

Uranium Resources plc / Market: AIM / Epic: URA / Sector: Exploration
31 March 2010

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

Uranium Resources plc, the AIM quoted uranium exploration and development company operating in Tanzania, announces its results for the six month period ended 31 December 2009.

Managing Director's Report

This has been a period of progress for Uranium Resources, and I believe that following a number of crucial developments, we are now in a strong position to maximise the potential of our wholly owned Tanzanian focussed uranium portfolio and build significant value for shareholders.

The critical event was the acquisition of our former joint venture partner Indago Resources Limited's ('Indago') 60% interest in our uranium portfolio in Tanzania for A\$2.5 million in cash (approximately £1.443 million) and A\$400,000 (approximately £231,000) worth of new ordinary shares in the Company.

Uranium Resources now has full control of a 12,700 sq km land position within the highly prospective Selous, Luwegu and Ruhuhu basins of southern Tanzania, where our Mtonya, Ruhuhu and Ruvuma projects are located. Importantly, this transaction enables us to re-align the exploration efforts targeting additional areas and new styles of uranium mineralisation.

Our current focus is on the 625 sq km project at Mtonya, located 100 km east of the district capital of Songea. Comprising seven licences, its geology consists of Usagaran orogenic basement rocks in the west and Karoo sediments of the Luwegu Trough of the Selous Basin in the east. Mtonya is adjacent to Mantra Resources Limited's Mkuju River license, which contains the Nyota discovery. Our geological model suggests that Mtonya has the potential to host a sizeable uranium resource.

During the joint venture with Indago, 284 reverse-circulation ('RC') holes were drilled across the portfolio, to a total of 17,653m, primarily on the Mtonya project. These holes tested multiple areas of uranium mineralisation, some of which manifest excellent uranium grades. By the end of 2009, we had completed comprehensive remote sensing and structural studies of the area as well as field traverses and reinterpretation of regional

airborne magnetics and radiometrics. All this work built a solid foundation for the design of the 2010 exploration programme.

At the same time, we produced 3D models of the near-surface mineralisation at Henri (NE Mtonya), which identified three cohesive mineralised clusters. In essence, the synthesis of the recent results and the re-processed historical regional data is an effort to expand the known near-surface uranium mineralisation and generate new, previously unknown targets in the area.

A new drilling programme has been developed after our review and compilation of regional and local geology and geophysics. We are excited about these targets and look forward to generating new results from this exploration programme, which is due to commence in late Q2 2010, when the dry season begins. Phase 1 of the 2010 drilling programme consists of 10 diamond drillholes to a total of 2,500m (variable depths) and is targeting structurally favourable geology.

We believe that all of our Tanzanian uranium projects merit further work and are critical components in building the Company's project pipeline in the country. During 2010 we will be applying the same comprehensive analysis to our Tanzanian tenements to advance Mtonya and generate new exploration targets.

Financial Results

With Uranium Resources being at the exploration stage, we are not producing revenue and as such I am reporting a pre-tax loss of £256,414 (2008:£1,016,155) (including a non-cash item of £Nil (2008: £720,000) in respect of share based payments) for the six months ended 31 December 2009.

During the period under review, we strengthened the balance sheet via a placing, raising approximately £2 million, with Estes Limited ('Estes'), part of the Tangent Fund Group. Estes provides us with a strategic investor and strengthens our shareholder base which already includes Geiger Counter Limited. Following payment of A\$2.5 million to Indago (as described above), at 28 February 2010, our cash position was £574,998

Outlook

By studying and reinterpreting our data, we have greatly increased our confidence in the potential of Uranium Resources' projects and we believe the implementation of the new exploration strategy will transform the value of your Company. We remain open-minded and opportunistic particularly as we are operating in an emerging uranium province that

has already yielded quality projects for both Mantra Resources Ltd and Paladin Energy Ltd.

