but not general overheads.

Where possible, general Tanzanian costs attributable to projects are allocated to each project. However, where this is impractical, these general costs are held in a separate cost pool and are carried forward in one general pool of assets until it has been established that commercial reserves do not exist or are insufficiently supported by the potential carrying value of all Tanzanian projects.

When production commences, the accumulated costs for the relevant area of interest are transferred from intangible assets to tangible assets as "Developed Uranium Assets" and amortised over the estimated life of the commercial reserves on a unit of production basis, as discussed in note 1.7 below.

1.5 Impairment of exploration and evaluation expenditure

The carrying value of unevaluated areas is assessed on at least an annual basis or when there has been an indication that impairment in value may have occurred. The impairment of unevaluated prospects is assessed as based on the Directors' intention with regard to future exploration and development of individual significant areas and the ability to obtain funds to finance such exploration and development.

An impairment loss is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. A reversal of an impairment loss for an assets is recognized in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as revaluation reserve. However, to the extent that an impairment loss on the same revalued asset was previously recognized in profit or loss, a reversal of impairment is also recognized in profit or loss.

1.6 Impairment of developed uranium assets

When events or changes in circumstances indicate that the carrying amount of developed uranium assets included within tangible assets may not be recoverable from future net revenues from uranium reserves attributable to that asset, a comparison between the net book value of the asset and the discounted future cash flows from the estimated recoverable uranium reserves is undertaken. To the extent that the carrying amount exceeds the recoverable amount, the asset is written down to its recoverable amount, with the write off charged to the statement of comprehensive income.

1.7 Amortisation of developed uranium assets

Developed uranium assets are amortised on a unit of production basis using the ratio of uranium production in the period to the estimated quantity of commercial reserves at the end of the period plus production in the period. Changes in estimates of commercial reserves or future development costs are dealt with prospectively.

1.8 **Decommissioning costs**

Where a material liability for the removal of production facilities and site restoration at the end of the field life exists, a provision for decommissioning is recognised. The amount recognised is the present value of estimated future expenditure determined in accordance with local conditions and requirements. An asset of an amount equivalent to the provision is also created and depreciated on a unit of production basis. Changes in estimates are recognised prospectively, with corresponding adjustments to the provision and the associated asset.

1.9 **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.

1.10 **Investments in subsidiaries**

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

1.11 **Share based payments**

The Company has made share-based payments to certain directors and employees by way of share options. The fair value of these payments is calculated by the Company using the Black Scholes option pricing model, as the Directors believe that the options are likely to be exercised nearer their expiry dates. The expense is recognised on a straight line basis over the period from the date of award to the date of vesting, based on the Company's best estimate of shares that will eventually vest.

1.12 **Foreign currencies**

(i) Functional and presentational currency
Items included in the Group's and Parent Company's financial statements are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The Directors consider the Pound Sterling to be the Parent Company's functional currency. The Group and Company financial statements are presented in US$.

(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. The yearend rate applied was £1: US$1.33898 (2015: £1: US$1.5717)

Transactions in the accounts of individual Group companies are recorded at the rate of exchange ruling on the date of the transaction. 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.

1.13 **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.

1.14 **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 Group 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.

1.15 **Payables**

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

1.16 **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.

1.17 **Critical accounting judgements and estimates**

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. IFRS also require management to exercise its judgement in the process of applying the Group's accounting policies. The prime areas involving a higher degree of judgement or complexity, where assumptions and estimates are significant to the financial statements, are as follows:

Impairment of exploration and evaluation of assets
The Group determines whether exploration and evaluation assets are impaired when facts and circumstances suggest that the carrying amount may exceed its recoverable amount. Such indicators include the point at which a determination is made as to whether or not commercial reserves exist. The carrying amount of exploration and evaluation assets at 30 June 2016 is included in note 9 to the financial statements.

Share based payments
The Group measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model. Refer to Note 16 for variables entered into the model.

2. **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 Group had no operating revenue during the period.

The Group operates in one segment, the exploration and evaluation of uranium. The Parent Company operates a head office based in the United Kingdom which incurred certain administration and corporate costs. The Group's operations span two countries, Tanzania and the United Kingdom.

Segment results	Segment results 2016 US$'000	2015 US$'000
Uranium (Tanzania)	(25)	(42)
Administration and Corporate (UK)	(193)	(250)
Share Options Expense (UK)	-	(47)
Uranium (Tanzania) Impairment	(14,901)	-
Total operating loss of all segments	(15,119)	(339)
Finance expense	(11)	(8)
Foreign exchange (losses)/gains	(317)	(46)
Loss before and after tax	(15,447)	(393)

The Group's depreciation, amortisation and capital expenditure is incurred entirely within the Tanzanian segment.

