

# URANEX

## 2009 Annual Financial Report

Uranex NL ABN: 26 115 111 763





**TANZANIAN  
LICENCES  
30,100km<sup>2</sup>**

**AUSTRALIAN  
LICENCES  
3,800km<sup>2</sup>**

- Roll Front Uranium
- Calcrete / Playa Uranium
- Unconformity / Vein Uranium

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# DIRECTORS' REPORT

The Board of Directors of Uranex NL have pleasure in presenting their report on the Company and its controlled entities for the year ended 30 June 2009.

## Directors

The names and particulars of the qualifications, experience and special responsibility of the Directors in office during the financial year and until the date of this report are as follows. Directors were in office during this period unless otherwise stated.

### TERRANCE A WARD

(Non-Executive Chairman – Age 68)

*B.Sc. (Hons) Mining Engineering, M.Sc. Engineering Production, FAusIMM, FIOM3*

Terry Ward joined the Board in 2005. He has enjoyed a distinguished career in mining with vast experience in development, operations, marketing, financial analysis, fund management and executive management. Over a period of eight years he held the positions of Operations Manager and General Manager of Mary Kathleen Uranium Limited, a company in the CRA group (now Rio Tinto). In the latter part of this period he was also General Manager-Development of the Rudall River (Kintyre) Uranium Project in Western Australia. Mr Ward has had extensive experience in Africa as the General Manager/Managing Director of Bogoso Gold Limited and the Director General of Mines D'Or D'Akjoujt S.A. He has also held the position of Executive Manager, AFL Management Limited, the Manager of the African Lion Limited Fund. He is a Non-Executive Director of Geiger Counter Ltd.

#### Former directorships of listed companies in last three years:

Minerva Resources plc

#### Special responsibilities:

Chairman of the Board  
Chairman of the Remuneration Committee

### DR. JOHN W COTTLE

(Managing Director – Age 60)

*B.Sc. (Hons) Applied Geology, PhD. Economic Geology and Geostatistics, FAusIMM, Chartered Professional (Geology)*

John Cottle was appointed to the Board on 23 January 2008. He has over 30 years experience in exploration, geology, geostatistical reserve estimation, mining, project and corporate analysis, and related computing, of copper, lead, zinc, nickel, alumina, iron ore, gold, coal, uranium, and mineral sands deposits and producers, both in Australia and internationally.

Dr. Cottle has contributed to both large and small project exploration, developments, studies, reserve estimates and audits. Prior roles include Exploration Manager and Chief Operating Officer - Panaegis Gold Mines, Corporate Development Manager - Paringa Mining and Exploration plc, Chief Geologist/Geostatistician - Fluor Australia and Field Operations Manager - Texasgulf Australia.

#### Former directorships of listed companies in last three years:

None

#### Special responsibilities:

Managing Director and Chief Executive Officer

### ANDREW E DALEY

(Non-Executive Director – Age 61)

*B.Sc. (Hons) Mining Engineering, Grad Dip Geoscience, FAusIMM, C Eng (UK), MIOM3*

Andrew Daley joined the Board on 30 November 2007. He worked for several years at a senior management level at Rossing Uranium, Namibia, Conoco Minerals, Niger, a uranium mining and processing company and prior to that on the Zambian Copperbelt for Anglo American. Relocating to Australia in 1981, Andrew worked on numerous gold, base metals and coal project studies as a senior engineer with Fluor Australia. Since late 1983 he has specialised in the resources finance sector, holding the positions of Executive Director and State Manager of National Australia Bank's Investment Bank, Sydney, head of Barclays Australia's resource team in Sydney, head of Chase Manhattan's project finance team in Melbourne and more recently, Director of Barclays Capital mining team in London.

Andrew is a Non-Executive Director of ASX listed PanAust Limited, Kentor Gold Ltd and Chairman of Dragon Mining Limited.

#### Former directorships of listed companies in last three years:

Minerva Resources plc  
Gladstone Pacific Nickel Ltd., an AIM, London listed company

#### Special responsibilities:

Chairman of the Audit Committee

### BIANCA MANZI

(Non-Executive Director – Age 37)

*B.Sc. (Hons) Geology, MAIG*

Bianca Manzi joined the Board on 30 November 2007. She has over 14 years experience in the exploration and mining industry and is a member of the Australian Institute of Geoscientists.

Bianca is the Exploration Manager for IMX Resources Limited, and has held exploration geologist and technical positions with companies ranging from multinational miners to junior explorers attaining gold, uranium, base and precious metal experience.

#### Former directorships of listed companies in last three years:

None

#### Special responsibilities:

Member of both the Audit and Remuneration Committees

### RICHARD G UDOVENYA

(Non-Executive Director – Age 48)

*B.Com, LL.B, F.Fin, AICD*

Richard Udoventya joined the Board on 30 November 2007. He is a partner of a law firm, ResourcesLaw International having over 20 years legal experience in Australia and New Zealand. He holds a Bachelor of Laws, a Bachelor of Commerce and a Graduate Diploma in Applied Finance and Investment (SIA). Richard is a member of the Law Institute of Victoria, a Fellow of the Financial Services Institute of Australia and a member of the Australian Institute of Company Directors. His focus is in the corporate, corporate governance and commercial law areas. He is the legal advisor to a number of Australian and international corporations. Richard is also a Non-Executive Director of Dart Mining NL (ASX Code: DTM).

#### Former directorships of listed companies in last three years:

None

#### Special responsibilities:

Member of both the Audit and Remuneration Committees

## DIRECTORS' REPORT (CONTINUED)

### JOHANN C JACOBS

(Alternate Director for Bianca Manzi – Age 55)

Johann Jacobs has more than 30 years experience in the resource sector where he has managed established companies and acquisitions, expansions or start-up mining operations in Australia, South Africa and Indonesia. His more recent roles have included Chairman of IMX Resources, Managing Director of the ASX-listed coal producer CIM Resources and Managing Director of the ASX-listed mineral sands developer Australian Zircon, where he continues as a Non-Executive Director. In addition, he holds various directorships in private resource focused companies active in Australia and internationally.

### Company Secretary

#### JOHN M NETHERSOLE

(Company Secretary and Chief Financial Officer – Age 54)

*B.Bus, CA.*

John was appointed as Company Secretary on 28 May 2008. He has in excess of 30 years experience in accounting and finance in a broad range of industries including 16 years in resource related companies. He has previously held the position of Secretary for several publicly listed companies.

### Interests in shares and options of the company

As at the date of this report, the interests of the Directors in the shares and options of Uranex NL were:

|              | FULLY PAID<br>ORDINARY SHARES | OPTIONS   |
|--------------|-------------------------------|-----------|
| T A Ward     | 60,870                        | 1,400,000 |
| J W Cottle   | 20,870                        | 2,000,000 |
| R G Udovenya | 39,870                        | 800,000   |
| A E Daley    | 90,870                        | 800,000   |
| B Manzi      | 55,870                        | 800,000   |

### Corporate information

Uranex NL is a Company limited by shares that is incorporated and domiciled in Australia. The shares are listed on the Australian Securities Exchange ("ASX") under the ASX code UNX.

#### NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activity of the Group during the year was prospecting and exploration for minerals. There was no significant change in the nature of that activity during the year.

#### EMPLOYEES

Uranex NL has five employees as at 30 June 2009. (2008: four employees)

## Operating and financial review

### REVIEW OF OPERATIONS

Despite the impact of the global financial crisis, Uranex has continued to advance projects in Tanzania and Australia with a view to achieving producer status in the near future.

#### TANZANIA

Uranex holds large uranium exploration licences in two separate uranium provinces at Manyoni/Bahi in Central Tanzania, and Mkuju/Songea in Southern Tanzania. Continued exploration during the year has advanced the uranium potential of these two provinces significantly.

Exploration of uranium mineralisation in Manyoni Project deposits at Playas C, A, D, E, & F culminated in JORC compliant resource estimates for portions of Playa Deposits A, C, and E, with follow-up exploration and analysis focusing on upgrading and extending these estimates within A, C, E, and D and F. The Manyoni resource estimate comprises a JORC Inferred Resource of 14 million tonnes, averaging 218ppm U<sub>3</sub>O<sub>8</sub> for a contained U<sub>3</sub>O<sub>8</sub> content of approximately 6.7 million pounds (or approximately 3,000 tonnes contained U<sub>3</sub>O<sub>8</sub>), at a cut off grade of 150ppm U<sub>3</sub>O<sub>8</sub>. Estimated contained U<sub>3</sub>O<sub>8</sub> more than doubles to approximately 15.3 million pounds (or approximately 6,900 tonnes) at the 100ppm U<sub>3</sub>O<sub>8</sub> cut off grade.

In addition to the above Inferred Resources, further assay sampling (not included as part of the above estimates) suggests the presence of additional uranium mineralisation with a JORC categorised 'exploration potential' of 5 to 10 million tonnes at a grade of approximately 100 to 200ppm U<sub>3</sub>O<sub>8</sub>. The level of detail for this exploration potential is insufficient to define a JORC Mineral Resource, but is currently being addressed.

Building on from the resource estimates, a Pre-Feasibility Study of the Manyoni Project was initiated during the year. to evaluate options on (i) resource material sourcing, structure and broad sequencing, including variations on the "One Plant – Multiple Sources" strategy, (ii) optimisation of project payback period with emphasis on the high grade schrockingerite zone in playa deposit Manyoni C1, (iii) applicable mining methods and parameters, (iv) preliminarily optimised metallurgical process routes and parameters, (v) physical and social environment impact parameters, and (vi) product refinement levels and attendant sales alternatives.

Preliminary metallurgical testwork results from the initial Scoping Study stage of the Pre-Feasibility Study have returned very encouraging results which include: uranium recoveries up to 90% achieved in short leach timeframes, testwork procedures and results implying conventional processes, and indications of potential lower quartile uranium recovery costs for the project. Final results are expected by the end of 2009, and will address the validity of anticipated low capital and operating costs (reflecting the shallow nature of the deposits, the low-strip ratio, the relatively straightforward, naturally liberated mineralisation recovery from the interstitial-space of unconsolidated sediments) and the scope for uranium product recovery.

A Bankable Feasibility Study is planned to follow in 2010, subsequent to the upgrading and extension of Manyoni Project resources flowing from further infill and extension sonic rig drilling. This drilling has already commenced with the completion of over 150 holes of a 400 hole program. Both radiometric probe eValue and chemical assay results are awaited.

At the Mkuju Project in south-west Tanzania, exploration activities targeted Karoo basin sediments which are the main host for 'Sandstone Hosted' uranium mineralisation throughout sub-Saharan Africa. The Kayelekera uranium deposit in Malawi occurs in similar rocks 300 kilometres to the west.

Drilling of 6,500 metres of a total planned 15,000 metres was completed during the year. The onset of normal seasonal rains curtailed this work, precluding heavy equipment access. These scouting holes and the downhole geological logs, together with the results of local geological (lithology and structure) mapping, have proved invaluable in the development of a detailed geological and mineralisation model for the Mkuju area.

This geological and mineralisation model has provided a three-dimensional interpretation of the potential location of large Wyoming-type roll-front mineralisation accumulations. It is being used in the current 4,000 metre deep RC drilling program to target and intersect prime-target locations and test the model.

Elsewhere in Tanzania, reconnaissance exploration is ongoing at project areas including Songea, Makonde, Kwa Mtoro, and Mkalama.

#### AUSTRALIA

Uranex has four projects in Australia, Thatcher Soak and Bremer Basin in Western Australia (WA) and Bynoe and Alligator Rivers in the Northern Territory (NT).

At the Thatcher Soak Project located within the main Yilgarn (WA) calcrete province, the Company's focus has been to investigate and quantify the historic (1970s) Thatcher Soak uranium deposit and its potential strike and down dip extensions. This was achieved in the June quarter 2008 with the announcement of a resource estimate for the Uranex held portion of the deposit, amounting to approximately 6,300 tonnes (14 Mlbs) of U<sub>3</sub>O<sub>8</sub> at a cut off grade of 100ppm U<sub>3</sub>O<sub>8</sub>.

Exploration during the year focused on upgrading the Thatcher Soak resource using sonic rig drilling. Twelve holes were drilled and proved highly effective in producing 100 percent recovery of 'as in-situ' samples. The holes were cased and downhole probed for the collection of radiometric eU<sub>3</sub>O<sub>8</sub> value estimates. The 'as in-situ' sonic 'core' samples were lithologically logged, chemically assayed and prepared for metallurgical testwork analyses.

Following the change of WA Government in September 2008 and the lifting of the uranium mining ban in the State, the Company put the Thatcher Soak deposit on-track to production by commencement of a basic scoping study based on and using the Sonic 'core' samples. The continuity of the study was ultimately disrupted by the mid-year financial industry downturn and the operations rationalisation made by the Company in response to the downturn.

The Thatcher Soak mineralisation extends to the east into granted prospecting licence P38/3298. During the year Uranex has converted 65% farm-in equity interest in P38/3298 to a 100% interest with the purchase and transfer of the tenement from South Boulder Mines Ltd. to the Company.

In southern Western Australia, exploration was conducted at the Bremer Basin Project which covers 1,740 square kilometres. Unseasonal heavy rains curtailed heavy equipment access and limited drilling to 790 metres of a 2,000 metre program. The results of the drilling returned encouraging indications of uranium and other mineralisation occurrences. These occurrences and completion of the drilling program are currently being followed up with results awaited.

Uranium exploration in the Northern Territory was active at the Bynoe and Alligator Rivers Projects where unconformity-style mineralisation was targeted in the prospective Pine Creek geosyncline, which hosts world class uranium deposits such as Ranger, Nabarlek and Jabiluka. A total of 2,476 metres of drilling was conducted with mixed results. A rationalisation and reduction of tenement coverage in both project areas has been conducted with follow up drilling of the more encouraging locations within the tenements currently underway. Results are awaited.

The Board visited Tanzania during the year and met with all levels of government, including His Excellency President Jakaya Mrisho Kikwete. Management has extended and maintained this level of contact through various government ministries, department officials and local authorities.

In Australia, management has met with and maintains regular relations with relevant government ministries and department officials.

The Company successfully raised circa \$5 million towards the end of the year with share placements to three professional investors and a Share Purchase Plan, enabling shareholders to participate in the funding.

Information in this report relating to exploration results is based on data compiled by John Cottle who is a Member of the Australian Institute of Geoscientists, and who is a full-time employee of the Company. John Cottle has sufficient relevant experience to qualify as a Competent Person under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. John Cottle consents to the inclusion of the data in the form and context in which it appears.

#### SUSTAINABILITY

At Uranex, we believe that the commitment to the principles and practices of good corporate and environmental citizenship goes beyond the requirements of relevant authorities.

We aim to deliver best practice in all areas of sustainable development throughout the life of our projects and activities, including good corporate citizenship, working closely with local communities, protection and minimisation of environmental impacts of exploration and future operations, and striving to educate on health and safety management and the development and maintenance of a safety culture.

#### OPERATING RESULTS FOR THE YEAR

The Group incurred an operating loss after tax of \$2,302,097 (2008:\$1,834,410 having made changes to its accounting policy effective 1 July 2008). Refer to Note 1 of the financial statements for details regarding the accounting policies and changes thereto.

Summarised operating results are as follows:

|                                                          | 2009           |               |
|----------------------------------------------------------|----------------|---------------|
|                                                          | REVENUES<br>\$ | RESULTS<br>\$ |
| <i>Geographic segment</i>                                |                |               |
| Australia                                                | 528,383        | (2,358,953)   |
| East Africa                                              | 158            | (480,689)     |
| Intersegment elimination                                 | -              | 608,394       |
| Revenues and loss<br>from ordinary activities before tax | 528,541        | (2,231,248)   |

# DIRECTORS' REPORT (CONTINUED)

## REVIEW OF FINANCIAL CONDITION

### *Liquidity and capital resources*

The consolidated cash flow statement shows a decrease in cash and cash equivalents for the year ended 30 June 2009 of \$2,516,765 (2008:\$5,634,420). However, the Group raised \$4,727,306 by way of a share placement on 28 June 2009 to add further liquidity to the Group. The Group has liquid funds of \$8,525,909 (\$11,042,674) at balance date that will be available for future operational use.

The Group has no borrowings (2008: \$nil).

### *Share issue during year*

The Company arranged a share placement on 28 June 2009 of 11,818,265 fully paid ordinary shares at an issue price of \$0.40 per share, thus raising \$4,727,306.

### *Capital expenditure*

The Group has reduced all capital expenditure on property, plant and equipment from \$621,213 to \$284,054 for the year ended 30 June 2009. A sonic drill rig was purchased in 2008 for \$356,973 and following delivery to Tanzania has been used by the Company during the year in its exploration activities.

## SHAREHOLDER RETURNS

|                                | 2009 | 2008 |
|--------------------------------|------|------|
| Basic loss per share (cents)   | 2.59 | 2.06 |
| Diluted loss per share (cents) | 2.59 | 2.06 |

### *Dividends*

No dividends have been paid during the year (2008: \$nil). The Directors do not recommended the payment of a dividend for this financial year.

## RISK MANAGEMENT

The Board is responsible for ensuring that risks are identified on a timely basis and that the Company's activities manage the risks identified by the Board.

The Group believes that it is crucial for all Board members to be a part of this process. The Board has not established a separate risk management committee but reviewed the major risks to the business with management and has the following processes in place to monitor it:

- The Board has undertaken strategic reviews of its activities and conveyed to management and shareholders its objectives.
- The Board approved operating budgets and at its meetings monitors actual expenditure to budget.
- The Board reviews sovereign, operating and environmental risks with management and from time to time external consultants provide reports on its practices.
- The Board assesses political and sovereign risks relating to its international assets by monitoring local media and politics. Company representatives liaise with all levels of government to maintain awareness as to matters that may affect the Company.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company or the Group during the financial year.

## SIGNIFICANT EVENTS AFTER THE BALANCE DATE

No matters or circumstances, besides those disclosed at Notes 16 and 26, have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the opinion of the Directors, it would prejudice the interest of the Group to include additional information, except as reported in the Directors' report, which relates to likely developments in the operations of the Company or the Group and the expected results of those operations in financial periods subsequent to 30 June 2009.

## ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company as well as the Group's exploration activities, both in Australia and overseas, are subject to environmental regulations and guidelines operating in the licence areas. Failure to meet environmental conditions attaching to the Group's mineral tenements could lead to forfeiture of the tenements. No environmental breaches have occurred or have been notified by any government agencies during the year ended 30 June 2009.

## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the Company has paid premiums insuring all the Directors of Uranex NL against costs incurred in defending proceedings for conduct involving:

- (a) a wilful breach of duty; or
- (b) a contravention of sections 182 or 183 of the Corporations Act 2001, as permitted by section 199B of the Corporations Act 2001.

The total amount of insurance contract premiums paid is confidential under the terms of the insurance policy.

## SHARE OPTIONS

At the date of this report, there were 5,800,000 options outstanding. Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate.

No options were exercised during the period. Please refer to the remuneration report for further details of the options outstanding.

## DIRECTORS' BENEFITS

During or since the financial year, no Director of the Company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors shown in the consolidated accounts, by reason of a contract entered into by the Company or an entity that the Company controlled or a body corporate that was related to the Company when the contract was made or when the Director received, or became entitled to receive, the benefit with:

- a Director, or
  - a firm of which a Director is a member, or
  - an entity in which a Director has substantial financial interest, except the usual professional fees for their services paid by the Company to:
- a) ResourcesLaw International, a law firm in which Mr R G Udovenya is a partner.

- b) Ward International Consultants Pty. Ltd, being a company in which Mr TA Ward is beneficially interested.
- c) Dalenier Enterprises Pty Ltd, being a company in which Mr A E Daley is beneficially interested.

Full details are provided in Note 20 - Related Party Disclosures.

## DIRECTORS' MEETINGS

The number of Directors' meetings held (including meetings of committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year are:

|                              | DIRECTORS' MEETING |    | AUDIT COMMITTEE |   | REMUNERATION COMMITTEE |   |
|------------------------------|--------------------|----|-----------------|---|------------------------|---|
|                              | A                  | B  | A               | B | A                      | B |
| Number of meetings attended: |                    |    |                 |   |                        |   |
| T A Ward                     | 16                 | 16 | *               | * | 2                      | 2 |
| J W Cottle                   | 16                 | 16 | *               | * | *                      | * |
| A E Daley                    | 15                 | 16 | 2               | 3 | *                      | * |
| B Manzi                      | 15                 | 16 | 3               | 3 | 2                      | 2 |
| R G Udovenya                 | 16                 | 16 | 3               | 3 | 2                      | 2 |

### Notes 1

A Number of meetings attended.

B Number of meetings held during the time the Director held office during the year.

\* Not a member of the relevant committee.

The Audit Committee comprises A E Daley (Chairman), and R G Udovenya and B Manzi.

The Remuneration Committee comprises T A Ward (Chairman), R G Udovenya and B Manzi.

## AUDITOR INDEPENDENCE

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act is set out on page 46.

## NON-AUDIT SERVICES

No non-audit services were provided by the entity's auditor, Ernst & Young.

In the opinion of the Directors of the Company, there were no independence issues.

## REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for Directors and executives receiving the highest remuneration of the Group.

## REMUNERATION POLICY

The Board recognises that the performance of the Company depends upon the quality of its Directors and executives. To achieve its operating and financial activities the Company must attract, motivate and retain highly skilled Directors and executives.

The Company's policy for determining the nature and amount of emoluments of Board members and executives of the Company is assessed annually at the end of each calendar year and are set by reference to the mineral exploration industry market place and are not directly linked to the Company's performance.

All Directors receive a superannuation contribution which is currently 9% and do not receive any other retirement benefits.

All remuneration paid to Directors and executives is valued at the cost to the Company and expensed.

The Board policy is to remunerate non-executive Directors at market rates for comparable companies for time, commitment and responsibilities based on recommendations from the Remuneration

Committee. The Board determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. Any increase in the maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive Directors are not linked to the performance of the Group. To align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

## PERFORMANCE BASED REMUNERATION

The Company currently has a performance based remuneration component built into the Managing Director's remuneration package. Two benchmarks were not attained within 12 months of commencement and have now lapsed. Any additional bonuses may be payable at the Board's discretion following the annual performance review.

## COMPANY PERFORMANCE, SHAREHOLDER WEALTH AND DIRECTORS' AND EXECUTIVES' REMUNERATION

In accordance with the remuneration policy noted above, the Company includes the following principles in its remuneration framework:

- Competitive rewards are set to attract high calibre executives;
- Executive rewards are linked to shareholder value;
- A significant portion of executive remuneration is dependent upon meeting pre-determined performance benchmarks; and
- Appropriate performance hurdles are established in relation to variable executive remuneration.

### Group performance annual net income

|                             | 2009      | 2008      | 2007      | 2006     |
|-----------------------------|-----------|-----------|-----------|----------|
|                             |           | Restated  | Restated  | Restated |
| Consolidated loss after tax | 2,302,097 | 1,834,410 | 2,979,783 | 753,740  |

## PERFORMANCE INCOME AS A PROPORTION OF TOTAL COMPENSATION

No performance based bonuses have been paid to executive Directors and executives during the financial year.

### Service agreements

The agreements relating to remuneration are set out below:

#### John Cottle – Managing Director (appointed 27 January 2008)

- Term of agreement 3 years from date of appointment
- Remuneration is \$275,000 per annum, performance bonuses of up to \$60,000 and statutory superannuation guarantee of 9%
- The agreement and the employment created by it may be terminated by either Uranex NL or Mr Cottle by that party giving the other 6 months notice
- Agreement is subject to annual review

#### John Nethersole – Company Secretary (appointed 28 May 2008)

- Term of agreement 2 years from date of employment
- Remuneration is \$160,000 per annum plus statutory superannuation guarantee of 9%
- The agreement and the employment created by it may be terminated by either Uranex NL or Mr Nethersole by that party giving the other 3 months notice

## DIRECTORS' REPORT (CONTINUED)

Table 1: Remuneration for the year ended 30 June 2009

|                                       | SHORT TERM          |                    | POST EMPLOYMENT       |                            | SHARE BASED PAYMENTS | TOTAL            |
|---------------------------------------|---------------------|--------------------|-----------------------|----------------------------|----------------------|------------------|
|                                       | SALARY & FEES<br>\$ | NON MONETARY<br>\$ | SUPER-ANNUATION<br>\$ | RETIREMENTS BENEFITS<br>\$ | OPTIONS<br>\$        |                  |
| <b>Directors</b>                      |                     |                    |                       |                            |                      |                  |
| T Ward*                               | 59,500              | 1,864              | 5,355                 | -                          | 99,000               | 165,719          |
| A Daley*                              | 45,017              | 1,294              | -                     | -                          | 56,700               | 103,011          |
| B Manzi                               | 41,300              | 1,294              | 3,717                 | -                          | 68,000               | 114,311          |
| R Udovenya**                          | -                   | 1,294              | 45,017                | -                          | 67,200               | 113,511          |
| <b>Executive Directors</b>            |                     |                    |                       |                            |                      |                  |
| J Cottle                              |                     |                    |                       |                            |                      |                  |
| <b>Other key management personnel</b> |                     |                    |                       |                            |                      |                  |
| J Nethersole                          | 93,333              | 5,012              | 81,067                | -                          | -                    | 179,412          |
|                                       | <b>491,444</b>      | <b>18,662</b>      | <b>157,862</b>        | <b>-</b>                   | <b>438,700</b>       | <b>1,106,668</b> |

\* Part of fees were paid to related entities. Refer to Note 19 – Key Management Personnel disclosure for further details.

\*\* Superannuation paid in lieu of fees

Table 2: Remuneration for the year ended 30 June 2008

|                                         | SHORT TERM          |                    | POST EMPLOYMENT       |                            | SHARE BASED PAYMENTS     | TOTAL            |
|-----------------------------------------|---------------------|--------------------|-----------------------|----------------------------|--------------------------|------------------|
|                                         | SALARY & FEES<br>\$ | NON MONETARY<br>\$ | SUPER-ANNUATION<br>\$ | RETIREMENTS BENEFITS<br>\$ | PARTLY PAID SHARES<br>\$ |                  |
| <b>Directors</b>                        |                     |                    |                       |                            |                          |                  |
| T Ward                                  | 59,750              | 4,432              | 5,377                 | -                          | -                        | 69,559           |
| A Daley                                 | 24,092              | 2,586              | 2,168                 | -                          | -                        | 28,846           |
| B Manzi                                 | 24,092              | 2,586              | 2,168                 | -                          | -                        | 28,846           |
| R Udovenya                              | -                   | 2,586              | 26,260                | -                          | -                        | 28,846           |
| L Berrey (resigned 30 November 2007)    | 17,584              | 1,846              | 1,583                 | -                          | -                        | 21,013           |
| R Edwards (resigned 29 November 2007)   | 142,287             | 5,335              | 13,060                | 115,000                    | -                        | 275,682          |
| G Kenway (resigned 27 November 2007)    | 17,584              | 1,809              | 7,577                 | 110,410                    | -                        | 137,380          |
| D McBain (resigned 15 August 2007)      | -                   | 36                 | -                     | -                          | -                        | 36               |
| G Wallace (resigned 30 November 2007)   | 129,955             | 2,406              | 23,980                | 272,724                    | 244,091                  | 673,156          |
| <b>Executive Directors</b>              |                     |                    |                       |                            |                          |                  |
| J Cottle                                | 92,241              | 1,931              | 22,343                | -                          | -                        | 116,515          |
| <b>Other key management personnel L</b> |                     |                    |                       |                            |                          |                  |
| N Jombwe                                | 73,807              | -                  | 6,643                 | -                          | -                        | 80,450           |
| J Nethersole                            | -                   | 765                | 33,091                | -                          | -                        | 33,856           |
| K France (resigned 28 May 2008)         | 120,403             | 3,995              | -                     | -                          | -                        | 124,398          |
| A Surtees (resigned July 2007)          | 1,101               | -                  | 99                    | -                          | -                        | 1,200            |
|                                         | <b>702,896</b>      | <b>30,313</b>      | <b>144,349</b>        | <b>498,134</b>             | <b>244,091</b>           | <b>1,619,783</b> |

Table 3: Compensation options granted and vested during the year (Consolidated)

| UNLISTED OPTIONS | GRANTED   |             | TERMS & CONDITIONS FOR EACH GRANT |                | EXERCISE PRICE CENTS | VESTED    | REMUNERATION CONSISTING OF OPTIONS FOR THE YEAR |      |
|------------------|-----------|-------------|-----------------------------------|----------------|----------------------|-----------|-------------------------------------------------|------|
|                  | NO.       | GRANT DATE  | FAIR VALUE PER OPTION CENTS       | TOTAL VALUE \$ |                      |           | NO.                                             | %    |
| <b>2009</b>      |           |             |                                   |                |                      |           |                                                 |      |
| <b>Directors</b> |           |             |                                   |                |                      |           |                                                 |      |
| T A Ward         | 500,000   | 14 Nov 2008 | 7.20                              | 36,000         | 30                   | 500,000   |                                                 |      |
|                  | 900,000   | 14 Nov 2008 | 7.00                              | 63,000         | 34                   | 900,000   |                                                 | 60.0 |
| J W Cottle       | 900,000   | 14 Nov 2008 | 7.50                              | 67,500         | 30                   | 900,000   |                                                 |      |
|                  | 1,100,000 | 14 Nov 2008 | 7.30                              | 80,300         | 34                   | 1,100,000 |                                                 | 34.5 |
| A E Daley        | 350,000   | 14 Nov 2008 | 7.20                              | 25,200         | 30                   | 350,000   |                                                 |      |
|                  | 450,000   | 14 Nov 2008 | 7.00                              | 31,500         | 34                   | 450,000   |                                                 | 49.2 |
| B Manzi          | 350,000   | 14 Nov 2008 | 8.50                              | 29,750         | 30                   | 350,000   |                                                 |      |
|                  | 450,000   | 14 Nov 2008 | 8.50                              | 38,250         | 34                   | 450,000   |                                                 | 59.7 |
| R G Udovenya     | 350,000   | 14 Nov 2008 | 8.40                              | 29,400         | 30                   | 350,000   |                                                 |      |
|                  | 450,000   | 14 Nov 2008 | 8.40                              | 37,800         | 34                   | 450,000   |                                                 | 59.4 |
|                  | 5,800,000 |             |                                   | 438,700        |                      | 5,800,000 |                                                 |      |

The options are exercisable at any time from date of vesting to 6 months after termination of employment with the Company. No options were exercised during the financial year nor were any options issued in prior periods.

The issue of options to Directors was approved by members at the Annual General Meeting held on the 14 November 2008. The issue was made to align the personal interests of non-executive Directors with those of the Company. Options issued to the Managing Director were in accordance with his employment contract.

Table 4: Compensation shares issued

| PARTLY PAID SHARES | GRANTED |             | TERMS AND CONDITIONS FOR EACH GRANT      |                              |         |
|--------------------|---------|-------------|------------------------------------------|------------------------------|---------|
|                    | NO.     | GRANT DATE  | FAIR VALUE PER PARTLY PAID AT GRANT DATE | STRIKE PRICE PER PARTLY PAID | NO.     |
| <b>2008</b>        |         |             |                                          |                              |         |
| <b>Directors</b>   |         |             |                                          |                              |         |
| G J Wallace        | 500,000 | 28 Nov 2007 | 49 Cents                                 | 96 cents                     | 500,000 |

No compensation shares issued during the current financial year. The value attributable to those partly paid shares that vested and the amount recognised as an expense during 2008 was \$244,091.

Signed in accordance with a resolution of the Directors.



**J W Cottle**

Managing Director

Melbourne, 29 September 2009

# CORPORATE GOVERNANCE STATEMENT

The Company's Board of Directors ('Board') is responsible for the overall corporate governance of the Company and it recognises the need for the highest standards of ethical behaviour and accountability. The Board is committed to administering its corporate governance structures to promote integrity and responsible decision-making. To the extent that they are relevant to the organisation, the Company has, subject to the exceptions set out below, had regard to the eight ASX Corporate Governance Council "Corporate Governance Principles and Recommendations" (2nd Edition) ("ASX Principles").

## THE BOARD OF DIRECTORS

The Board is responsible for the corporate governance of the Company. The Board has developed strategies for the Company, reviews strategic objectives, and monitors the performance against those objectives. The overall goals of the corporate governance process are to:

- drive shareholder value;
- assure a prudential and ethical base to the Company's conduct and activities; and
- ensure compliance with the Company's legal and regulatory obligations.

Consistent with these goals, the Board commits to the following responsibilities:

- to review the corporate, commercial and financial performance of the Company on a regular basis;
- to act on behalf of, and be accountable to, the shareholders;
- to identify business risks and implement actions to manage those risks; and
- develop and implement management and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in Board discussions on a fully informed basis.

The role and functions of the Board as set out above is consistent with ASX Principle 1.

## COMPOSITION OF THE BOARD

Election of Board members is substantially the province of the shareholders in general meetings. However, subject thereto, the Company commits to the following principles:

- that the Board should comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business;
- that the principal criterion for the appointment of new Directors should be their ability to add value to the Company and its business.

The Company does not have a formal Nomination Committee as recommended by ASX Principle 2.4. However, the whole Board will meet to consider additional appointments.

The Board consists of one executive Director, four non-executive Directors and one alternate Director. A majority of the Board is comprised of independent Directors thereby complying with Principle 2.1. The consents in writing of each Director are on file and all Directors have made all necessary disclosures relating to potential conflicts of interest. Details of each Director are set out in the Directors' report.

## INDEPENDENT PROFESSIONAL ADVICE

Subject to the Chairman's prior approval (not to be unreasonably withheld) Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

## REMUNERATION POLICIES

The Board appointed a separately constituted Remuneration Committee consisting of three non-executive Directors, consistent with ASX Principle 8. The members of the Remuneration Committee are: Mr T A Ward (Chairman), Mr R G Udovenya and Ms B Manzi.

The Remuneration Committee advises the Board on remuneration and incentive policies and practices. It makes specific recommendations on remuneration packages and other terms of employment for executive Directors, other senior executives and non-executive Directors.

Any increase in the maximum remuneration of non-executive Directors is the subject of shareholder resolution in accordance with the Company's constitution, the Corporations Act and the ASX Listing Rules, as applicable. The apportionment of non-executive Director remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

The Board may award additional remuneration to non-executive Directors called upon to perform extra services or undertake special duties on behalf of the Company.

## EXTERNAL AUDIT

The Company in general meeting is responsible for the appointment of the external auditors of the Company. The Board from time to time will review the scope, performance and fees of the external auditors. Consistent with ASX Principle 6, the auditors are invited to attend and answer questions at the Company's Annual General Meeting.

## AUDIT COMMITTEE

The Company has a separately constituted Audit Committee. The members of the Audit Committee are: Mr A E Daley (Chairman), Mr R G Udovenya and Ms B Manzi.

The main responsibilities of the Audit Committee are to:

- review and report to the Board on the periodic reports and financial statements;
- provide assurance to the Board that it is receiving adequate, timely and reliable information;
- assist the Board in reviewing effectiveness of the Group's internal control environment covering:
  - compliance with applicable laws and regulations
  - reliability of financial reporting; and
- liaise with the external auditors and ensure that the annual audit and half-year review are conducted in an efficient manner.

The Audit Committee reviews the performance of the external auditors on an annual basis. A representative of the committee meets with them during the year to discuss the external audit plan, any significant problems that may arise, and to review the fees proposed for the audit work to be performed.

Any written matters raised by the auditors are discussed and dealt with at full Board meetings. The auditors, by request, may attend Audit Committee meetings and Board meetings to discuss any matter that they believe warrants attention by the Board. The auditors also attend shareholder meetings of the Group.

The Audit Committee structure is consistent with ASX Principle 4.

## CONTINUOUS DISCLOSURE POLICY

The Company has a continuous disclosure policy dealing with the timely disclosure of price sensitive information including announcements to the ASX, conduct of investor and analyst briefings and media communications.

The Company's continuous disclosure policy is consistent with ASX Principle 5.

## IDENTIFICATION AND MANAGEMENT OF RISK

The Directors' collective experience will enable accurate identification of the principal risks which may affect the Company's business. Management of these risks will be discussed by the Board at periodic (at least annual) strategic planning meetings. In addition, key operational risks and their management will be recurring items for deliberation at Board meetings.

Determined areas of risk that are regularly considered at Board meetings or reported on monthly include:

- performance and funding of exploration activities;
- budget control and asset protection;
- status of mineral tenements;
- sovereign risk and native title considerations; and
- continuous disclosure obligations.

The Company's practice is consistent with ASX Principle 7.

## MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

In accordance with section 295A of the Corporations Act, the Managing Director and Chief Financial Officer have provided a written statement to the Board that:

- their view provided on the Company's financial report is founded on a sound system of risk management and internal control which implements the financial policies adopted by the Board; and
- the Company's risk management and internal compliance and control system is operating effectively in all material respects.

The Board agrees with the views of the ASX on this matter and notes that due to its nature, internal compliance and control assurance from the Managing Director and Chief Financial Officer can only be reasonable rather than absolute. This is due to such factors as the need for judgement, the use of testing on a sample basis, the inherent limitations in internal control and because much of the evidence available is persuasive rather than conclusive and therefore is not and cannot be designed to detect all weaknesses in control procedures.

## ETHICAL STANDARDS AND CODE OF CONDUCT

The Board is committed to the establishment of a code of conduct and maintenance of appropriate ethical standards to underpin the Company's operations and corporate practices.

The Board's code of conduct is consistent with ASX Principles 3 and 7.

## SHAREHOLDER COMMUNICATION

The Board aims to ensure that the shareholders are informed of all major developments affecting the Group's state of affairs. Information is communicated to shareholders as follows:

- the internet web site: [www.uranex.com.au](http://www.uranex.com.au)
- the Annual Report is distributed to all shareholders. The Board ensures that the Annual Report includes relevant information about the operations of the Group during the year, changes in the state of affairs of the Group and details of future developments, in addition to other disclosures required by *Corporations Act 2001*;
- quarterly reports and half-yearly financial statements are lodged with the ASX and copies are sent to any shareholder upon request;
- any proposed major changes in the Group which may impact on the share ownership rights would be submitted to a vote of shareholders; and
- the Board ensures that the continuous disclosure requirements of the ASX are fully complied with, ensuring that shareholders are kept informed on significant events affecting the Group.

The Board's respect of the rights of shareholders is consistent with ASX Principle 6.

## CONTINUOUS REVIEW OF CORPORATE GOVERNANCE

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as Directors of the Company. Such information must be sufficient from time to time in light of changing circumstances and economic conditions. The Directors recognise that mineral exploration is an inherently risky business and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

| ASX PRINCIPLE                                                          | STATUS                                                                                                                               | REFERENCE/COMMENT |                                                                                                                               |
|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------------------------------------------------------------------------------------------------------------|
| <b>Principle 1: Lay solid foundations for management and oversight</b> |                                                                                                                                      |                   |                                                                                                                               |
| <b>1.1</b>                                                             | Companies should establish the functions reserved to the Board and those delegated to senior executives and disclose those functions | Complies          | Corporate governance section 1 as disclosed on the Company's website.                                                         |
| <b>1.2</b>                                                             | Companies should disclose the process for evaluating the performance of senior executives                                            | Complies          | Disclosed in notes to Annual Report.                                                                                          |
| <b>1.3</b>                                                             | Companies should provide the information indicated in the Guide to reporting on Principle 1                                          | Complies          | Disclosed in notes to Annual Report. No performance evaluation for senior executives has taken place in the reporting period. |

## CORPORATE GOVERNANCE STATEMENT (CONTINUED)

|                                                                     | ASX PRINCIPLE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | STATUS          | REFERENCE/COMMENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Principle 2: Structure the Board to add value</b>                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 2.1                                                                 | A majority of the Board should be independent directors                                                                                                                                                                                                                                                                                                                                                                                                                                         | Complies        | A majority of the Board is independent. Notwithstanding that Mr Udovenya has within the last three years been a principal of a material professional adviser to the company, the Board considers him to be independent for the reasons that his experience and professional integrity, taken together with the professional duties imposed on him by law and his demonstrated ability to put his duties to the Company before his own interests, ensure that the relationship of professional adviser to the Company does not in any way interfere with the independent exercise of his judgment as a Director. |
| 2.2                                                                 | The Chairman should be an independent Director                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Complies        | The Chairman is independent.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 2.3                                                                 | The roles of Chairman and Chief Executive Officer should not be exercised by the same individual                                                                                                                                                                                                                                                                                                                                                                                                | Complies        | Corporate governance section 2 as disclosed on the Company's website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 2.4                                                                 | The Board should establish a Nomination Committee                                                                                                                                                                                                                                                                                                                                                                                                                                               | Does not comply | The Company does not have a formal Nomination Committee. The Board meets to consider any appointments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 2.5                                                                 | Companies should disclose the process for evaluating the performance of the Board, its committee and individual Directors                                                                                                                                                                                                                                                                                                                                                                       | Complies        | Disclosed in notes to Annual Report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 2.6                                                                 | Companies should provide the information indicated in the Guide to reporting on Principle 2                                                                                                                                                                                                                                                                                                                                                                                                     | Complies        | Disclosed in notes to Annual Report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Principle 3: Promote ethical and responsible decision-making</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 3.1                                                                 | Companies should establish a code of conduct and disclose the code or a summary of the code as to: <ul style="list-style-type: none"> <li>the practices necessary to maintain confidence in the Company's integrity</li> <li>the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders</li> <li>the responsibility and accountability of individuals for reporting and investigating reports of unethical practices</li> </ul> | Complies        | Corporate governance section as disclosed on the Company's website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 3.2                                                                 | Companies should establish a policy concerning trading in Company securities by Directors, senior executives and employees, and disclose the policy or a summary of that policy                                                                                                                                                                                                                                                                                                                 | Complies        | Corporate governance section as disclosed on the Company's website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 3.3                                                                 | Companies should provide the information indicated in the Guide to reporting on Principle 3                                                                                                                                                                                                                                                                                                                                                                                                     | Complies        | Corporate governance section as disclosed on the Company's website                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Principle 4: Safeguard integrity in financial reporting</b>      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 4.1                                                                 | The Board should establish an Audit Committee                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Complies        | Corporate governance section as disclosed on the Company's website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 4.2                                                                 | The Audit Committee should be structured so that it: <ul style="list-style-type: none"> <li>consists only of non-executive Directors</li> <li>consist of a majority of independent Directors</li> <li>is chaired by an independent chair, who is not chair of the Board</li> <li>has at least three members</li> </ul>                                                                                                                                                                          | Complies        | The Audit Committee comprises three non-executive Directors, a majority of whom are independent including the Chairman, who is not the Chairman of the Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 4.3                                                                 | The Audit Committee should have a formal charter                                                                                                                                                                                                                                                                                                                                                                                                                                                | Complies        | Corporate governance section as disclosed on the Company's website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 4.4                                                                 | Companies should provide the information indicated in the Guide to reporting on Principle 4                                                                                                                                                                                                                                                                                                                                                                                                     | Complies        | Corporate governance section as disclosed on the Company's website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

|                                                         | ASX PRINCIPLE                                                                                                                                                                                                                                                                                                                                                                                                                          | STATUS   | REFERENCE/COMMENT                                                                                          |
|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|------------------------------------------------------------------------------------------------------------|
| <b>Principle 5: Make timely and balanced disclosure</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                        |          |                                                                                                            |
| 5.1                                                     | Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies                                                                                                                                                                        | Complies | Corporate governance section as disclosed on the Company's website.                                        |
| 5.2                                                     | Companies should provide the information indicated in the Guide to reporting on Principle 5                                                                                                                                                                                                                                                                                                                                            | Complies | Corporate governance section as disclosed on the Company's website.                                        |
| <b>Principle 6: Respect the rights of shareholders</b>  |                                                                                                                                                                                                                                                                                                                                                                                                                                        |          |                                                                                                            |
| 6.1                                                     | Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy                                                                                                                                                                                                                  | Complies | Corporate governance section as disclosed in the Annual Report, and as disclosed on the Company's website. |
| 6.2                                                     | Companies should provide the information indicated in the Guide to reporting on Principle 6                                                                                                                                                                                                                                                                                                                                            | Complies | Corporate governance section as disclosed in the Annual Report, and as disclosed on the Company's website. |
| <b>Principle 7: Recognise and manage risk</b>           |                                                                                                                                                                                                                                                                                                                                                                                                                                        |          |                                                                                                            |
| 7.1                                                     | Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies                                                                                                                                                                                                                                                                                               | Complies | Corporate governance section as disclosed on the Company's website.                                        |
| 7.2                                                     | The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks                                                     | Complies | Disclosed in Annual Report.                                                                                |
| 7.3                                                     | The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks | Complies | Disclosed in Annual Report (Directors' Declaration).                                                       |
| 7.4                                                     | Companies should provide the information indicated in the Guide to reporting on Principle 7                                                                                                                                                                                                                                                                                                                                            | Complies | Corporate Governance section as disclosed on the Company's website.                                        |
| <b>Principle 8: Remunerate fairly and responsibly</b>   |                                                                                                                                                                                                                                                                                                                                                                                                                                        |          |                                                                                                            |
| 8.1                                                     | The Board should establish a Remuneration Committee                                                                                                                                                                                                                                                                                                                                                                                    | Complies | Disclosed in notes to Annual Report.                                                                       |
| 8.2                                                     | Companies should clearly distinguish the structure of non-executive Directors remuneration from that of executive Directors and senior executives                                                                                                                                                                                                                                                                                      | Complies | Disclosed in notes to Annual Report.                                                                       |
| 8.3                                                     | Companies should provide the information indicated in the Guide to reporting on Principle 8                                                                                                                                                                                                                                                                                                                                            | Complies | Disclosed in notes to Annual Report.                                                                       |

## INCOME STATEMENT Year ended 30 June 2009

|                                           | NOTES | CONSOLIDATED<br>2009<br>\$ | CONSOLIDATED<br>2008<br>\$ | PARENT ENTITY<br>2009<br>\$ | PARENT ENTITY<br>2008<br>\$ |
|-------------------------------------------|-------|----------------------------|----------------------------|-----------------------------|-----------------------------|
| <b>REVENUE</b>                            |       |                            |                            |                             |                             |
| Interest received                         |       | 469,740                    | 978,384                    | 469,695                     | 978,380                     |
| Rent received                             |       | 53,980                     | -                          | -                           | -                           |
| Net foreign exchange gains                |       | 1,914                      | 137,310                    | 2,079                       | -                           |
| Other income                              |       | 2,907                      | 285                        | 2,907                       | 285                         |
| <b>Total revenue</b>                      |       | <b>528,541</b>             | <b>1,115,979</b>           | <b>474,681</b>              | <b>978,665</b>              |
| <b>EXPENDITURE</b>                        |       |                            |                            |                             |                             |
| Depreciation                              |       | 54,980                     | 54,198                     | 49,336                      | 54,198                      |
| Directors fees                            |       | 142,100                    | 169,362                    | 142,100                     | 169,362                     |
| Employee share remuneration               |       | 438,700                    | 244,091                    | 438,700                     | 244,091                     |
| Exploration expenditure written off       |       | 208,670                    | -                          | 204,257                     | -                           |
| Interest paid                             |       | 432                        | 55                         | 299                         | 55                          |
| Legal expenses                            |       | 171,362                    | 87,144                     | 167,008                     | 87,144                      |
| Loss on sale of fixed assets              |       | 1,872                      | 31,008                     | 1,872                       | -                           |
| Management service fees                   |       | 207,072                    | 187,994                    | 207,072                     | 187,994                     |
| Net foreign exchange losses               |       | -                          | -                          | -                           | 2,095                       |
| Promotion expenses                        |       | 121,510                    | 65,834                     | 121,510                     | 65,834                      |
| Provision for non recovery of investments |       | -                          | -                          | 6                           | 1,945                       |
| Provision for non recovery of loans       |       | -                          | -                          | 191,975                     | 339,848                     |
| Provision for restructure costs           |       | 168,100                    | -                          | 168,100                     | -                           |
| Rental expenses                           |       | 114,833                    | 281,740                    | 67,379                      | 281,740                     |
| Salaries and wages                        |       | 451,918                    | 626,426                    | 451,918                     | 626,426                     |
| Staff procurement                         |       | 13,337                     | 116,497                    | 13,337                      | 116,497                     |
| Superannuation                            |       | 104,238                    | 139,365                    | 104,238                     | 139,365                     |
| Travel costs                              |       | 128,685                    | 59,662                     | 128,698                     | 59,662                      |
| Other expenses                            |       | 431,980                    | 699,497                    | 354,511                     | 579,693                     |
| <b>Total expenditure</b>                  |       | <b>2,759,789</b>           | <b>2,762,873</b>           | <b>2,812,316</b>            | <b>2,955,949</b>            |
| <b>Loss before income tax expense</b>     |       | <b>2,231,248</b>           | <b>1,646,894</b>           | <b>2,337,635</b>            | <b>1,977,284</b>            |
| <b>(Income tax benefit) / expense</b>     | 2     | <b>70,849</b>              | <b>187,516</b>             | <b>70,849</b>               | <b>187,516</b>              |
| <b>Net loss for the year</b>              |       | <b>2,302,097</b>           | <b>1,834,410</b>           | <b>2,408,484</b>            | <b>2,164,800</b>            |
| Basic loss per share (cents per share)    | 18    | 2.59                       | 2.06                       |                             |                             |
| Diluted loss per share (cents per share)  | 18    | 2.59                       | 2.06                       |                             |                             |

*The above Income Statement should be read in conjunction with the accompanying notes*

## BALANCE SHEET As at 30 June 2009

|                                       | NOTES  | CONSOLIDATED<br>2009<br>\$ | CONSOLIDATED<br>2008<br>\$ | PARENT ENTITY<br>2009<br>\$ | PARENT ENTITY<br>2008<br>\$ |
|---------------------------------------|--------|----------------------------|----------------------------|-----------------------------|-----------------------------|
| <b>CURRENT ASSETS</b>                 |        |                            |                            |                             |                             |
| Cash and cash equivalents             | 12 (b) | 8,525,909                  | 11,042,674                 | 8,467,218                   | 11,042,672                  |
| Trade and other receivables           | 4 (a)  | 171,424                    | 119,741                    | 141,034                     | 118,868                     |
| <b>Total current assets</b>           |        | <b>8,697,333</b>           | <b>11,162,415</b>          | <b>8,608,252</b>            | <b>11,161,540</b>           |
| <b>NON CURRENT ASSETS</b>             |        |                            |                            |                             |                             |
| Other receivables                     | 4 (b)  | 201,452                    | 64,268                     | 201,452                     | 64,268                      |
| Other financial assets                | 5      | -                          | -                          | 8,937,314                   | 5,264,263                   |
| Property, plant & equipment           | 6      | 951,727                    | 761,763                    | 164,845                     | 139,570                     |
| Exploration, evaluation & development | 7      | 12,613,264                 | 6,989,202                  | 4,316,113                   | 2,735,596                   |
| <b>Total non current assets</b>       |        | <b>13,766,443</b>          | <b>7,815,233</b>           | <b>13,619,724</b>           | <b>8,203,697</b>            |
| <b>Total assets</b>                   |        | <b>22,463,776</b>          | <b>18,977,648</b>          | <b>22,227,976</b>           | <b>19,365,237</b>           |
| <b>CURRENT LIABILITIES</b>            |        |                            |                            |                             |                             |
| Trade and other payables              | 8(a)   | 774,499                    | 818,380                    | 715,821                     | 660,542                     |
| Provisions                            | 9      | 149,297                    | 23,841                     | 149,297                     | 23,841                      |
| <b>Total current liabilities</b>      |        | <b>923,796</b>             | <b>842,221</b>             | <b>865,118</b>              | <b>684,383</b>              |
| <b>NON CURRENT LIABILITIES</b>        |        |                            |                            |                             |                             |
| Other payables                        | 8(b)   | 29,104                     | -                          | 21,898                      | -                           |
| Provisions                            | 9      | 68,100                     | -                          | 68,100                      | -                           |
| <b>Total non current liabilities</b>  |        | <b>97,204</b>              | <b>-</b>                   | <b>89,998</b>               | <b>-</b>                    |
| <b>Total liabilities</b>              |        | <b>1,021,000</b>           | <b>842,221</b>             | <b>955,116</b>              | <b>684,383</b>              |
| <b>Net assets</b>                     |        | <b>21,442,776</b>          | <b>18,135,427</b>          | <b>21,272,860</b>           | <b>18,680,854</b>           |
| <b>EQUITY</b>                         |        |                            |                            |                             |                             |
| Contributed equity                    | 10(a)  | 28,997,960                 | 22,186,978                 | 28,997,960                  | 22,186,978                  |
| Reserves                              | 11     | 214,801                    | 1,416,337                  | 438,700                     | 2,249,192                   |
| Accumulated Profits / (Losses)        |        | (7,769,985)                | (5,467,888)                | (8,163,800)                 | (5,755,316)                 |
| <b>Total equity</b>                   |        | <b>21,442,776</b>          | <b>18,135,427</b>          | <b>21,272,860</b>           | <b>18,680,854</b>           |

The above Balance Sheet should be read in conjunction with the accompanying notes.