Finally, I would like to take this opportunity to thank my fellow directors and our shareholders for their dedication and support through what has been a transitional period for the Company, and look forward to what I believe will be a fruitful future.

Alex Gostevskikh

****ENDS****

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The information in this announcement that relates to Exploration Results is based on information assessed by Alex Gostevskikh who is a Qualified Professional Member of the Mining and Metallurgical Society of America (MMSA). Mr Gostevskikh has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Gostevskikh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009**

	Half-year ended 31 Dec 2009 (Unaudited) £	Half-year ended 31 Dec 2008 (Unaudited) £	Year ended 30 June 2009 (Audited) £
	Notes		
Administrative expenses	(322,620)	(247,622)	(618,544)

Share-based payments charge	-	(720,000)	(720,000)	
Impairment expense	-	(32,778)	(32,778)	
Foreign exchange gain/(loss)	62,971	(53,374)	(48,054)	
Total expenses	(259,649)	(1,053,774)	(1,419,376)	
Group operating loss	(259,649)	(1,053,774)	(1,419,376)	
Interest receivable	3,235	37,619	48,752	
Loss before taxation	(256,414)	(1,016,155)	(1,370,624)	
Taxation	-	-	-	
Loss for the period	(256,414)	(1,016,155)	(1,370,624)	
Total comprehensive income/(loss) attributable to the equity holders of the parent	(256,414)	(1,016,155)	(1,370,624)	
Loss per share (pence)				
Basic	4	(0.09p)	(0.35p)	(0.47p)
Diluted	4	(0.09p)	(0.35p)	(0.47p)

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009**

	Note	31 Dec 2009 (Unaudited) £	31 Dec 2008 (Unaudited) £	30 June 2009 (Audited) £
ASSETS				
Non-current assets				
Exploration & evaluation assets	6	1,325,591	1,023,106	1,235,866
Current assets				
Receivables		228,725	3,366	25,505
Cash and cash equivalents		2,201,961	1,263,070	699,269
		2,430,686	1,266,436	724,774
Total Assets		3,756,277	2,289,542	1,960,640
LIABILITIES				
Current liabilities				
Trade and other payables		(186,647)	(87,480)	(113,047)
Total Liabilities		(186,647)	(87,480)	(113,047)
Net Assets		3,569,630	2,202,062	1,847,593
EQUITY				
Share capital	7	291,000	291,000	291,000

Share premium	3,094,360	3,094,360	3,094,360
Share application	1,978,451	-	-
Share-based payments reserve	1,869,879	1,869,879	1,869,879
Retained losses	(3,664,060)	(3,053,177)	(3,407,646)
Total Equity	3,569,630	2,202,062	1,847,593

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009**

	Issued capital	Share premium reserve	Share application	Share-based payment reserve	Retained earnings	Total shareholders equity
	£	£	£	£	£	£
As at 1 July 2008	291,000	3,094,360	-	1,149,879	(2,037,022)	2,498,217
Total comprehensive income/(loss) for the period	-	-	-	-	(1,016,155)	(1,016,155)
Share based payments	-	-	-	720,000	-	720,000
Balance at 31 December 2008	291,000	3,094,360	-	1,869,879	(3,053,177)	2,202,062
As at 1 July 2008	291,000	3,094,360	-	1,149,879	(2,037,022)	2,498,217
Total comprehensive income/(loss) for the period	-	-	-	-	(1,370,624)	(1,370,624)
Share based payments	-	-	-	720,000	-	720,000
Balance at 30 June 2009	291,000	3,094,360	-	1,869,879	(3,407,646)	1,847,593
Total comprehensive income/(loss) for the period	-	-	-	-	(256,414)	(256,414)
Shares subscribed for, but not yet issued	-	-	1,996,800	-	-	1,996,800
Cost of shares subscribed for, but yet not issued	-	-	(18,349)	-	-	(18,349)
Balance at 31 December 2009	291,000	3,094,360	1,978,451	1,869,879	(3,664,060)	3,569,630