Segment assets and liabilities	Non-Current Assets 2016 US$'000	2015 US$'000	Non-Current Liabilities 2016 US$'000	2015 US$'000
Uranium (Tanzania)	2,800	17,651	-	-
Administration and Corporate (UK)	-	-	-	111
Total of all segments	2,800	17,651	-	111

Segment assets and liabilities	Total Assets 2016 US$'000	2015 US$'000	Total Liabilities 2016 US$'000	2015 US$'000
Uranium (Tanzania)	2,808	17,668	43	29
Administration and Corporate (UK)	14	14	2,020	1,667
Total of all segments	2,822	17,682	2,063	1,696

3. Group operating loss

	2016 US$'000	2015 US$'000
The Group's operating loss is stated after charging / (crediting):		
Accounting and audit fees	35	57
Broker / Nomad fees	59	66
Consulting fees	-	-
Directors' remuneration (excluding share-based payments)	80	101
Listing costs	16	18
Public relations	-	12
General expenses	28	38
Share Options Expense	-	47
Impairment charge	14,901	-

4. Interest

	2016 US$'000	2015 US$'000
Foreign exchange (losses)/gains	(317)	(46)
Loan interest payable	(11)	(8)

5. **Taxation**

	2016 US$'000	2015 US$'000
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	(15,227)	(341)
Tax at the standard rate of UK corporation tax of 20.75%	(3,205)	(82)
Effects of:		
Disallowed expenses	-	10
Tax losses carried forward not yet recognised as a deferred tax asset	3,205	72
Total tax charge	-	-

At the year end date, the Group has unused tax losses of US$19,452,000 (2015: US $6,136,000) available for offset against suitable future profits. A deferred tax asset has not been recognised in respect of such losses due to the uncertainty of future profit streams. The deferred tax asset at 18% (2015: 20%) is estimated to be US$3,501,360 (2015: US$ 1,227,000).

6. **Loss per share**

The basic loss per ordinary share is 203.89 cents (2015: 0.05 cents) and has been calculated using the loss for the financial year of US$15,447,000 (2015: loss US$ 393,000) and the weighted average number of ordinary shares in issue of 757,632,495 (2015: 746,790,767).

The diluted loss per share has been kept the same as the basic loss per share as the conversion of share options decreases the basic loss per share, thus being anti-dilutive. Details of potentially diluted shares are discussed in notes 15, 16.

7. **Holding company profit and loss account**

In accordance with the provisions of the Section 408 of the Companies Act 2006, the Parent Company has not presented a statement of comprehensive income. A loss for the year ended 30 June 2016 of US$13,316,000 (2015: profit US$619,000) has been included in the consolidated statement of comprehensive income.

8. **Staff costs (including Directors)**

	2016 US$'000	2015 US$'000
Wages, salaries and fees	107	129
Social security costs (including refunds)	-	-
	107	129
Transferred to intangible assets	(27)	(28)
	80	101

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

	2016 (US$'000s)		2015 (US$'000s)	
	Fees/ allowances / salaries	**Total**	**Fees/ allowances/ salaries**	**Total**
Ross Warner	-	-	18	18
James Pratt	-	-	7	7
Alex Gostevskikh [1]	80	80	113	113
Andrew Lewis	-	-	(8)	(8)
forex	-	-	(1)	(1)
Total Key Management	80	80	129	129

[1]During the period 25% (2015: 25%) of Alex Gostevskikh's salary was capitalised to intangibles. In 2016 this amounted to US$26,704 (2015: US$28,359), and is included in the amount disclosed above.

9. **Exploration and evaluation assets**

Group	**Exploration and evaluation expenditure**
Cost and net book value	**US$'000**
At 1 July 2014	17,521
Additions	178
Foreign exchange	(48)
Impairment	-
At 30 June 2015	17,651
Additions	142
Foreign exchange	(92)
Impairment	(14,901)
At 30 June 2016	**2,800**

The Group's intangible asset consists entirely of capitalised exploration and evaluation expenditure. The exploration and evaluation ("E&E") asset represents costs incurred in relation to the Group's Tanzanian licences. These amounts have not been written off to the statement of comprehensive income as exploration expenses because commercial reserves have not yet been established nor has the determination process been completed.

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 an impairment. The Directors, drawing on their skills, knowledge, and experience and taking into account external geological consultants reports, aggregate past expenditures on the project, its state of development, its rarity and large potential size, lack of active market for exploration uranium properties, as well as the range of prices that would be considered in a non-distressed sale in the current market, have determined the fair market value of the Company's Exploration and evaluation assets in the amount of US$2,800,000.