## STATEMENTS OF CHANGES IN EQUITY (Consolidated) Year Ended 30 June 2009

|                                                                                         | ISSUED<br>CAPITAL<br>\$ | SHARE BASED<br>PAYMENT<br>RESERVES<br>\$ | FOREIGN<br>CURRENCY<br>TRANSLATION<br>RESERVE<br>\$ | ACCUMULATED<br>(LOSSES)<br>\$ | TOTAL<br>EQUITY<br>\$ |
|-----------------------------------------------------------------------------------------|-------------------------|------------------------------------------|-----------------------------------------------------|-------------------------------|-----------------------|
| <b>Restated at 1 July 2008</b>                                                          | 22,186,978              | 2,249,192                                | (832,855)                                           | (5,467,888)                   | 18,135,427            |
| Income tax on items recognised directly in equity                                       | 70,849                  | -                                        | -                                                   | -                             | 70,849                |
| Cost of share based payment during period                                               | -                       | 438,700                                  | -                                                   | -                             | 438,700               |
| Share issue                                                                             | 4,727,306               | -                                        | -                                                   | -                             | 4,727,306             |
| Share issue transaction costs                                                           | (236,365)               | -                                        | -                                                   | -                             | (236,365)             |
| Share based costs reclassified to equity                                                | 2,249,192               | (2,249,192)                              | -                                                   | -                             | -                     |
| Exchange differences on translation of foreign operations recognised directly in equity | -                       | -                                        | 608,956                                             | -                             | 608,956               |
| Loss for the period                                                                     | -                       | -                                        | -                                                   | (2,302,097)                   | (2,302,097)           |
| Total recognised income and expense for the period                                      | -                       | -                                        | 608,956                                             | (2,302,097)                   | (1,693,141)           |
| <b>At 30 June 2009</b>                                                                  | <b>28,997,960</b>       | <b>438,700</b>                           | <b>(223,899)</b>                                    | <b>(7,769,985)</b>            | <b>21,442,776</b>     |
| <b>At 1 July 2007</b>                                                                   | 21,796,807              | 2,005,101                                | 149,306                                             | (7,347,780)                   | 16,603,434            |
| Impact of prior period adjustment                                                       | -                       | -                                        | (74,633)                                            | 74,633                        | -                     |
| Impact of accounting policy change                                                      | 197,655                 | -                                        | (207,976)                                           | 3,639,669                     | 3,629,348             |
| Restated at 1 July 2007                                                                 | 21,994,462              | 2,005,101                                | (133,303)                                           | (3,633,478)                   | 20,232,782            |
| Issue of partly paid shares                                                             | 5,000                   | -                                        | -                                                   | -                             | 5,000                 |
| Cost of share based payment during period                                               | -                       | 244,091                                  | -                                                   | -                             | 244,091               |
| Income tax on items recognised directly in equity                                       | 187,516                 | -                                        | -                                                   | -                             | 187,516               |
| Exchange differences on translation of foreign operations recognised directly in equity | -                       | -                                        | (699,552)                                           | -                             | (699,552)             |
| Loss for the period                                                                     | -                       | -                                        | -                                                   | (1,834,410)                   | (1,834,410)           |
| Total recognised income and expense for the period                                      | -                       | -                                        | (699,552)                                           | (1,834,410)                   | (2,533,962)           |
| <b>At 30 June 2008</b>                                                                  | <b>22,186,978</b>       | <b>2,249,192</b>                         | <b>(832,855)</b>                                    | <b>(5,467,888)</b>            | <b>18,135,427</b>     |

*The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

## STATEMENTS OF CHANGES IN EQUITY (Parent) Year Ended 30 June 2009

|                                                       | ISSUED<br>CAPITAL<br>\$ | SHARE BASED<br>PAYMENT<br>RESERVES<br>\$ | ACCUMULATED<br>(LOSSES)<br>\$ | TOTAL<br>EQUITY<br>\$ |
|-------------------------------------------------------|-------------------------|------------------------------------------|-------------------------------|-----------------------|
| <b>Restated at 1 July 2008</b>                        | 22,186,978              | 2,249,192                                | (5,755,316)                   | 18,680,854            |
| Income tax on items recognised directly in equity     | 70,849                  | -                                        | -                             | 70,849                |
| Cost of share based payment during period             |                         | 438,700                                  | -                             | 438,700               |
| Share issue                                           | 4,727,306               | -                                        | -                             | 4,727,306             |
| Share issue transaction costs                         | (236,365)               | -                                        | -                             | (236,365)             |
| Share based costs reclassified to equity              | 2,249,192               | (2,249,192)                              | -                             | -                     |
| Total recognised income and expense<br>for the period | -                       | -                                        | (2,408,484)                   | (2,408,484)           |
| Total recognised income and expense<br>for the period | -                       | -                                        | (2,408,484)                   | (2,408,484)           |
| <b>At 30 June 2009</b>                                | <b>28,997,960</b>       | <b>438,700</b>                           | <b>(8,163,800)</b>            | <b>21,272,860</b>     |
| <b>At 1 July 2007</b>                                 | 21,796,807              | 2,005,101                                | (7,129,939)                   | 16,671,969            |
| Impact of accounting policy change                    | 197,655                 | -                                        | 3,539,423                     | 3,737,078             |
| Restated at 1 July 2007                               | 21,994,462              | 2,005,101                                | (3,590,516)                   | 20,409,047            |
| Issue of partly paid shares                           | 5,000                   | -                                        | -                             | 5,000                 |
| Cost of share based payment during period             | -                       | 244,091                                  | -                             | 244,091               |
| Income tax on items recognised directly in equity     | 187,516                 | -                                        | -                             | 187,516               |
| Loss for the period                                   | -                       | -                                        | (2,164,800)                   | (2,164,800)           |
| Total recognised income and expense<br>for the period | -                       | -                                        | (2,164,800)                   | (2,164,800)           |
| <b>At 30 June 2008</b>                                | <b>22,186,978</b>       | <b>2,249,192</b>                         | <b>(5,755,316)</b>            | <b>18,680,854</b>     |

*The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

## STATEMENTS OF CASH FLOWS Year Ended 30 June 2009

|                                                             | NOTES | CONSOLIDATED<br>2009<br>\$ | CONSOLIDATED<br>2008<br>\$ | PARENT ENTITY<br>2009<br>\$ | PARENT ENTITY<br>2008<br>\$ |
|-------------------------------------------------------------|-------|----------------------------|----------------------------|-----------------------------|-----------------------------|
| <b>Cash flows from operating activities</b>                 |       |                            |                            |                             |                             |
| Payments to suppliers and employees                         |       | (1,738,323)                | (2,368,731)                | (1,555,768)                 | (2,389,031)                 |
| Rent Received                                               |       | 62,908                     | -                          | -                           | -                           |
| Interest received                                           |       | 509,705                    | 918,920                    | 509,660                     | 918,916                     |
| Interest paid                                               |       | (432)                      | (55)                       | (299)                       | (55)                        |
| <b>Net cash flows (used in) operating activities</b>        | 12(a) | <b>(1,166,142)</b>         | <b>(1,449,866)</b>         | <b>(1,046,407)</b>          | <b>(1,470,170)</b>          |
| <b>Cash flows from investing activities</b>                 |       |                            |                            |                             |                             |
| Payment of exploration expenditure                          |       | (5,168,182)                | (4,031,245)                | (1,711,084)                 | (1,259,436)                 |
| Advance to (from) controlled entities                       |       | -                          | -                          | (4,298,671)                 | (2,777,463)                 |
| Acquisition of property, plant & equipment                  |       | (777,423)                  | (143,541)                  | (111,413)                   | (117,585)                   |
| Proceeds from sale of property, plant & equipment           |       | 2,000                      | -                          | 2,000                       | -                           |
| Payment of security bond                                    |       | (137,184)                  | (14,768)                   | (137,184)                   | (14,768)                    |
| Acquisition of subsidiary net cash inflow                   | 24    | 19,318                     | -                          | (1)                         | -                           |
| <b>Net cash flows (used in) investing activities</b>        |       | <b>(6,061,471)</b>         | <b>(4,189,554)</b>         | <b>(6,256,353)</b>          | <b>(4,169,252)</b>          |
| <b>Cash flows from financing activities</b>                 |       |                            |                            |                             |                             |
| Proceeds from issues of ordinary shares                     |       | 4,727,306                  | 5,000                      | 4,727,306                   | 5,000                       |
| <b>Net cash flows from financing activities</b>             |       | <b>4,727,306</b>           | <b>5,000</b>               | <b>4,727,306</b>            | <b>5,000</b>                |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       | <b>(2,500,307)</b>         | <b>(5,634,420)</b>         | <b>(2,575,454)</b>          | <b>(5,634,422)</b>          |
| Net foreign exchange differences                            |       | (16,458)                   | -                          | -                           | -                           |
| Add opening cash and cash equivalents brought forward       |       | 11,042,674                 | 16,677,094                 | 11,042,672                  | 16,677,094                  |
| <b>Closing cash and cash equivalents carried forward</b>    | 12(b) | <b>8,525,909</b>           | <b>11,042,674</b>          | <b>8,467,218</b>            | <b>11,042,672</b>           |

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2009

## 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. The financial report covers the consolidated group of Uranex NL and controlled entities ("the Group"), and Uranex NL ("the Company") as an individual parent entity. Uranex NL is a company, limited by shares, incorporated in Australia whose shares are publicly traded on Australian Securities Exchange Limited ("ASX").

The Company's registered office is noted in the corporate directory. The entity's principal activity is mineral exploration.

The following is a summary of the material accounting policies adopted by the Company and the consolidated Group in the preparation of the financial report. The accounting policies have been consistently applied to all years presented, unless otherwise stated.

### BASIS OF PREPARATION

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report has been prepared on an accruals basis under the historical cost convention, as modified by the revaluation of selected non current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

### Compliance with IFRSs

The financial report of the Company and of the Group complies with Australian Accounting Standards and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The financial statements were authorised for issue by the Directors on 24 September 2009.

### NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. They are available for early adoption at 30 June 2009, but have not been applied in preparing this financial report. A summary of the current status of new standards is set out below:

#### *Revised AASB 3 Business Combinations*

This standard changes the application of acquisition accounting for business combinations and the accounting for non controlling (minority) interests. The revised standard becomes mandatory for the Company and the Group's 30 June 2010 financial statements. The Company and the Group has not yet determined the potential effect of the revised standard on the Company and the Group's financial report.

#### *Revised AASB 101 Presentation of Financial Statements*

This standard introduces as a financial statement (formerly "primary" statement) the "statement of comprehensive income" which will become mandatory for the Company and the Group's 30 June 2010 financial report. The Company and the Group has not yet determined the potential effect of the revised standard on the Company and the Group's disclosures.

#### *Revised AASB 123 Borrowing Costs*

This standard removes the option to expense borrowing costs and requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset. The revised standard will become mandatory for the Company and the Group's 30 June 2010 financial report. The Company and the Group has not yet determined the potential effect of the revised standard on the Company and the Group's disclosures.

#### *Revised AASB 127 Consolidated and Separate Financial Statements*

This standard changes the accounting for investments in subsidiaries. The revised standard will become mandatory for the Company and the Group's 30 June 2010 financial report. The Company and the Group has not yet determined the potential effect of the revised standard on the Company and the Group's disclosures.

#### *AASB 2008-1 Amendments to Australian Accounting Standard – Share based Payment: Vesting Conditions and Cancellations.*

This standard changes the measurement of share based payments that contain non vesting conditions. The revised standard will become mandatory for the Company and the Group's 30 June 2010 financial report. The Company and the Group has not yet determined the potential effect of the revised standard on the Group's disclosures.

#### *AASB 8 Operating Segments and Consequential Amendments to Other Australian Accounting Standards*

This new standard, replacing AASB 114 Segment Reporting, adopts a management reporting approach to segment reporting and is effective from 1 January 2009. AASB 8 is a disclosure standard and as such will have no direct impact on the amounts included in the Company or Group's financial statements.

The following amendments are not relevant or material to the Company or the Group:

|                              |                                                                                                                                |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| AASB Int. 15                 | Agreements for the Construction of Real Estate                                                                                 |
| AASB Int. 16                 | Hedges of a Net Investment in a Foreign Operation                                                                              |
| AASB Int. 1 and AASB 2008-13 | Distributions of Non-cash Assets to Owners and consequential amendments to Australian Accounting Standards AASB 5 and AASB 110 |
| AASB Int. 18                 | Transfers of Assets from Customers                                                                                             |
| AASB 1039 (revised)          | Concise Reporting                                                                                                              |
| AASB 2008-2                  | Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation          |
| AASB 2008-5                  | Amendments to Australian Accounting Standards arising from the Annual Improvements Project                                     |
| AASB 2008-6                  | Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project                             |
| AASB 2008-7                  | Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate  |
| AASB 2008-8                  | Amendments to Australian Accounting Standards – Eligible Hedged Items                                                          |
| AASB 2008-9**                | Amendments to AASB 1049 for consistency with AASB 101                                                                          |
| AASB 2008-11                 | Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities [AASB 3]                    |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

### 1. Summary of significant accounting policies (continued)

#### AASB 8 Operating Segments and Consequential Amendments to Other Australian Accounting Standards (continued)

|               |                                                                                                                                                  |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| AASB 2009-1** | Amendments to Australian Accounting Standards – Borrowing Costs of Not-for-Profit Public Sector Entities [AASB 1, AASB 111 & AASB 123]           |
| AASB 2009-2   | Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments [AASB 4, AASB 7, AASB 1023 & AASB 1038]        |
| AASB 2009-4   | Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16] |
| AASB 2009-5   | Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139]    |

exploration and evaluation of mineral resources are now carried forward in accordance with AASB 6 – Exploration for and Evaluation of Mineral Resources. This amendment to the accounting policy has had a significant effect on the financial performance of the Group because the company previously expensed exploration expenditure in the period it was incurred. In summary, the Group and the Company transferred \$6,989,202 and \$2,735,596, respectively at the beginning of the comparative period, from accumulated losses to exploration expenditure costs carried forward as a result of the change in accounting policy.

A deferred tax liability arises as a result of the restatement of exploration and evaluation costs, which is partially offset by the recognition of a deferred tax asset for deductible share issue costs, which is recognised directly in equity. Remaining deferred tax liabilities are offset by deferred tax assets relating to previously unrecognised tax losses which are recognised in the income statement.

The exploration expenditure carried forward was changed to provide information attributing a value to the tenements equal to the costs to date. It shows aggregate expenditure for tenements which provides useful indications as to the underlying value of the exploration tenements. The Directors believe that this method of accounting for exploration costs provides more relevant information about the Company's operations. The impact of this change is shown below.

#### CHANGES IN ACCOUNTING POLICIES

Effective 1 July 2008 the Company and the Group has amended its accounting policy for the treatment of exploration and evaluation costs for annual periods beginning on or after 1 July 2008 whereby

#### Consolidated – Change in accounting policy

|                                                   | CONSOLIDATED<br>2009<br>\$ | CONSOLIDATED<br>2008<br>\$ | PERIODS<br>PRIOR TO<br>30 JUNE 2007 |
|---------------------------------------------------|----------------------------|----------------------------|-------------------------------------|
| <b>Balance Sheet</b>                              |                            |                            |                                     |
| Exploration and evaluation costs                  | 12,613,264                 | 6,989,202                  | 3,629,349                           |
| Decrease (increase) in reserves                   | (7,591)                    | 868,428                    | 207,976                             |
| Decrease (increase) in retained earnings          | (12,149,653)               | (7,472,459)                | (3,639,669)                         |
| Decrease (increase) in share capital (cumulative) | (456,020)                  | (385,171)                  | (197,656)                           |
| <b>Income Statement</b>                           |                            |                            |                                     |
| (Decrease) in expenses                            | (4,748,043)                | (4,020,306)                | (3,837,325)                         |
| Increase in income tax expense                    | 70,849                     | 187,516                    | 197,656                             |
| Earnings per share                                | (0.04)                     | (0.04)                     |                                     |

#### Parent – Change in accounting policy

|                                                   | CONSOLIDATED<br>2009<br>\$ | CONSOLIDATED<br>2008<br>\$ | PERIODS<br>PRIOR TO<br>30 JUNE 2007 |
|---------------------------------------------------|----------------------------|----------------------------|-------------------------------------|
| <b>Balance Sheet</b>                              |                            |                            |                                     |
| Exploration and evaluation costs                  | 4,316,113                  | 2,735,595                  | 1,427,572                           |
| Increase (decrease) in other financial assets     | 8,127,923                  | 4,841,220                  | 2,206,088                           |
| Decrease (increase) in retained earnings          | (11,987,386)               | (7,191,644)                | (3,436,004)                         |
| Decrease (increase) in share capital (cumulative) | (456,020)                  | (385,171)                  | (197,656)                           |
| <b>Income Statement</b>                           |                            |                            |                                     |
| (Decrease) in expenses                            | (4,866,591)                | (3,943,155)                | (3,633,660)                         |
| Increase in income tax expense                    | 70,849                     | 187,516                    | 197,656                             |

The new accounting policy is detailed under exploration and expenditure costs.

## PRIOR PERIOD ADJUSTMENT

During the year the Company and the Group has adjusted its accounting for foreign currency gains and losses on intercompany loans to foreign subsidiaries. As the funding provided by the Parent to its subsidiaries is unlikely to be repaid in the foreseeable future, the loans form part of the net investment in the subsidiary. Based on this treatment, the foreign currency gains or losses, which were previously recorded in the income statement, are now recorded in the Foreign Currency Translation Reserve on consolidation. The impact of this change is shown below.

*Consolidated - Correction of foreign currency gains & losses on intercompany loans*

|                                          | CONSOLIDATED<br>2009<br>\$ | CONSOLIDATED<br>2008<br>\$ | PERIODS<br>PRIOR TO<br>30 JUNE 2007 |
|------------------------------------------|----------------------------|----------------------------|-------------------------------------|
| <b>Income Statement</b>                  |                            |                            |                                     |
| (Increase) in revenue                    | (1,918)                    | -                          | -                                   |
| (Decrease) in expenses                   | (770,773)                  | (521,047)                  | (74,633)                            |
| Earnings per share                       | (0.01)                     | (0.01)                     | -                                   |
| <b>Balance Sheet</b>                     |                            |                            |                                     |
| Decrease (increase) in reserves          | (176,971)                  | 595,680                    | 74,633                              |
| Decrease (increase) in retained earnings | 176,971                    | (595,680)                  | (74,633)                            |

## PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are those of the consolidated entity, comprising Uranex NL (the parent entity) and all entities which Uranex NL controlled from time to time during the year and at balance date. A controlled entity is any entity Uranex NL has the power to control the financial and operating policies of so as to obtain benefits from its activities. A list of controlled entities is contained in note 14.

Information from the financial statements of subsidiaries is included from the date the parent company obtains control until such time as control ceases. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent company has control.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All intercompany balances and transactions, including unrealised profits arising from intra group transactions, have been eliminated on consolidation. Unrealised losses are eliminated unless costs cannot be recovered.

Investments in subsidiaries are accounted for at cost net of provision for impairment in the individual financial statements of Uranex NL.

The acquisition of subsidiaries is accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition.

## BUSINESS COMBINATIONS

The purchase method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the combination. Where equity instruments are issued in a business combination, the fair value of the instruments is their published market price as at the date of exchange. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Except for non-current assets or disposal groups classified as held for sale (which are measured at fair value less costs to sell), all identifiable

assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of the business combination over the net fair value of the Group's share of the identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the Group's share of the net fair value of the identifiable net assets of the subsidiary, the difference is recognised as a gain in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of the consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

## SEGMENT REPORTING

A business segment is a distinguishable component of the entity that is engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is a distinguishable component of the entity that is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different than those of segments operating in other economic environments.

## PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The cost of fixed assets constructed within the Company and the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

### Depreciation

Depreciation is provided on plant and equipment, motor vehicles, office equipment, furniture and fittings, is calculated on a straight line basis, commencing from the time the asset is first used, so as to write off the net costs of each asset over the expected useful life. The following useful lives are used in the calculation of depreciation;

- Plant & equipment 2 to 5 years
- Vehicles 2 to 5 years
- Office equipment, furniture & fittings 2 to 20 years

Both asset residual value and useful life are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

### IMPAIRMENT OF ASSETS

At each reporting date, the Company and the Group reviews the carrying values of its property, plant & equipment and exploration & evaluation assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company and the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### EXPLORATION AND EVALUATION COSTS

Exploration and evaluation expenditure is carried forward separately for each area of interest provided that the rights to tenure of the area of interest is current and either:

- the exploration and evaluation activities are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- the exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are continuing or planned.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, the amounts capitalised in relation to the area of interest shall be written off in the income statement in the period in which the determination is made.

### OPERATING LEASES

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependant on the use a specific asset or assets and the arrangement conveys a right to use the asset.

Leases under which the lessor retains substantially all of the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised in the income statement on a straight-line basis over the lease term.

### INCOME TAX

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be used, except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- when the deductible temporary differences is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be applied.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Deferred tax assets and deferred tax liabilities are offset only where a legally enforceable right of set off exists and the deferred tax assets and liabilities relate to the same taxable entity.

Deferred tax assets are not brought to account unless it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company and the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

## **GOODS AND SERVICES TAX (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

## **FOREIGN CURRENCY TRANSLATION**

### **Functional and presentation currency**

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

### **Transactions and balances**

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are re-translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement.

### **Financial statements of foreign operations**

The financial results and position of foreign operations whose functional currency is not Australian dollars, the Group's presentation currency, are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for each month during the period.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

## **TRADE AND OTHER RECEIVABLES**

Trade receivables, which generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are uncollectible are written off when identified. An impairment provision is recognised where there is objective evidence that the Company and the Group will not be able to collect the receivable. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated cash flows, discounted at the original effective interest rate.

## **ACCOUNTS PAYABLE**

Trade and other payables are recognised when the Company and the Group becomes obliged to make further payments resulting from the purchase of goods and services and are measured at amortised cost using the effective interest method, less any impairment losses.

## **PROVISIONS**

Provisions are recognised when the Company and the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

## **EMPLOYEE BENEFITS**

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, and long service leave when it is probable that settlement will be required.

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled including related on-costs, such as workers compensation and payroll tax. Non accumulating non monetary benefits, such as medical care, cars or subsidised goods and services, are expensed based on the net marginal cost to the Company and the Group as the benefits are taken by the employees.

## **DEFINED CONTRIBUTION SUPERANNUATION FUNDS**

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the profit or loss when they are due.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

### SHARE BASED PAYMENT TRANSACTIONS

The Company and the Group provides benefits to employees (including directors) of, and consultants to, the Company and the Group in the form of share-based payment transactions, whereby services are rendered in exchange for shares or rights over shares ('equity-settled transactions').

The cost of equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value of options and performance rights with market based performance criteria is determined by an external valuer using a binomial option pricing model. The fair value of performance plan rights with non-market performance criteria is determined by reference to the Company's share price at date of grant.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the recipient becomes fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors, based on the best available information at balance date will ultimately vest. No adjustment is made for the likelihood of market conditions being met as the effect of these conditions is included in determination of fair value at grant date. The charge or credit for the period represents the movement in cumulative expense recognised as at the beginning and end of the period. Where awards vest immediately, the expense is also recognised in the income statement immediately.

The grant date fair value of partly paid shares granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which employees become unconditionally entitled to them.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

### REVENUE RECOGNITION

Interest revenue is recognised as interest accrues using the effective interest method.

Rental revenue is accounted for on a straight line basis over the lease term. Contingent rental revenue is recognised as income in the periods in which it is earned.

Revenue from the disposal of assets is recognised when the consolidated entity has passed control of the asset to the buyer.

### CONTRIBUTED EQUITY

Ordinary shares are classified as equity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

### EARNINGS PER SHARE (EPS)

#### Basic earnings per share

Basic EPS is calculated as the profit (loss) attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued during the year.

#### Diluted earnings per share

Diluted EPS adjusts the figures used in the determination of basic EPS to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

### CASH AND CASH EQUIVALENTS

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Where applicable, bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

### INVESTMENTS (HELD TO MATURITY)

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company and the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as term deposits, are subsequently measured at amortised cost.

### INTERESTS IN JOINT CONTROLLED ASSETS

A jointly controlled asset involves joint control and offers joint ownership by the Company and the Group and other venturers of assets contributed to or acquired for the purposes of the joint venture, without the formation of a corporation, partnership or entity.

The Company and the Group accounts for its share of the jointly controlled assets, and liabilities it has incurred, its share of any liabilities jointly incurred with other ventures, income from the sale or use of its share of the joint venture's output, together with its share of the expenses incurred by the joint venture, and any expenses it incurs in relation to its interest in the joint venture.

### CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The carrying amounts of certain assets and liabilities are often determined based on judgements, estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

### Share-based payment transactions

The Company and the Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share options is determined by an external valuer using a binomial option pricing model, and using the assumptions detailed in note 21.

### Exploration and evaluation costs

Exploration and evaluation costs are deferred until exploration and evaluation activities reach a stage which permits reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations are continuing. Where ongoing committed activities cannot be funded by existing financial resources, the Company and the Group will either need to raise additional capital or meet its obligations by (partial) farm-out or (partial) sale of the Company's interests.

The Company and the Group may raise capital by any one or a combination of the following: placement of shares, pro-rata issue to shareholders, the exercise of outstanding share options, and/or

a further issue of shares to the public. Should these methods not be considered to be in the best interests of shareholders, then the Company and the Group would seek to meet its obligations by either partial sale of the Company and the Group's interests or farm-out.

Significant judgement is required in determining whether it is likely that future economic benefits will be derived from the capitalised exploration and evaluation expenditure. In the judgement of the Directors, at 30 June 2009 exploration activities in each area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. Active and significant operations in relation to each area of interest are continuing and nothing has come to the attention of the Directors to indicate future economic benefits will not be achieved. The Directors are continually monitoring the areas of interest and are exploring alternatives for funding the development of areas of interest when economically recoverable reserves are confirmed. If new information becomes available that suggests the recovery of expenditure is unlikely, the amounts capitalised will need to be reassessed at that time.

|  | CONSOLIDATED |      | PARENT |      |
|--|--------------|------|--------|------|
|  | 2009         | 2008 | 2009   | 2008 |
|  | \$           | \$   | \$     | \$   |

## 2. Income tax

### Current income tax

|                                                               |             |             |           |           |
|---------------------------------------------------------------|-------------|-------------|-----------|-----------|
| Current income tax credit / (expense)                         | 2,045,147   | 1,661,208   | 890,184   | 893,869   |
| Adjustment in respect of current income tax of previous years |             |             |           |           |
| Tax losses not recognised as not probable                     | (2,045,147) | (1,661,208) | (890,184) | (893,869) |
|                                                               | -           | -           | -         | -         |

### Deferred income tax

|                                                                    |             |           |           |           |
|--------------------------------------------------------------------|-------------|-----------|-----------|-----------|
| Relating to origination and reversal of temporary differences      | (1,252,046) | (968,579) | (343,588) | (419,771) |
| Tax losses brought to account to offset net deferred tax liability | 1,181,197   | 781,063   | 272,739   | 232,255   |
| Tax losses not recognised as not probable                          | -           | -         | -         | -         |
|                                                                    | (70,849)    | (187,516) | (70,849)  | (187,516) |
| Income tax (expense) reported in the Income Statement              | (70,849)    | (187,516) | (70,849)  | (187,516) |

## A) STATEMENT OF CHANGES IN EQUITY

### Deferred income tax related to items charged or credited directly to equity

|                                                                                                |        |         |        |         |
|------------------------------------------------------------------------------------------------|--------|---------|--------|---------|
| Share issue costs                                                                              | 70,910 | 187,516 | 70,910 | 187,516 |
| Not recognised as not probable                                                                 | (61)   | -       | (61)   | -       |
|                                                                                                |        |         |        |         |
| <b>Amounts recognised in respect of prior year's share issue costs now considered probable</b> |        |         |        |         |
| Income tax benefit reported in equity                                                          | 70,849 | 187,516 | 70,849 | 187,516 |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

|                                                                                                                                                                        | CONSOLIDATED |             | PARENT      |             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------|-------------|-------------|
|                                                                                                                                                                        | 2009<br>\$   | 2008<br>\$  | 2009<br>\$  | 2008<br>\$  |
| <b>2. Income tax (continued)</b>                                                                                                                                       |              |             |             |             |
| <b>B) TAX RECONCILIATION</b>                                                                                                                                           |              |             |             |             |
| <b>A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:</b> |              |             |             |             |
| Accounting (loss) before tax                                                                                                                                           | (2,231,248)  | (1,646,894) | (2,337,635) | (1,977,284) |
| At the Group's statutory 30% tax rate (2008: 30%)                                                                                                                      | 669,374      | 494,068     | 701,290     | 593,185     |
| Adjustment in respect of current income tax of previous years                                                                                                          |              |             |             |             |
| Share based payment expense                                                                                                                                            | (131,610)    | (73,227)    | (131,610)   | (73,227)    |
| Non-deductible expenses                                                                                                                                                | (1,460)      | (1,824)     | (1,460)     | (1,824)     |
| Tax losses not brought to account                                                                                                                                      | (607,153)    | (606,533)   | (639,069)   | (705,650)   |
| Income tax (expense) reported in the Income Statement                                                                                                                  | (70,849)     | (187,516)   | (70,849)    | (187,516)   |

|  | BALANCE SHEET |            | INCOME STATEMENT |            |
|--|---------------|------------|------------------|------------|
|  | 2009<br>\$    | 2008<br>\$ | 2009<br>\$       | 2008<br>\$ |

### C) DEFERRED INCOME TAX

Deferred income tax at 30 June relates to the following:

#### Consolidated

##### Deferred tax liabilities

|                                       |             |             |             |             |
|---------------------------------------|-------------|-------------|-------------|-------------|
| Prepayments                           | (27,760)    | -           | (27,760)    | -           |
| Interest receivable                   | (7,447)     | (19,437)    | 11,990      | (17,839)    |
| Exploration and evaluation costs      | (3,783,979) | (2,096,762) | (1,687,219) | (1,004,860) |
| Gross deferred income tax liabilities | (3,819,186) | (2,116,199) |             |             |

##### Deferred tax assets

|                                                                    |           |           |           |           |
|--------------------------------------------------------------------|-----------|-----------|-----------|-----------|
| Accruals                                                           | 144,080   | 33,567    | 110,514   | 45,620    |
| Provisions                                                         | 93,063    | 7,152     | 85,910    | 8,500     |
| Share issue costs                                                  | 540,375   | 469,466   | -         | -         |
| Temporary differences not recognised as not probable               | (84,355)  | (84,293)  | -         | -         |
| Tax losses brought to account to offset net deferred tax liability | 3,126,023 | 1,690,307 | 1,435,716 | 781,063   |
| Gross deferred income tax assets                                   | 3,819,186 | 2,116,199 |           |           |
| Net deferred tax asset / (liability)                               | -         | -         |           |           |
| Deferred tax (expense)                                             |           |           | (70,849)  | (187,517) |

#### Parent

##### Deferred tax liabilities

|                                       |             |           |           |           |
|---------------------------------------|-------------|-----------|-----------|-----------|
| Prepayments                           | (21,009)    | -         | (21,009)  | -         |
| Interest receivable                   | (7,447)     | (19,437)  | 11,990    | (17,839)  |
| Exploration and evaluation costs      | (1,294,834) | (820,680) | (474,155) | (428,272) |
| Gross deferred income tax liabilities | (1,323,290) | (840,117) |           |           |

|                                                                    | BALANCE SHEET |            | INCOME STATEMENT |            |
|--------------------------------------------------------------------|---------------|------------|------------------|------------|
|                                                                    | 2009<br>\$    | 2008<br>\$ | 2009<br>\$       | 2008<br>\$ |
| <b>Parent (continued)</b>                                          |               |            |                  |            |
| <i>Deferred tax assets</i>                                         |               |            |                  |            |
| Accruals                                                           | 129,876       | 33,567     | 96,309           | 17,839     |
| Provisions                                                         | 50,430        | 7,152      | 43,278           | 8,500      |
| Share issue costs                                                  | 540,375       | 469,466    | -                | -          |
| Temporary differences not recognised as not probable               | (84,355)      | (84,293)   | -                | -          |
| Tax losses brought to account to offset net deferred tax liability | 686,964       | 414,225    | 272,738          | 232,255    |
| Gross deferred income tax assets                                   | 1,323,290     | 840,117    |                  |            |
| Net deferred tax asset                                             | -             | -          |                  |            |
| Deferred tax (expense)                                             |               |            | (70,849)         | (187,517)  |

The benefit of these losses and timing differences will only be obtained if:

- the Group derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the loss to be realised.
- the Company continues to comply with the condition of deductibility imposed by law; and
- no changes in tax legislation adversely affect the Company in realising the benefit from the deduction for the loss.

At balance date, the Group has estimated unbooked gross tax losses of \$11,735,285 (2008:\$6,694,412) and the Parent has estimated unbooked gross tax losses of \$8,739,714 (2008:\$5,767,756) that are available to offset against future taxable income subject to continuing to meet relevant statutory tests. To the extent that it does not offset a deferred tax liability, a deferred tax asset has not been recognised from these losses because it is not probable that future taxable income will be available to use against such losses.

### 3. Dividends paid or provided for on ordinary shares

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

|                                       | CONSOLIDATED |            | PARENT     |            |
|---------------------------------------|--------------|------------|------------|------------|
|                                       | 2009<br>\$   | 2008<br>\$ | 2009<br>\$ | 2008<br>\$ |
| <b>4. Trade and other receivables</b> |              |            |            |            |
| <b>A) CURRENT</b>                     |              |            |            |            |
| Accrued interest                      | 24,824       | 64,790     | 24,824     | 64,790     |
| Trade debtors                         | 7,887        | -          | -          | -          |
| Goods and services tax recoverable    | 42,576       | 53,501     | 42,575     | 53,501     |
| Prepayments                           | 92,532       | -          | 70,030     | -          |
| Other                                 | 3,605        | 1,450      | 3,605      | 577        |
|                                       | 171,424      | 119,741    | 141,034    | 118,868    |
| <b>B) NON-CURRENT</b>                 |              |            |            |            |
| Bond                                  | 179,897      | 43,850     | 179,897    | 43,850     |
| Security deposit                      | 21,555       | 20,418     | 21,555     | 20,418     |
|                                       | 201,452      | 64,268     | 201,452    | 64,268     |

Balance within trade and other receivables do not contain impaired assets and are not past due. It is expected they will be received when due.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

|                                      | CONSOLIDATED |            | PARENT           |                  |
|--------------------------------------|--------------|------------|------------------|------------------|
|                                      | 2009<br>\$   | 2008<br>\$ | 2009<br>\$       | 2008<br>\$       |
| <b>5. Other financial assets</b>     |              |            |                  |                  |
| <b>NON-CURRENT</b>                   |              |            |                  |                  |
| Equity contributions to subsidiaries |              |            |                  |                  |
| Controlled entities                  | -            | -          | 9,488,160        | 5,623,129        |
| Allowance for impairment losses      | -            | -          | (550,848)        | (358,868)        |
|                                      | -            | -          | 8,937,312        | 5,264,261        |
| Investments in controlled entities   | -            | -          | 1,952            | 1,951            |
| Less: provision for diminution       | -            | -          | (1,950)          | (1,949)          |
|                                      | -            | -          | 2                | 2                |
|                                      | -            | -          | <b>8,937,314</b> | <b>5,264,263</b> |

An allowance for impairment loss has been recognised in the Parent entity of \$550,848 (2008: 358,868) due to the write down of the receivables from subsidiaries to the net recoverable amount. The amount owed to the Parent by the subsidiary is treated as a long term non-interest bearing loan with no requirement for repayment in the foreseeable future.