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009**

	Half-year ended 31 Dec 2009 (Unaudited) £	Half-year ended 31 Dec 2008 (Unaudited) £	Year ended 30 June 2009 (Audited) £
Cash flows from operating activities			
Operating loss	(259,649)	(1,053,774)	(1,419,376)
Adjustments for non-cash items:			
Share-based payments charge	-	720,000	720,000
Impairment of intangibles	-	32,778	32,778
Increase in receivables	(9,761)	-	(22,139)
Increase in payables	74,349	63,107	43,618

Net cash used in operating activities	(195,061)	(237,889)	(645,119)
Investing activities			
Funds used for exploration	(283,933)	(347,631)	(515,335)
Interest received	3,235	37,619	48,752
Net cash used in investing activities	(280,698)	(310,012)	(466,583)
Financing activities			
Proceeds from share application	1,996,800	-	-
Cost of share application	(18,349)	-	-
Net cash from financing	1,978,451	-	-
Increase / (decrease) in cash and cash equivalents	1,502,692	(547,901)	(1,111,702)
Cash and cash equivalents at beginning of the period	699,269	1,810,971	1,810,971
Cash and cash equivalents at the end of the period	2,201,961	1,263,070	699,269

NOTES TO THE UNAUDITED HALF-YEARLY FINANCIAL REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2009

1. General information

Uranium Resources Plc ('the Company') is domiciled in England. The condensed consolidated half-year accounts of the Company for the six months ended 31 December 2009 comprise the Company and its subsidiaries (together referred to as 'the Group').

The condensed half-year accounts for the period 1 July 2009 to 31 December 2009 are unaudited. In the opinion of the Directors the condensed half-year accounts for the period presents fairly the financial position, and results from operations and cash flows for the period in conformity with the generally accepted accounting principles consistently applied. The condensed half-year accounts incorporates unaudited comparative figures for the interim period 1 July 2008 to 31 December 2008 and the audited financial year to 30 June 2009.

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

The comparatives for the full year ended 30 June 2009 are not the Company's full statutory accounts for that year. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified, included references to the going concern note in the accounts to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498 (2) – (3) of the Companies Act 2006.

2. Accounting policies

The condensed half-year accounts have been prepared using policies based on International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU. The condensed half-year accounts have been prepared using the accounting policies which are expected to be applied in the Group's statutory financial statements for the year ending 30 June 2010.

Basis of preparation and going concern

The accounts have been prepared on a going concern basis. As is common with many junior mining companies, the Company raises money for exploration and capital projects as and when required. There can be no assurance that the Group's projects will be fully developed in accordance with current plans or completed on time or to budget. Future work on the development of these projects, the levels of production and financial returns arising there from may be adversely affected by factors outside the control of the Group.

The same accounting policies, presentation and methods of computation are followed in the condensed set of financial statements as applied in the Group's latest annual audited financial statements, except as described below.

Changes in accounting policies

In the current financial year, the Group has adopted IAS 1, "Presentation of Financial Statements" (Revised) and IFRS 8, "Operating Segments".

IAS 1 'Presentation of Financial Statements (Revised)' includes the requirement to present a Statement of Changes in Equity as a primary statement and introduces the possibility of either a single Statement of Comprehensive Income (combining the Income Statement and a Statement of Comprehensive Income) or to retain the Income Statement with a supplementary Statement of Comprehensive Income. The first option has been adopted by Uranium Resources Plc. As this standard is concerned with presentation only it does not have any impact on the results or net assets of the Group.

IFRS 8, Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker ("CODM"). By contrast IAS 14, "Segmental Reporting" required business and geographical segments to be identified on a risks and rewards approach. The business segmental reporting bases used by the Company in previous years are those which are reported to the CODM, so the changes to the segmental reporting for 2009 are in respect of the additional disclosure only. The Group only has one reportable segment being the exploration for uranium in Tanzania and therefore no further disclosures have been made.