The total impairment charge for the period is US$14,901,000 (30 June 2015: US$Nil). The remaining carried value relates entirely to the Company's flagship project Mtonya. This impairment can be modified or reversed once the situation changes and the estimates used to determine the asset's recoverable value is reassessed. Currently management believe that the restart of exploration activities on the site would be one of the main factors considered for the reversal

The outcome of ongoing exploration and evaluation, and therefore whether the carrying value of E&E assets will ultimately be recovered, is inherently uncertain. The Directors have assessed the value of the remaining uranium exploration and evaluation expenditure and, in their opinion, no further impairment is necessary. This assessment includes a review of the expiry dates of licenses and the likelihood of their renewal.

10. Investments in subsidiary undertakings

	Loans to subsidiary undertakings US$'000	Investments in subsidiary undertakings US$'000	Total US$'000
Company			
Cost			
At 1 July 2014	14,294	4,137	18,431
Loans granted/Investments	177	28	205
Foreign exchange on loans	(133)	(319)	(452)
At 30 June 2015	**14,338**	**3,846**	**18,184**
Loans granted/Investments	118	27	145
Impairment	(14,220)	(681)	(14,901)
Foreign exchange	(236)	(571)	(807)
At 30 June 2016	**-**	**2,621**	**2,621**

The Company's subsidiary undertakings as at 30 June 2016 were as follows:

Subsidiary undertakings	Principal activities	Percentage of ordinary share capital held
Direct		
Deep Yellow Tanzania Limited	Uranium exploration	100%
URA (St Henri) Limited	Dormant	100%
WML Uranium Holdings Limited	Holding company	100%
Indirect		
Western Metals Tanzania Limited	Uranium exploration	100%
Western Metals Exploration Limited	Dormant	100%
Western Metals Uranium Limited	Dormant	100%

The Directors have assessed the carrying value of the investments in subsidiaries, and decided to recognize an impairment charge for the period at the amount of $681,000 (30 June 2015: $Nil). The total impairment charge for the period is $14,901,000 (30 June 2015: $Nil) including the impairment of Loans to subsidiary undertakings.

11. **Receivables**

	2016		2015	
	Group US$'000	**Company US$'000**	**Group US$'000**	**Company US$'000**
Other receivables	-	-	10	10

12. **Trade and other payables**

	2016		2015	
	Group US$'000	**Company US$'000**	**Group US$'000**	**Company US$'000**
Trade payables	287	287	235	224
Accruals and other payables	61	18	45	27
	348	305	280	251

13. **Borrowings –current**

	2016		2015	
	Group US$'000	**Company US$'000**	**Group US$'000**	**Company US$'000**
Borrowings in period	1,715	1,715	1,305	1,305
Borrowings carried forward	1,715	1,715	1,305	1,305

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. The Loan bears interest at LIBOR. As of the date of signing of the Financial Statements the loan agreement was extended until December 31, 2016.

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 facility is unsecured. As of 30 June 2016 the Company had drawn down $290,000 against the available facility. The Loan bears interest at LIBOR. As of the date of signing of the Financial Statements the loan agreement was extended until December 31, 2016.On 19 February 2015, the Company entered into a US$200,000 loan facility agreement with its major shareholder and strategic investor Estes Limited. Subsequently the total principle amount was increased to US$500,000. The Loan facility is unsecured. As of 30 June 2016 the Company had drawn down US$399,610 against the available facility. The Loan bears interest at LIBOR. As of the date of signing of the Financial Statements the loan agreement was extended until January 31, 2017.

14. **Borrowings – non-current**

	2016		2015	
	Group US$'000	**Company US$'000**	**Group US$'000**	**Company US$'000**
Borrowings in period	-	-	111	111
Borrowings carried forward	-	-	111	111

15. **Share capital and share options**

	2016	2015
	US$'000	**US$'000**

Allotted, called up and fully paid share capital		
757,632,495 (2015 - 745,493,750*)* ordinary shares of 0.1p each	1,225	1,225

During the year ended June 30, 2016 there were no changes in the Share capital of the Company.