## 6. Property plant and equipment

### PLANT AND EQUIPMENT

|                                                                 |                |                |               |               |
|-----------------------------------------------------------------|----------------|----------------|---------------|---------------|
| Opening balance, net of accumulated depreciation and impairment | 482,961        | 50,912         | 90,035        | 33,244        |
| Additions                                                       | 128,611        | 480,925        | -             | 81,930        |
| Currency translation adjustment                                 | 70,152         | 631            | -             | -             |
| Depreciation charge for the year - income statement             | (23,804)       | (25,139)       | (23,804)      | (25,139)      |
| Depreciation charge for the year - deferred exploration costs   | (48,321)       | (24,368)       | (8,566)       | -             |
| Closing balance, net of accumulated depreciation and impairment | 609,599        | 482,961        | 57,665        | 90,035        |
| Cost                                                            | 755,402        | 552,551        | 137,925       | 137,925       |
| Accumulated depreciation and impairment                         | (145,803)      | (69,590)       | (80,260)      | (47,890)      |
| <b>Net carrying amount</b>                                      | <b>609,599</b> | <b>482,961</b> | <b>57,665</b> | <b>90,035</b> |

### OFFICE EQUIPMENT

|                                                                 |               |               |               |               |
|-----------------------------------------------------------------|---------------|---------------|---------------|---------------|
| Opening balance, net of accumulated depreciation and impairment | 59,237        | 29,911        | 44,856        | 5,390         |
| Additions                                                       | 56,348        | 51,711        | 49,158        | 46,151        |
| Disposals                                                       | (4,200)       | -             | (4,200)       | -             |
| Currency translation adjustment                                 | 412           | (8,155)       | -             | -             |
| Depreciation charge for the year - income statement             | (16,754)      | (6,685)       | (16,754)      | (6,685)       |
| Depreciation charge for the year - deferred exploration costs   | (14,887)      | (7,545)       | (5,700)       | -             |
| Closing balance, net of accumulated depreciation and impairment | 80,156        | 59,237        | 67,360        | 44,856        |
| Cost                                                            | 132,494       | 79,596        | 100,117       | 55,160        |
| Accumulated depreciation and impairment                         | (52,338)      | (20,359)      | (32,757)      | (10,304)      |
| <b>Net carrying amount</b>                                      | <b>80,156</b> | <b>59,237</b> | <b>67,360</b> | <b>44,856</b> |

|                                                                 | CONSOLIDATED  |              | PARENT        |              |
|-----------------------------------------------------------------|---------------|--------------|---------------|--------------|
|                                                                 | 2009<br>\$    | 2008<br>\$   | 2009<br>\$    | 2008<br>\$   |
| <b>SOFTWARE</b>                                                 |               |              |               |              |
| Opening balance, net of accumulated depreciation and impairment | -             | -            | -             | -            |
| Additions                                                       | 28,953        | -            | 28,953        | -            |
| Depreciation charge for the year - income statement             | (6,636)       | -            | (6,636)       | -            |
| Depreciation charge for the year - deferred exploration costs   | (2,388)       | -            | (2,388)       | -            |
| Closing balance, net of accumulated depreciation and impairment | 19,929        | -            | 19,929        | -            |
| Cost                                                            | 28,953        | -            | 28,953        | -            |
| Accumulated depreciation and impairment                         | (9,024)       | -            | (9,024)       | -            |
| <b>Net carrying amount</b>                                      | <b>19,929</b> | <b>-</b>     | <b>19,929</b> | <b>-</b>     |
| <b>OFFICE FURNITURE AND FITTINGS</b>                            |               |              |               |              |
| Opening balance, net of accumulated depreciation and impairment | 4,679         | 53,381       | 4,679         | 53,381       |
| Additions                                                       | 528           | 4,680        | 528           | 4,680        |
| Acquisition of subsidiary                                       | 20,261        | -            | -             | -            |
| Disposals                                                       | -             | (31,008)     | -             | (31,008)     |
| Depreciation charge for the year - income statement             | (5,898)       | (22,374)     | (253)         | (22,374)     |
| Depreciation charge for the year - deferred exploration costs   | (91)          | -            | (91)          | -            |
| Closing balance, net of accumulated depreciation and impairment | 19,479        | 4,679        | 4,863         | 4,679        |
| Cost                                                            | 25,470        | 4,681        | 5,209         | 4,681        |
| Accumulated depreciation and impairment                         | (5,991)       | (2)          | (346)         | (2)          |
| <b>Net carrying amount</b>                                      | <b>19,479</b> | <b>4,679</b> | <b>4,863</b>  | <b>4,679</b> |
| <b>OFFICE IMPROVEMENTS</b>                                      |               |              |               |              |
| Opening balance, net of accumulated depreciation and impairment | -             | -            | -             | -            |
| Additions                                                       | 17,597        | -            | 17,597        | -            |
| Depreciation charge for the year - income statement             | (1,889)       | -            | (1,889)       | -            |
| Depreciation charge for the year - deferred exploration costs   | (680)         | -            | (680)         | -            |
| Closing balance, net of accumulated depreciation and impairment | 15,028        | -            | 15,028        | -            |
| Cost                                                            | 17,597        | -            | 17,597        | -            |
| Accumulated depreciation and impairment                         | (2,569)       | -            | (2,569)       | -            |
| <b>Net carrying amount</b>                                      | <b>15,028</b> | <b>-</b>     | <b>15,028</b> | <b>-</b>     |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

|                                                                 | CONSOLIDATED   |                | PARENT         |                |
|-----------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                                 | 2009<br>\$     | 2008<br>\$     | 2009<br>\$     | 2008<br>\$     |
| <b>6. Property plant and equipment (continued)</b>              |                |                |                |                |
| <b>MOTOR VEHICLES</b>                                           |                |                |                |                |
| Opening balance, net of accumulated depreciation and impairment | 214,886        | 155,528        | -              | -              |
| Additions                                                       | 31,756         | 83,897         | -              | -              |
| Currency translation adjustment                                 | 15,333         | 10,157         | -              | -              |
| Depreciation charge for the year - deferred exploration costs   | (54,440)       | (34,696)       | -              | -              |
| Closing balance, net of accumulated depreciation and impairment | 207,535        | 214,886        | -              | -              |
| Cost                                                            | 307,501        | 257,380        | -              | -              |
| Accumulated depreciation and impairment                         | (99,966)       | (42,494)       | -              | -              |
| <b>Net carrying amount</b>                                      | <b>207,535</b> | <b>214,886</b> | -              | -              |
| <b>TOTAL</b>                                                    |                |                |                |                |
| Opening balance, net of accumulated depreciation and impairment | 761,763        | 289,732        | 139,570        | 92,015         |
| Additions                                                       | 263,793        | 621,213        | 96,236         | 132,761        |
| Acquisition of subsidiary                                       | 20,261         | -              | -              | -              |
| Disposals                                                       | (4,200)        | (31,008)       | (4,200)        | (31,008)       |
| Currency translation adjustment                                 | 85,897         | 2,633          | -              | -              |
| Depreciation charge for the year - income statement             | (54,980)       | (54,198)       | (49,336)       | (54,198)       |
| Depreciation charge for the year - deferred exploration costs   | (120,807)      | (66,609)       | (17,425)       | -              |
| Closing balance, net of accumulated depreciation and impairment | 951,727        | 761,763        | 164,845        | 139,570        |
| Cost                                                            | 1,267,417      | 894,208        | 289,801        | 197,766        |
| Accumulated depreciation and impairment                         | (315,690)      | (132,445)      | (124,956)      | (58,196)       |
| <b>Net carrying amount</b>                                      | <b>951,727</b> | <b>761,763</b> | <b>164,845</b> | <b>139,570</b> |
| <b>7. Exploration expenditure</b>                               |                |                |                |                |
| Opening balance                                                 | 6,989,202      | 3,629,349      | 2,735,596      | 1,427,573      |
| Expenditure incurred                                            | 5,824,916      | 4,015,473      | 1,786,733      | 1,305,023      |
| Currency translation adjustment                                 | 5,362          | (655,620)      | -              | -              |
| Expenditure written off                                         | (206,216)      | -              | (206,216)      | -              |
| Closing balance                                                 | 12,613,264     | 6,989,202      | 4,316,113      | 2,735,596      |

During the year the Company and the Group wrote off exploration expenditure of \$206,216 (2008: nil) as a result of the relinquishment of four mining titles. The exploration costs are carried forward by mining title. The carried forward expenditure per mining title has been reviewed for impairment.

|  | CONSOLIDATED |      | PARENT |      |
|--|--------------|------|--------|------|
|  | 2009         | 2008 | 2009   | 2008 |
|  | \$           | \$   | \$     | \$   |

## 8. Trade and other payables

### A) CURRENT

|                             |                |                |                |                |
|-----------------------------|----------------|----------------|----------------|----------------|
| Trade payables              | 236,329        | 693,066        | 236,326        | 560,730        |
| Other payables and accruals | 481,374        | 111,889        | 422,699        | 86,387         |
|                             | 717,703        | 804,955        | 659,025        | 647,117        |
| Related party payables      |                |                |                |                |
| Trade payables              | 56,796         | -              | 56,796         | -              |
| Loan                        | -              | 13,425         | -              | 13,425         |
|                             | <b>774,499</b> | <b>818,380</b> | <b>715,821</b> | <b>660,542</b> |

### B) NON CURRENT

|                |               |          |               |          |
|----------------|---------------|----------|---------------|----------|
| Other payables | 29,104        | -        | 21,898        | -        |
|                | <b>29,104</b> | <b>-</b> | <b>21,898</b> | <b>-</b> |

## 9. Provisions

### A) MOVEMENTS IN PROVISIONS

Movements in each class of provision during the financial year, other than provisions relating to employee benefits, are set out as follows:

#### Provision for restructure costs

|                        |                |          |                |          |
|------------------------|----------------|----------|----------------|----------|
| Opening balance        | -              | -        | -              | -        |
| Costs provided         | 168,100        | -        | 168,100        | -        |
| <b>Closing balance</b> | <b>168,100</b> | <b>-</b> | <b>168,100</b> | <b>-</b> |

#### Current

|                            |                |               |                |               |
|----------------------------|----------------|---------------|----------------|---------------|
| Provision for restructure  | 100,000        | -             | 100,000        | -             |
| Provision for annual leave | 49,297         | 23,841        | 49,297         | 23,841        |
|                            | <b>149,297</b> | <b>23,841</b> | <b>149,297</b> | <b>23,841</b> |

#### Non-current

|                           |               |          |               |          |
|---------------------------|---------------|----------|---------------|----------|
| Provision for restructure | <b>68,100</b> | <b>-</b> | <b>68,100</b> | <b>-</b> |
|---------------------------|---------------|----------|---------------|----------|

#### i. Restructure costs

Provision for restructure costs relate to the closure of the Perth office on 31 March 2009. The cost provided is the estimated net rental obligations discounted at the pre tax rate of 5.14%.

#### ii. Annual leave

Refer to the relevant accounting policy for a review of the methodology for calculating the annual leave provisions.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

|                                                    | 2009              |                   | 2008              |                   |
|----------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                                    | NUMBER OF SHARES  | \$                | NUMBER OF SHARES  | \$                |
| <b>10. Contributed equity</b>                      |                   |                   |                   |                   |
| <b>A) ISSUED AND PAID UP CAPITAL</b>               |                   |                   |                   |                   |
| Ordinary shares fully paid                         | 95,273,365        | 28,941,560        | 83,455,100        | 22,130,578        |
| Ordinary shares partly paid                        | 4,340,000         | 56,400            | 5,640,000         | 56,400            |
|                                                    | <b>99,613,365</b> | <b>28,997,960</b> | <b>89,095,100</b> | <b>22,186,978</b> |
| <b>B) MOVEMENTS IN FULLY PAID SHARES</b>           |                   |                   |                   |                   |
| At 1 July 2008                                     | 83,455,100        | 22,130,578        | 83,455,100        | 22,130,578        |
| Issued                                             | 11,818,265        | 4,727,306         | -                 | -                 |
| Transaction costs                                  | -                 | (236,365)         | -                 | -                 |
| Income tax on items recognised directly in equity  | -                 | 70,849            | -                 | -                 |
| Share based payment costs transferred              | -                 | 2,249,192         | -                 | -                 |
| <b>At 30 June 2009</b>                             | <b>95,273,365</b> | <b>28,941,560</b> | <b>83,455,100</b> | <b>22,130,578</b> |
| <b>C) MOVEMENTS IN PARTLY PAID SHARES ON ISSUE</b> |                   |                   |                   |                   |
| At 1 July 2008                                     | 5,640,000         | 56,400            | 5,140,000         | 51,400            |
| Issued during year                                 | -                 | -                 | 500,000           | 480,000           |
| Forfeited during year                              | (1,300,000)       | -                 | -                 | -                 |
| Less uncalled capital                              | -                 | -                 | -                 | (475,000)         |
| <b>At 30 June 2009</b>                             | <b>4,340,000</b>  | <b>56,400</b>     | <b>5,640,000</b>  | <b>56,400</b>     |

### D) CAPITAL MANAGEMENT

Management's prime objective when managing the Company's capital is to ensure the entity continues as a going concern as well as ensuring that funds expended provide shareholders with optimal returns. Other stakeholders benefit from this careful management of capital. The capital structure is intended to provide the lowest cost of capital available to the Company considering its present phase of operations.

Management is continually reviewing the Company and Group's capital needs. During the financial year the entity raised \$4,727,306 through a share placement before costs of \$236,345 and subsequent to balance date a further \$213,000 of proceeds from a Share Purchase Plan offer that closed in July 2009.

The Company is undertaking an aggressive exploration program that requires a significant outlay of funds. Management monitors this expenditure against the budget approved by the Board. It is likely that further funds may be required by the end of this financial year to ensure that the entity has a safety margin of funds available to continue with its desired level of operations.

|                                  | CONSOLIDATED   |                  | PARENT         |                  |
|----------------------------------|----------------|------------------|----------------|------------------|
|                                  | 2009<br>\$     | 2008<br>\$       | 2009<br>\$     | 2008<br>\$       |
| <b>11. Reserves</b>              |                |                  |                |                  |
| <b>A) RESERVES</b>               |                |                  |                |                  |
| Foreign currency translation     | (223,899)      | (832,855)        | -              | -                |
| Equity-settled employee benefits | 438,700        | 2,249,192        | 438,700        | 2,249,192        |
|                                  | <b>214,801</b> | <b>1,416,337</b> | <b>438,700</b> | <b>2,249,192</b> |

### B) NATURE AND PURPOSE OF RESERVES

#### i. Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve, as described in note 1. The reserve is recognised in profit and loss when the net investment is disposed of.

#### ii. Equity-settled employee benefits reserve

The equity-settled employee benefits reserve is used to recognise the fair value of partly paid shares and options issued to Directors and employees.

|  | CONSOLIDATED |            | PARENT     |            |
|--|--------------|------------|------------|------------|
|  | 2009<br>\$   | 2008<br>\$ | 2009<br>\$ | 2008<br>\$ |

## 12. Statement of cash flows

### A) RECONCILIATION OF THE NET LOSS AFTER INCOME TAX TO THE NET CASH FLOWS FROM OPERATING ACTIVITIES

#### Operating activities

|          |             |             |             |             |
|----------|-------------|-------------|-------------|-------------|
| Net loss | (2,302,097) | (1,834,410) | (2,408,484) | (2,164,800) |
|----------|-------------|-------------|-------------|-------------|

#### Non cash items

|                                               |         |         |         |         |
|-----------------------------------------------|---------|---------|---------|---------|
| Depreciation of non current assets            | 54,980  | 54,198  | 49,335  | 54,198  |
| Exploration expenditure written off           | 208,670 | -       | 204,257 | -       |
| Provision for non recovery intercompany loans | -       | -       | 191,975 | 339,849 |
| Employee share based remuneration             | 438,700 | 244,091 | 438,700 | 244,091 |
| Unrealised exchange loss (gain)               | 1,588   | -       | (3,110) | 2,515   |
| Provision for non recovery of investments     | -       | -       | 6       | 1,945   |
| Loss on disposal of fixed assets              | 1,872   | 31,008  | 1,872   | 31,008  |

#### Changes in assets and liabilities

|                                                    |          |          |          |          |
|----------------------------------------------------|----------|----------|----------|----------|
| (Increase)/decrease in trade and other receivables | 57,432   | (57,519) | 49,573   | (59,463) |
| (Increase)/decrease in prepayments                 | (16,196) | 38,335   | (16,196) | 19,081   |
| Increase/(decrease) in trade and other payables    | 124,504  | (84,751) | 181,260  | (97,776) |
| Increase/(decrease) in provisions                  | 193,556  | (28,334) | 193,556  | (28,334) |
| Increase/(decrease) in equity based tax benefit    | 70,849   | 187,516  | 70,849   | 187,516  |

#### Net cash outflow from operating activities

|                    |                    |                    |                    |
|--------------------|--------------------|--------------------|--------------------|
| <b>(1,166,142)</b> | <b>(1,449,866)</b> | <b>(1,046,407)</b> | <b>(1,470,170)</b> |
|--------------------|--------------------|--------------------|--------------------|

### B) RECONCILIATION OF CASH AND CASH EQUIVALENTS

#### Cash at bank

|                          |                   |                  |                   |            |
|--------------------------|-------------------|------------------|-------------------|------------|
| Cash at bank and in hand | 98,846            | 236,337          | 40,155            | 236,335    |
| Short term deposits      | 8,427,063         | 10,806,337       | 8,427,063         | 10,806,337 |
| <b>8,525,909</b>         | <b>11,042,674</b> | <b>8,467,218</b> | <b>11,042,672</b> |            |

|  | COUNTRY OF INCORPORATION | CLASS OF SHARES | EQUITY HOLDING* |           |
|--|--------------------------|-----------------|-----------------|-----------|
|  |                          |                 | 2009<br>%       | 2008<br>% |

## 13. Interests in controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

|                                     |            |          |     |     |
|-------------------------------------|------------|----------|-----|-----|
| Uranex (Tanzania) Ltd               | Tanzania   | Ordinary | 100 | 100 |
| Uranex Mozambique Limitada          | Mozambique | Ordinary | 100 | 100 |
| Uranex ESIP Pty Ltd                 | Australia  | Ordinary | 100 | 100 |
| Faru Resources Ltd                  | Tanzania   | Ordinary | 100 | 100 |
| Juhudi Minerals Ltd                 | Tanzania   | Ordinary | 100 | 100 |
| Investor Resources Services Pty Ltd | Australia  | Ordinary | 100 | -   |

\* percentage of voting power is in proportion to ownership.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

|  | CONSOLIDATED |      | PARENT |      |
|--|--------------|------|--------|------|
|  | 2009         | 2008 | 2009   | 2008 |
|  | \$           | \$   | \$     | \$   |

### 14. Commitments

#### A) EXPLORATION COMMITMENTS

The Company has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Outstanding exploration commitments are as follows:

|                                                                                    |           |           |         |           |
|------------------------------------------------------------------------------------|-----------|-----------|---------|-----------|
| Not later than one year                                                            | 3,056,368 | 2,179,001 | 578,414 | 1,122,115 |
| Exploration expenditure commitments beyond 12 months cannot be reliably determined |           |           |         |           |

#### B) REMUNERATION COMMITMENTS

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of key management personnel referred to in note 19 that are not recognised as liabilities and are not included in the key management personnel compensation.

|                                                  |         |           |         |           |
|--------------------------------------------------|---------|-----------|---------|-----------|
| Not later than one year                          | 496,562 | 523,699   | 496,562 | 523,699   |
| Later than one year and no later than five years | 158,993 | 566,356   | 158,993 | 566,356   |
|                                                  | 655,555 | 1,090,055 | 655,555 | 1,090,055 |

#### C) LEASING COMMITMENTS

##### Operating lease commitments – Company and the Group as lessee

The Company and the Group has entered into commercial leases on commercial property and equipment.

These leases have an average life of between three and five years with renewal options included in the property leases. There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases as at 30 June 2009 are as follows:

|                                             |           |   |         |   |
|---------------------------------------------|-----------|---|---------|---|
| Within one year                             | 271,914   | - | 163,061 | - |
| After one year but not more than five years | 733,272   | - | 620,066 | - |
| Total minimum lease payment                 | 1,005,186 | - | 783,127 | - |

### 15. Contingent liabilities and contingent assets

There are no material contingent liabilities or contingent assets of the Company and the Group at balance date.

### 16. Subsequent events

On 7 August 2009, the Company issued 463,062 fully paid ordinary shares to participants in the Share Purchase Plan for shareholders. The subscription funds received was \$213,000 and transaction costs amounted to \$19,309.

Apart from events described in note 26 no other matter or circumstance has arisen since 30 June 2009 which has significantly affected, or may significantly affect the operations of the Company and the Group, the result of those operations, or the state of affairs of the Company and the Group in subsequent years.

|  | CONSOLIDATED |      | PARENT |      |
|--|--------------|------|--------|------|
|  | 2009         | 2008 | 2009   | 2008 |
|  | \$           | \$   | \$     | \$   |

## 17. Auditors' remuneration

The auditor of Uranex NL in the current year is Ernst & Young.