3. Taxation

No taxation has been provided due to losses in the period.

4. Loss per share

The basic loss per share has been calculated using the loss attributable to equity shareholders for the financial period of £256,144 (six months ended 31 December 2008: £1,016,155; year ended 30 June 2009: £1,370,624) and the weighted average number of ordinary shares in issue of 291,000,000 (31 December 2008: 291,000,000; 30 June 2009: 291,000,000).

The diluted loss per share has been calculated using a weighted average number of shares in issue and to be issued of 360,000,000 (31 December 2008: 334,743,169; 30 June 2009: 357,857,534). 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.

5. Subsidiary undertakings

<i>Name of company</i>	<i>Ownership</i>	<i>Principal activity</i>
Deep Yellow Tanzania Limited	100%	Uranium exploration
URA (St Henri) Limited	100%	Applied for exploration licences

The Directors have assessed the carrying value of the investments in subsidiaries, both of which are incorporated in Tanzania, and in their opinion no impairment provision is considered necessary.

6. Exploration and evaluation assets

	Unaudited 31 Dec 2009 £	Unaudited 31 Dec 2008 £	Audited 30 June 2009 £
Exploration and evaluation			
Cost			
At beginning of period	1,268,644	708,253	708,253
Additions	89,725	347,631	560,391
Total cost	1,358,369	1,055,884	1,268,644
Impairment			
At beginning of period	(32,778)	-	-
Impairment charge	-	(32,778)	(32,778)
Total impairment	(32,778)	(32,778)	(32,778)
Net book value	1,325,591	1,023,106	1,235,866

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 income statement as exploration expenses, as commercial reserves have not yet been established or the determination process has not been completed, and there are no indicators of impairment. 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 uranium exploration and evaluation expenditure carried as intangible assets and in their opinion no provision for impairment is currently necessary.

7. Share capital and share options

	Unaudited 31 Dec 2009 £	Unaudited 31 Dec 2008 £	Audited 30 June 2009 £
Authorised share capital			
10,000,000,000 ordinary shares of 0.1p each	10,000,000	10,000,000	10,000,000
Allotted, called up and fully paid share capital			
291,000,000 ordinary shares of 0.1p each	291,000	291,000	291,000

No shares were issued during the six months ended 31 December 2009 or the year ended 30 June 2009. The Company received application funds for the issue of 104,000,000 ordinary shares at 1.92p to raise £1,996,800 before costs. Refer to note 8 Material events subsequent to the end of the period.

Share options and warrants

The following equity instruments have been issued by the Company and have not been exercised at 31 December 2009:

Date of grant	Number of options	Exercise price	Exercisable between
28 November 2006	15,000,000	2.5p	Up to 28 November 2011
28 November 2006	15,000,000	5.0p	Up to 28 November 2011
15 April 2007	2,500,000	2.5p	Up to 28 November 2011
15 April 2007	2,500,000	5.0p	Up to 28 November 2011
24 July 2008	10,000,000	5.0p	Up to 23 July 2013
24 July 2008	12,000,000	15.0p	Up to 23 July 2013
24 July 2008	12,000,000	35.0p	Up to 23 July 2013
	<u>69,000,000</u>		

8. Material events subsequent to the end of the period

On 4 January 2010, the Company issued 104,000,000 ordinary shares at 1.92p raising £1,996,800 before costs. The funds were received during the period, and were recorded in the statement of financial position as a share application.

On 11 January 2010, the Company completed the acquisition of joint venture interests of Indago Resources Limited and certain of its group companies ('the Indago Group') in the Tanzanian uranium joint ventures between the Indago Group and the Company. The consideration paid was AUD\$2,500,000 cash, plus 11,493,750 new ordinary shares for a deemed cost of AUD\$400,000 which were issued on 12 January 2010.