16. Share-based payments

Company and Group

Details of the Company's share options at 30 June 2015 are as follows

Options outstanding at 30 June 2015:

Date of grant	Number of options	Exercise price	Exercisable between
30 November 2011	18,000,000	0.7p	Up to 15 April 2017
30 November 2011	20,000,000	1.5p	Up to 15 April 2017
30 November 2011	10,000,000	3.0p	Up to 15 April 2017
	48,000,000		

Options outstanding at 30 June 2016:

Date of grant	Number of options	Exercise price	Exercisable between
30 November 2011	18,000,000	0.7p	Up to 15 April 2017
30 November 2011	20,000,000	1.5p	Up to 15 April 2017
30 November 2011	10,000,000	3.0p	Up to 15 April 2017
	48,000,000		

All of the unexpired options were modified as part of the repricing exercise carried out on 18 May 2015 in order to bring the strike price of the share options more in line with the current market price of the Company's shares and to deliver a viable incentive and reward package to the Directors of the Company.

On 30 June 2016, the Company had 48,000,000 share options with exercise prices of 0.7p, 1.5p, 3.0p. The details of FV calculations of the options are as follows:

Grant date	Share price at date of grant	Exercise price	Volatility	Option life	Dividend yield	Risk-free investment rate	Fair value per option
18/05/2015	0.5p	0.7p	74%	15/04/2017	0%	1.19%	0.151p
18/05/2015	0.5p	1.5p	74%	15/04/2017	0%	1.19%	0.062p
18/05/2015	0.5p	3.0p	74%	15/04/2017	0%	1.19%	0.020p

Expected volatility was determined by calculating the historical volatility of the Group's share price for the past four years. The share option charge was calculated using the Black-Scholes model.

As a result of repricing, a share option expense of US$ 47,080 was recognised and is included within retained losses at the year ended June 30, 2015.

The Company's share price ranged between 0.18p and 0.60p (2015: 0.35p and 0.90p) during the year. The closing share price as at 30 June 2016 was 0.28p (2015: 0.60p).

17. Decommissioning expenditure

The Directors have considered the need for any necessary provision for the cost of rectifying any environmental damage, as might be required under local legislation and the Group's licence obligations. In their view, no provision is necessary at 30 June 2016, for any future costs of decommissioning or any environmental damage.

18. 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:

Financial liabilities and assets:	**Floating interest rate 30 June 2016 US$'000**	**Fixed interest rate 30 June 2016 US$'000**	**Floating interest rate 30 June 2015 US$'000**	**Fixed interest rate 30 June 2015 US$'000**
Borrowings	1,715	-	1,416	-
Cash at bank	22	-	21	-

The effective weighted average interest rate was 0.69% (2015: 0.63%) 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.

Currency risk

The functional currency for the Group's operating activities is the British Pound and for drilling activities the US Dollar. The Group's objective in managing currency exposures arising from its net investment overseas is to maintain a low level of borrowings. The Group has not hedged against currency depreciation but continues to keep the matter under review. At 30 June 2016, the Group held the following US Dollar equivalent:

	30 June 2016 US$'000	**30 June 2015 US$'000**
Great British Pounds	-	-
United States Dollars	6	21
	6	21

Financial risk management

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

Capital risk management

The Group considers capital to be its equity reserves. At the current stage of the Group's life cycle, the Group's objective in managing its capital is to ensure funds raised meet the exploration expenditure commitments.

The Group ensures it is meeting its objectives by reviewing its KPIs to ensure its exploration activities are progressing in line with expectations, controlling costs and placing unused funds on deposit to conserve resources and increase returns on surplus cash held.

19. Events after the year end date

On September 27, 2016 the Company entered into a further supplementary agreement which extended the US$1 million loan facility agreement until December 31, 2016.

On September 27, 2016 the Company entered into a further supplementary agreement which extended the US$300,000 loan facility agreement until December 31, 2016.

On September 27, 2016 the Company entered into a further supplementary agreement which increased the loan facility dated 19 February 2015 to US$500,000 and the term has been extended to 31 January 2017.

20. Related party transactions

Key management of the Group are considered to be the Directors of the Company. There are no transactions with the Directors other than the above, and their remuneration and interests in shares and share options. The remuneration of individual Directors is shown in the Directors' Report.

Estes Limited, the Company's ultimate controlling party, provided an additional loan facility during the period. As at 30 June 2016, the outstanding balance and the maximum outstanding during the year was US$1,715,000 (2015: US$1,416,000). During the year, interest of US$10,825 was charged. Further details of the loan facility are included in note 13 and 14 to the financial statements.

21. Future exploration expenditure

Other than annual tenement rentals totalling approximately US$100,000 per annum, the Group does not have any contractual commitments required to maintain the Group's licences. At 30 June 2016, the Group has outstanding commitments of approximately US$100,000 relating to its Tanzanian exploration activities.

22. Ultimate controlling party

As at 30 June 2016, the Company's ultimate controlling party is Estes Limited which owns 55.1% of the Company's issued share capital. Details of transactions with Estes are included in note 20.