### A) AMOUNTS RECEIVED OR DUE AND RECEIVABLE BY ERNST & YOUNG (AUSTRALIA) FOR:

An audit or review of the financial report of the entity and any other entity in the consolidated Group

|  |               |          |               |          |
|--|---------------|----------|---------------|----------|
|  | 94,400        | -        | 74,400        | -        |
|  | <b>94,400</b> | <b>-</b> | <b>74,400</b> | <b>-</b> |

### B) AMOUNTS RECEIVED OR DUE AND RECEIVABLE BY RELATED PRACTICES OF ERNST & YOUNG (AUSTRALIA) FOR:

An audit or review of the financial report of other entities in the consolidated Group provided by related practices of Ernst & Young firm

|  |                |          |               |          |
|--|----------------|----------|---------------|----------|
|  | 17,290         | -        | -             | -        |
|  | <b>111,690</b> | <b>-</b> | <b>74,400</b> | <b>-</b> |

### C) AMOUNTS RECEIVED OR DUE AND RECEIVABLE BY NON ERNST & YOUNG AUDIT FIRMS FOR:

An audit or review of the financial report of the entity and any other entity in the consolidated Group

|  |               |               |               |               |
|--|---------------|---------------|---------------|---------------|
|  | 10,876        | 35,608        | 10,876        | 35,608        |
|  | <b>10,876</b> | <b>35,608</b> | <b>10,876</b> | <b>35,608</b> |

|  | CONSOLIDATED<br>2009<br>\$ | CONSOLIDATED<br>2008<br>\$ |
|--|----------------------------|----------------------------|
|--|----------------------------|----------------------------|

## 18. Loss per share

### A) RECONCILIATION OF EARNINGS TO PROFIT OR LOSS

Net loss

Loss used in calculating basic loss per share

|  |           |           |
|--|-----------|-----------|
|  | 2,302,097 | 1,834,410 |
|--|-----------|-----------|

|  | NUMBER OF SHARES<br>2009<br>\$ | NUMBER OF SHARES<br>2008<br>\$ |
|--|--------------------------------|--------------------------------|
|--|--------------------------------|--------------------------------|

### B) WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES OUTSTANDING DURING THE YEAR USED IN CALCULATING BASIC LOSS PER SHARE

Weighted average number of ordinary shares used in calculating basic loss per share

|  |            |            |
|--|------------|------------|
|  | 89,159,858 | 88,886,881 |
|--|------------|------------|

### C) EFFECT OF DILUTIVE SECURITIES

For the year ended 30 June 2009 and for the comparative period there are no dilutive ordinary shares because conversion of share options and performance rights would decrease the loss per share and hence be non-dilutive

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

|  | CONSOLIDATED |      | PARENT |      |
|--|--------------|------|--------|------|
|  | 2009         | 2008 | 2009   | 2008 |
|  | \$           | \$   | \$     | \$   |

### 19. Key management personnel

#### A) COMPENSATION FOR KEY MANAGEMENT PERSONNEL

|                              |                  |                  |                  |                  |
|------------------------------|------------------|------------------|------------------|------------------|
| Short term employee benefits | 848,347          | 733,209          | 808,122          | 733,209          |
| Post-employee benefits       | 189,787          | 642,483          | 183,351          | 642,483          |
| Share based payments         | 438,700          | 244,091          | 438,700          | 244,091          |
| <b>Total compensation</b>    | <b>1,476,834</b> | <b>1,619,783</b> | <b>1,430,173</b> | <b>1,619,783</b> |

#### B) OPTION HOLDINGS OF KEY MANAGEMENT PERSONNEL (CONSOLIDATED)

| 30 JUNE 2009 | BALANCE AT<br>1 JULY 2008 | GRANT AS<br>REMUNERATION | BALANCE AT<br>30 JUNE 2009 | VESTED AT 30 JUNE 2009 |                  |                    |
|--------------|---------------------------|--------------------------|----------------------------|------------------------|------------------|--------------------|
|              |                           |                          |                            | TOTAL                  | EXERCISABLE      | NOT<br>EXERCISABLE |
| T A Ward     | -                         | 1,400,000                | 1,400,000                  | 1,400,000              | 1,400,000        | -                  |
| J W Cottle   | -                         | 2,000,000                | 2,000,000                  | 2,000,000              | 2,000,000        | -                  |
| A E Daley    | -                         | 800,000                  | 800,000                    | 800,000                | 800,000          | -                  |
| B Manzi      | -                         | 800,000                  | 800,000                    | 800,000                | 800,000          | -                  |
| R G Udovenya | -                         | 800,000                  | 800,000                    | 800,000                | 800,000          | -                  |
|              | -                         | <b>5,800,000</b>         | <b>5,800,000</b>           | <b>5,800,000</b>       | <b>5,800,000</b> | -                  |

No options were granted or exercised in the prior year.

#### C) SHAREHOLDINGS OF KEY MANAGEMENT PERSONNEL (CONSOLIDATED)

##### Fully paid shares

| 30 JUNE 2009                | BALANCE<br>1 JULY 2008 | PURCHASED      | NET OTHER<br>CHANGES | BALANCE<br>30 JUNE 2009 |
|-----------------------------|------------------------|----------------|----------------------|-------------------------|
|                             | NUMBER                 | NUMBER         | NUMBER               | NUMBER                  |
| <i>Specified Directors:</i> |                        |                |                      |                         |
| T A Ward                    | 50,000                 | -              | -                    | 50,000                  |
| J W Cottle                  | -                      | 10,000         | -                    | 10,000                  |
| A E Daley                   | -                      | 80,000         | -                    | 80,000                  |
| B Manzi                     | 45,000                 | -              | -                    | 45,000                  |
| R G Udovenya                | -                      | 29,000         | -                    | 29,000                  |
| <b>Total</b>                | <b>95,000</b>          | <b>119,000</b> | <b>-</b>             | <b>214,000</b>          |

| 30 JUNE 2008                | BALANCE<br>1 JULY 2007 | PURCHASED | NET OTHER<br>CHANGES | BALANCE<br>30 JUNE 2008 |
|-----------------------------|------------------------|-----------|----------------------|-------------------------|
|                             | NUMBER                 | NUMBER    | NUMBER               | NUMBER                  |
| <i>Specified Directors:</i> |                        |           |                      |                         |
| T A Ward                    | 50,000                 | -         | -                    | 50,000                  |
| G S Kenway (resigned)*      | 150,000                | -         | (150,000)            | -                       |
| G J Wallace (resigned)*     | 100,000                | -         | (100,000)            | -                       |
| L A Berrey (resigned)*      | 100,000                | -         | (100,000)            | -                       |
| B Manzi (appointed)*        | -                      | -         | 45,000               | 45,000                  |
| <b>Total</b>                | <b>400,000</b>         | <b>-</b>  | <b>(305,000)</b>     | <b>95,000</b>           |

\* The Directors, having either resigned or been appointed during the year, created a net other change to reduce their number of shares held or to acknowledge shares held before appointment to calculate their holding at balance date.

### Partly paid shares

|                             | BALANCE<br>1 JULY 2008<br>NUMBER | PURCHASED<br>NUMBER | NET OTHER<br>CHANGES<br>NUMBER | BALANCE<br>30 JUNE 2009<br>NUMBER |
|-----------------------------|----------------------------------|---------------------|--------------------------------|-----------------------------------|
| <b>30 JUNE 2009</b>         |                                  |                     |                                |                                   |
| <i>Specified personnel:</i> |                                  |                     |                                |                                   |
| T A Ward **                 | 1,250,000                        | -                   | (1,250,000)                    | -                                 |
| B Manzi **                  | 50,000                           | -                   | (50,000)                       | -                                 |
| <b>Total</b>                | <b>1,300,000</b>                 | <b>-</b>            | <b>(1,300,000)</b>             | <b>-</b>                          |

|                             | BALANCE<br>1 JULY 2007<br>NUMBER | PURCHASED<br>NUMBER | NET OTHER<br>CHANGES<br>NUMBER | BALANCE<br>30 JUNE 2008<br>NUMBER |
|-----------------------------|----------------------------------|---------------------|--------------------------------|-----------------------------------|
| <b>30 JUNE 2008</b>         |                                  |                     |                                |                                   |
| <i>Specified personnel:</i> |                                  |                     |                                |                                   |
| T A Ward                    | 1,250,000                        | -                   | -                              | 1,250,000                         |
| G S Kenway (resigned)*      | 1,500,000                        | -                   | (1,500,000)                    | -                                 |
| G J Wallace (resigned)*     | 750,000                          | 500,000             | (1,250,000)                    | -                                 |
| L A Berrey (resigned)*      | 400,000                          | -                   | (400,000)                      | -                                 |
| B Manzi (appointed)*        | -                                | -                   | 50,000                         | 50,000                            |
| <b>Total</b>                | <b>3,900,000</b>                 | <b>500,000</b>      | <b>(3,100,000)</b>             | <b>1,300,000</b>                  |

\* The Directors, having either resigned or been appointed during the year, created a net other change to reduce their number of shares held or to acknowledge shares held before appointment to calculate their holding at balance date.

\*\* These key management personnel forfeited these partly paid shares during the year. A net other change to reflect the number of shares forfeited was created to reflect this change.

### D) OTHER TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

Transactions with Directors' related entities

| IDENTITY OF RELATED PARTY                                   | NATURE OF RELATIONSHIP                                                                                    | TYPE OF TRANSACTION                                   | TERMS & CONDITIONS OF TRANSACTION | AGGREGATE AMOUNT |            |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------------|------------------|------------|
|                                                             |                                                                                                           |                                                       |                                   | 2009<br>\$       | 2008<br>\$ |
| G S Kenway<br>Director and shareholder<br>of Renown Pty Ltd | Director of Parent entity                                                                                 | Consulting fees                                       | Normal<br>commercial terms        | -                | 25,000     |
| ResourcesLaw<br>International                               | R G Udovenya is a<br>partner of the firm and<br>Director of Parent entity                                 | Legal advice                                          | Normal<br>commercial terms        | 164,343          | 49,891     |
| Ward International<br>Consultants Pty Ltd                   | T A Ward is a Director of<br>both entities                                                                | Consulting fees                                       | Normal<br>commercial terms        | 44,500*          | 22,500     |
| Dalenier Enterprises<br>Pty Ltd                             | A E Daley is a Director of<br>both entities                                                               | Consulting fees                                       | Normal<br>commercial terms        | 14,800           | 26,240     |
| Investor Resources<br>Finance Pty Ltd                       | A E Daley was a Director<br>of both entities and<br>shareholder in Investor<br>Resources Finance Pty Ltd. | Acquisition of Investor<br>Resources Services Pty Ltd | Normal<br>commercial terms        | 1                | -          |

\*This amount is a part of the directors fees included in table 1 of the Remuneration Report.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

### 19. Key management personnel (continued)

Amounts recognised at the reporting date in relation to other transactions with key management personnel

|                               | 2009<br>\$ | 2008<br>\$ |
|-------------------------------|------------|------------|
| <b>ASSETS AND LIABILITIES</b> |            |            |
| <b>Current liabilities</b>    |            |            |
| Trade and other payables      | 56,796     | -          |
| Total liabilities             | 56,796     | -          |
| Legal                         | 164,343    | 49,891     |
| Consulting fees               | 59,300     | 73,740     |
| Total expenses                | 223,643    | 123,631    |

### 20. Related party disclosures

#### PARENT ENTITY

Uranex NL is the ultimate Australian parent entity of the consolidated entity. Its interests in controlled entities are set out in note 13.

#### WHOLLY OWNED GROUP TRANSACTIONS

Controlled entities made payments and received funds on behalf of Uranex NL and other controlled entities by way of inter-company loan accounts with each controlled entity. These loans are unsecured, bear no interest and are repayable on demand. However, demand for repayment is not expected in the next twelve months. Aggregate amounts receivable from and payable to wholly owned controlled entities by the Company are set out in note 5.

Transactions and balances between the Company and its controlled entities were eliminated in the preparation and consolidation financial statements of the group.

#### KEY MANAGEMENT PERSONNEL

Details relating to key management personnel, including remuneration paid, are included in note 19.

#### TRANSACTIONS WITH RELATED PARTIES

All amounts payable to related parties are unsecured and at no interest cost.

The amount outstanding will be settled in cash. No guarantees have been given or received. No expense has been recognised in the period for bad or doubtful debts in respect of the accounts owed by related parties.

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year (for information regarding outstanding balances on related party trade receivables and payables at year-end, refer to notes 4 and 8 respectively).

|                                                              | YEAR | OTHER TRANSACTIONS<br>WITH RELATED PARTIES |
|--------------------------------------------------------------|------|--------------------------------------------|
| <b>Related party</b>                                         |      |                                            |
| <i>Entities with significant influence over the Group:</i>   |      |                                            |
| IMX Resources Ltd – Service agreement and cost reimbursement | 2009 | 117,112                                    |
|                                                              | 2008 | 679,930                                    |
| <b>Parent</b>                                                |      |                                            |
| <i>Subsidiaries:</i>                                         |      |                                            |
| Leasehold properties – rental expense                        | 2009 | 61,747                                     |
|                                                              | 2008 | -                                          |

#### Entity with significant influence over the Group

IMX Resources Ltd owns 32.7% of the ordinary shares (fully diluted) in Uranex NL (2008: 39.5%)

#### Employees

Contributions to superannuation funds on behalf of employees are disclosed in note 26.

|  | CONSOLIDATED |      | PARENT |      |
|--|--------------|------|--------|------|
|  | 2009         | 2008 | 2009   | 2008 |
|  | \$           | \$   | \$     | \$   |

## 21. Share-based payment plans

### A) RECOGNISED SHARE-BASED PAYMENT EXPENSES

The expense recognised for employee services received during the year is shown below:

|                                                                      |         |         |         |         |
|----------------------------------------------------------------------|---------|---------|---------|---------|
| Expense arising from equity-settled share-based payment transactions | 438,700 | 244,091 | 438,700 | 244,091 |
| Total expense arising from share-based payment transactions          | 438,700 | 244,091 | 438,700 | 244,091 |

The share-based payment plans are described below. There have been no cancellations or modifications to either of the relevant plans during 2009 or 2008.

### B) TYPES OF SHARE-BASED PAYMENT PLANS

#### Employee share option plan (ESOP)

Share options are granted to senior executives and Directors. The ESOP is designed to align participants' interests with those of shareholders by increasing the value of the Company's shares. Under the ESOP, the exercise price of the options is set by the Board on the date of grant. This issue of options was approved by members at the Annual General Meeting held on 14 November 2008. No options have been issued in prior periods.

The life of each option granted is without an expiry date but they must be exercised within 6 months of the option holder ceasing employment with Uranex NL. The options vest upon issue. There are no cash settlement alternatives.

### C) SUMMARIES OF OPTIONS GRANTED UNDER ESOP

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options issued during the year.

|                                          | 2009<br>NUMBER | 2008<br>WAEP |
|------------------------------------------|----------------|--------------|
| Outstanding at the beginning of the year | -              | -            |
| Granted during the year                  | 5,800,000      | 0.32         |
| Outstanding at the end of the year       | 5,800,000      | 0.32         |
| Exercisable at the end of the year       | 5,800,000      | 0.32         |

The outstanding balance as at 30 June 2009 is represented by:

- 2,450,000 options over ordinary shares with an exercise price of \$0.30 each.
- 3,350,000 options over ordinary shares with an exercise price of \$0.34 each.

### D) WEIGHTED AVERAGE REMAINING ESTIMATED LIFE

The weighted average remaining estimated life for the share options outstanding as at 30 June 2009 is 9.94 years (2008: nil years).

### E) WEIGHTED AVERAGE FAIR VALUE

The weighted average fair value of options granted during the year was \$0.076 (2008: nil).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

### F) OPTION PRICING MODEL: ESOP

#### Equity-settled transactions

The fair value of the equity-settled share options granted under the ESOP is estimated as at the date of grant using a Binomial Model taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the models used for the year ended 30 June 2009.

|                                                          | ESOP<br>2009  |
|----------------------------------------------------------|---------------|
| Dividend yield (%)                                       | Nil           |
| Expected volatility (%)                                  | 85            |
| Risk-free interest rate (%)                              | 4.395 – 5.225 |
| Expected life of option (years)                          | 4 – 29        |
| Option exercise price (cents)                            | 30 – 34       |
| Weighted average share price at measurement date (cents) | 17            |
| Exercise price multiple                                  | 2             |
| Model used                                               | Binomial      |

The effects of early exercise have been incorporated into calculations by using an expected life for the option that is shorter than the estimated life based on historical exercise behaviour, which is not necessarily indicative of exercise patterns that may occur in the future. The expected volatility was determined using a historical sample of 48 month-end Company share prices. The resulting expected volatility therefore reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The Directors are assumed to exercise prior to expiry date when the price is twice that of the exercise price. This reflects the restrictions to trading of Directors and executives outlined in the Company's share trading policy.

## 22. Segment information

### SEGMENT PRODUCTS AND LOCATIONS

The Company and the Group operates wholly within the single secondary business segment of mineral exploration. Geographically, the Group operates in two predominant segments, being Australia and East Africa. The head office and investment activities of the Group take place in Australia.

|                          | AUSTRALIA   |             | EAST AFRICA |            | CONSOLIDATED |             |
|--------------------------|-------------|-------------|-------------|------------|--------------|-------------|
|                          | 2009<br>\$  | 2008<br>\$  | 2009<br>\$  | 2008<br>\$ | 2009<br>\$   | 2008<br>\$  |
| <b>Segment revenue</b>   |             |             |             |            |              |             |
| Other revenue            | 528,383     | 979,087     | 158         | 141,127    | 528,541      | 1,120,214   |
| Total segment revenue    | 528,383     | 979,087     | 158         | 141,127    | 528,541      | 1,120,214   |
| Intersegment elimination |             |             |             |            | -            | 4,235       |
| Consolidated revenue     |             |             |             |            | 528,541      | 1,115,979   |
| <b>Segment result</b>    |             |             |             |            |              |             |
| Segment result           | (2,358,953) | (1,977,204) | (480,689)   | (637,248)  | (2,839,642)  | (2,614,532) |
| Intersegment elimination |             |             |             |            | 608,394      | 967,638     |
| Loss before income tax   |             |             |             |            | (2,231,248)  | (1,646,894) |
| Income tax expense       |             |             |             |            | (70,849)     | (187,516)   |
| Loss for the year        |             |             |             |            | (2,302,097)  | (1,834,410) |

|                                                                                                 | AUSTRALIA  |            | EAST AFRICA |            | CONSOLIDATED |             |
|-------------------------------------------------------------------------------------------------|------------|------------|-------------|------------|--------------|-------------|
|                                                                                                 | 2009<br>\$ | 2008<br>\$ | 2009<br>\$  | 2008<br>\$ | 2009<br>\$   | 2008<br>\$  |
| <b>Segment assets and liabilities</b>                                                           |            |            |             |            |              |             |
| Segment assets                                                                                  | 22,260,053 | 19,365,239 | 9,141,946   | 4,252,316  | 31,401,999   | 23,617,555  |
| Intersegment elimination                                                                        |            |            |             |            | (8,938,223)  | (4,639,906) |
| Total assets                                                                                    |            |            |             |            | 22,463,776   | 18,977,649  |
| Segment liabilities                                                                             | 1,008,511  | 648,382    | 9,500,651   | 8,226,199  | 10,509,162   | 8,910,581   |
| Intersegment elimination                                                                        |            |            |             |            | (9,488,162)  | (8,068,359) |
| Total liabilities                                                                               |            |            |             |            | 1,021,000    | 842,222     |
| <b>Other segment information</b>                                                                |            |            |             |            |              |             |
| Acquisitions of property, plant and equipment, intangibles and other non current segment assets | 138,663    | 147,529    | 167,577     | 488,452    | 306,220      | 635,981     |
| Depreciation expense                                                                            | 54,980     | 54,198     | -           | -          | 54,980       | 54,198      |
| Capitalised                                                                                     | 17,425     | -          | 103,382     | 66,609     | 120,807      | 66,609      |

### 23. Financial instruments, risk management objectives and policies

The Company and the Group's principal financial instruments consist of short-term deposits, receivables and payables. The fair value of the financial assets and liabilities is approximated by the carrying value.

The key financial risks identified by the Company and the Group include interest rate and currency movements. The overall objective of the Company and the Group's financial risk management policies is to meet its financial targets whilst protecting future financial security.

The Board reviews and agrees on policies for managing these risks. Management is charged with implementing the policies.

#### INTEREST RATE RISK

The Group is exposed to movements in market interest rates on short-term deposits. Management ensures a balance is maintained between the liquidity of cash assets and the interest rate return. Presently, neither the Company nor the Group have any interest bearing liabilities.

At balance date, the Company and the Group had the following financial assets and liabilities exposed mostly to Australian variable interest rates and are unhedged.

|                           | CONSOLIDATED |            | PARENT     |            |
|---------------------------|--------------|------------|------------|------------|
|                           | 2009<br>\$   | 2008<br>\$ | 2009<br>\$ | 2008<br>\$ |
| Cash and cash equivalents | 8,525,909    | 11,042,674 | 8,467,218  | 11,042,672 |

The weighted average interest rate for the Company and Group in 2009 was 4.3% (2008: 8.0%)

In accordance with the Company and the Group policy of reviewing this risk, the following sensitivity analysis based on interest rate exposures at balance date where the interest rate movement varies and other variables remain constant, post tax loss and equity would have been affected as shown. The analysis has been performed on the same basis for both 2009 and 2008.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

| 30 JUNE 2009               | CARRYING<br>AMOUNT | INTEREST RATE RISK -1% |              | INTEREST RATE RISK +1% |              |
|----------------------------|--------------------|------------------------|--------------|------------------------|--------------|
|                            |                    | NET LOSS<br>\$         | EQUITY<br>\$ | NET LOSS<br>\$         | EQUITY<br>\$ |
| <b>Consolidated entity</b> |                    |                        |              |                        |              |
| <i>Financial asset</i>     |                    |                        |              |                        |              |
| Cash and cash equivalents  | 8,525,909          | (85,260)               | (85,260)     | 85,260                 | 85,260       |
| <b>Parent entity</b>       |                    |                        |              |                        |              |
| <i>Financial asset</i>     |                    |                        |              |                        |              |
| Cash and cash equivalents  | 8,467,218          | (84,672)               | (84,672)     | 84,672                 | 84,672       |

| 30 JUNE 2008               | CARRYING<br>AMOUNT | INTEREST RATE RISK -1% |              | INTEREST RATE RISK +1% |              |
|----------------------------|--------------------|------------------------|--------------|------------------------|--------------|
|                            |                    | NET LOSS<br>\$         | EQUITY<br>\$ | NET LOSS<br>\$         | EQUITY<br>\$ |
| <b>Consolidated entity</b> |                    |                        |              |                        |              |
| <i>Financial asset</i>     |                    |                        |              |                        |              |
| Cash and cash equivalents  | 11,042,674         | (110,427)              | (110,427)    | 110,427                | 110,427      |
| <b>Parent entity</b>       |                    |                        |              |                        |              |
| <i>Financial asset</i>     |                    |                        |              |                        |              |
| Cash and cash equivalents  | 11,042,672         | (110,427)              | (110,427)    | 110,427                | 110,427      |

The movements in losses are due to higher/lower interest receivable from cash balances. The sensitivity is lower in 2009 than 2008 because funds have been expended on exploration and administration resulting in diminishing cash balances. The analysis assumes the carrying amounts noted will be maintained over the next financial year.

### CREDIT RISK EXPOSURES

The Company and the Group has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the balance sheet and notes to the financial statements.

As the Company and the Group does not presently have any lending or any other credit risk and low level of debtors, a formal credit risk management policy is not maintained nor a sensitivity analysis prepared.

### FOREIGN CURRENCY RISK

The Group is exposed to fluctuations in foreign currencies arising from transactions including exploration commitments in currencies other than Australian dollars, the Group's presentation currency.

The Group operates internationally and is exposed to foreign exchange risk arising from currency exposures to the United States dollar and to Tanzanian shillings.

The Group has not formalised a foreign currency risk management policy as it has not found a derivative or hedge instrument that would cost effectively mitigate the risk.

The net financial assets and liabilities denominated in currencies other than the functional currency of the Company and the Group at balance date were immaterial at balance date.

At balance date the group had 42% (2008:38%) of its assets using the functional currency of United States dollar.

Judgement of reasonably possible movements:

|                     | POST TAX PROFIT<br>HIGHER/(LOWER) |            | EQUITY<br>HIGHER/(LOWER) |            |
|---------------------|-----------------------------------|------------|--------------------------|------------|
|                     | 2009<br>\$                        | 2008<br>\$ | 2009<br>\$               | 2008<br>\$ |
| <b>Consolidated</b> |                                   |            |                          |            |
| AUD/USD +10%        | -                                 | -          | (821,259)                | (421,424)  |
| AUD/USD -10%        | -                                 | -          | 899,421                  | 516,026    |
| <b>Parent</b>       |                                   |            |                          |            |
| AUD/USD +10%        | (46,397)                          | (31,747)   | (46,397)                 | (31,747)   |
| AUD/USD -10%        | 51,037                            | 38,843     | 51,037                   | 38,843     |

The movements in the company and consolidated equity between 2009 and 2008 are the result of increased funding in the functional currency, being USD, to the international subsidiaries from the Parent entity.

Significant assumptions used in the foreign currency exposure sensitivity analysis include:

- reasonably possible movements in foreign exchange rates were determined from a review of the last year's rates
- the reasonably possible movement of 10% was calculated by taking the USD spot rate as at balance date, moving it by 10% and then re-converting the USD into AUD using the adjusted spot rate under the Group's usual translation methodology
- the net exposure at balance date reflects the exposure levels that are likely to be exposed to the Group over the next 12 months from balance date.

## LIQUIDITY RISK

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

The Group's objective is to maintain a balance between continuity of funding and flexibility as to its source.

The Group's policy is that the Group's liquidity safety margin exceeds \$2 million.

The table below reflects all contractually fixed pay-offs, repayments and interest from recognised financial liabilities. For these obligations the undiscounted cash flows for the respective upcoming financial years are presented. Cash flows for financial assets and liabilities without fixed timing or amount are based on the conditions existing at 30 June 2009.

The remaining contractual maturities of the Group's and Parent entity's financial liabilities are:

|                   | CONSOLIDATED   |                | PARENT         |                |
|-------------------|----------------|----------------|----------------|----------------|
|                   | 2009<br>\$     | 2008<br>\$     | 2009<br>\$     | 2008<br>\$     |
| 6 months or less  | 774,499        | 818,380        | 715,821        | 660,542        |
| 12 months or less | 29,104         | -              | 21,898         | -              |
|                   | <b>803,603</b> | <b>818,380</b> | <b>737,719</b> | <b>660,542</b> |

## 24. Business combination

### ACQUISITION OF INVESTOR RESOURCES SERVICES PTY LTD

On 1 July 2008, Uranex NL acquired 100% of the voting shares of Investor Resources Services Pty Ltd, a private company based in Australia that is the sub lessor of the Company's premises and provider of administration services.

The total cost of the combination was \$1 cash.

The fair value of the identifiable assets and liabilities of Investor Resources Services Pty Ltd as at the date of acquisition were;

|                                               | CONSOLIDATED                 |                   |
|-----------------------------------------------|------------------------------|-------------------|
|                                               | RECOGNISED ON<br>ACQUISITION | CARRYING<br>VALUE |
| Plant & equipment                             | 20,261                       | 20,261            |
| Cash and cash equivalents                     | 19,319                       | 19,319            |
| Trade receivables                             | 16,815                       | 16,815            |
|                                               | <b>56,395</b>                | <b>56,395</b>     |
| Other payables                                | 56,394                       | 56,394            |
|                                               | <b>1</b>                     | <b>1</b>          |
| Cost of the combination:                      |                              |                   |
| Net cash acquired with the subsidiary         |                              |                   |
| Cash paid                                     | 1                            |                   |
| <b>Total cost of the combination</b>          | <b>1</b>                     |                   |
| The cash inflow on acquisition is as follows: |                              |                   |
| Net cash acquired with the subsidiary         | 19,319                       |                   |
| Cash paid                                     | (1)                          |                   |
| <b>Net consolidated cash in flow</b>          | <b>19,318</b>                |                   |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 30 June 2009

### 25. Employee entitlements and superannuation commitments

#### SUPERANNUATION COMMITMENTS

The Company and the Group contributes to superannuation for employees in accordance with the government superannuation guarantee legislation. Neither the Company nor the Group have any obligation to meet any shortfall in the superannuation funds obligations to provide benefits to employees on retirement.

### 26. Tenement acquisition

The Company entered into an agreement with South Boulder Mines Ltd. Under the terms of the agreement, Uranex had to solely fund exploration through to completion of a bankable feasibility study (BFS) which was to be completed within six years of the granting of the prospecting licence P38/3298. On completion of the BFS Uranex would have earned a 65% equity interest in the tenement.

On 4 August 2009 the Company completed its acquisition of South Boulder Mines Ltd's entire interest in Prospecting Licence P38/3298 in consideration of the issue of 700,000 fully paid ordinary shares in Uranex NL.

## DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Uranex NL, I state that:

(1) in the opinion of the Directors:

(a) the financial statements, notes and the additional disclosures included in the Director's report designated as audited, of the Company and the consolidated entity are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's and the Consolidated entity's financial position as at 30 June 2009 and their performance for the financial year ended on that date; and

(ii) complying with accounting standards and Corporations Regulations 2001, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(2) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2009.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'J W Cottle', written in a cursive style.

**J W Cottle**

Managing Director

Melbourne, 29 September 2009

# INDEPENDENT AUDIT REPORT



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## Independent Auditor's Report to the Members of Uranex NL

### Report on the Financial Report

We have audited the accompanying financial report of Uranex NL which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

### *Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Independence*

In conducting our audit we have met the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Liability limited by a scheme approved  
under Professional Standards Legislation



**Auditor's Opinion**

In our opinion:

1. the financial report of Uranex NL is in accordance with the *Corporations Act 2001*, including:
  - i giving a true and fair view of the financial position of Uranex NL and the consolidated entity at 30 June 2009 and of their performance for the year ended on that date; and
  - ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
2. the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

**Report on the Remuneration Report**

We have audited the Remuneration Report included in pages 11 to 15 of the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**Auditor's Opinion**

In our opinion the Remuneration Report of Uranex NL for the year ended 30 June 2009, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Brett Croft  
Partner  
Melbourne  
29 September 2009

## AUDITOR'S INDEPENDENCE DECLARATION



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### Auditor's Independence Declaration to the Directors of Uranex NL

In relation to our audit of the financial report of Uranex NL for the financial year ended 30 June 2009, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

A handwritten signature in cursive script that reads 'Ernst &amp; Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'Brett Croft'.

Brett Croft  
Partner  
29 September 2009

Liability limited by a scheme approved  
under Professional Standards Legislation

## ADDITIONAL SHAREHOLDER INFORMATION

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 17 September 2009.

### a) Distribution of equity securities

The numbers of shareholders, by size of holding, in each class of share are:

|                                                                                 | ORDINARY SHARES   |                   |
|---------------------------------------------------------------------------------|-------------------|-------------------|
|                                                                                 | NUMBER OF HOLDERS | NUMBER OF SHARES  |
| 1 – 1,000                                                                       | 249               | 175,249           |
| 1,001 – 5,000                                                                   | 650               | 2,045,431         |
| 5,001 – 10,000                                                                  | 464               | 3,962,976         |
| 10,001 – 100,000                                                                | 596               | 17,597,949        |
| 100,001 and over                                                                | 80                | 71,954,822        |
|                                                                                 | <b>2,039</b>      | <b>95,736,427</b> |
| The number of shareholders holding less than a marketable parcel of shares are: | 302               | 241,585           |

### b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

|    |                                                   | LISTED ORDINARY SHARES |                      |
|----|---------------------------------------------------|------------------------|----------------------|
|    |                                                   | NUMBER OF SHARES       | % OF ORDINARY SHARES |
| 1  | IMX Resources Ltd                                 | 16,505,870             | 17.24%               |
| 1  | Continental Nickel NL                             | 16,505,870             | 17.24%               |
| 2  | HSBC Custody Nominees (Australia) Limited - A/C 3 | 7,794,193              | 8.14%                |
| 3  | Citicorp Nominees Pty Limited                     | 6,415,410              | 6.70%                |
| 4  | ANZ Nominees Limited                              | 3,676,040              | 3.84%                |
| 5  | HSBC Custody Nominees (Australia) Limited         | 3,337,066              | 3.49%                |
| 6  | NEFCO Nominees Pty Ltd                            | 1,898,578              | 1.98%                |
| 7  | Mr Frank Poullas                                  | 1,050,000              | 1.10%                |
| 8  | S P Andrews & Co Pty Ltd                          | 819,000                | 0.86%                |
| 9  | National Nominees Limited                         | 522,594                | 0.55%                |
| 10 | Mr Peter Sarantzouklis                            | 500,000                | 0.52%                |
| 10 | Googley Pty Ltd                                   | 500,000                | 0.52%                |
| 11 | Mayland Securities Limited                        | 418,265                | 0.44%                |
| 12 | Mr Gary Ernest Willson                            | 400,000                | 0.42%                |
| 13 | Argil Pty Ltd                                     | 373,177                | 0.39%                |
| 14 | Mr Jason Colin Nixon & Mrs Lisa Nixon             | 330,000                | 0.34%                |
| 14 | Mr Darren Lee                                     | 330,000                | 0.34%                |
| 15 | Merrill Lynch (Australia) Nominees Pty Limited    | 305,022                | 0.32%                |
| 16 | Talex Investments Pty Ltd                         | 300,000                | 0.31%                |
| 16 | Fiske Nominees Ltd                                | 300,000                | 0.31%                |
| 17 | Grant Corporation Pty Ltd                         | 275,000                | 0.29%                |
| 18 | Mr David Byeong Yeon Cho                          | 266,000                | 0.28%                |
| 19 | Dyljac Pty Ltd                                    | 265,265                | 0.28%                |
| 20 | Uranium Baron Pty Ltd                             | 265,250                | 0.28%                |

## ADDITIONAL SHAREHOLDER INFORMATION (CONTINUED)

### SUBSTANTIAL SHAREHOLDERS

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

|                                       | NUMBER OF SHARES | PERCENTAGE % |
|---------------------------------------|------------------|--------------|
| IMX Resources Limited                 | 33,032,710       | 34.25        |
| New City Investment Managers Limited* | 8,716,386        | 9.08         |
| Geiger Counter Limited                | 7,716,386        | 8.04         |
| Polo Resources Limited                | 5,700,000        | 5.98         |

\* NCIM have disclosed an interest in Geiger Counter Limited and included this interest in their notice.

### VOTING RIGHTS

All ordinary shares carry one vote per share without restriction.

### c) Schedule of mining tenements

| TENEMENT NUMBER | TENEMENT NAME   | LOCALITY           | GROUP OWNERSHIP | TENEMENT NUMBER | TENEMENT NAME | LOCALITY | GROUP OWNERSHIP |
|-----------------|-----------------|--------------------|-----------------|-----------------|---------------|----------|-----------------|
| E63/1021        | Bremer Basin    | Western Australia  | Granted         | PLR5628/09      | Manyoni       | Tanzania | Granted         |
| E63/1020        | Bremer Basin    | Western Australia  | Granted         | PLR5627/09      | Manyoni       | Tanzania | Granted         |
| E63/1075        | Bremer Basin    | Western Australia  | Granted         | PLR5839/09      | Manyoni       | Tanzania | Granted         |
| E63/1076        | Bremer Basin    | Western Australia  | Granted         | PLR5838/09      | Manyoni       | Tanzania | Granted         |
| E74/369         | Bremer Basin    | Western Australia  | Granted         | PL5830/09       | Manyoni       | Tanzania | Granted         |
| E74/370         | Bremer Basin    | Western Australia  | Granted         | PL4869/2007     | Manyoni       | Tanzania | Granted         |
| E74/371         | Bremer Basin    | Western Australia  | Granted         | PL5834/09       | Manyoni       | Tanzania | Granted         |
| E74/372         | Bremer Basin    | Western Australia  | Granted         | PL5833/09       | Manyoni       | Tanzania | Granted         |
| E74/373         | Bremer Basin    | Western Australia  | Granted         | PL5832/09       | Manyoni       | Tanzania | Granted         |
| E74/374         | Bremer Basin    | Western Australia  | Granted         | PLR5895/09      | Manyoni       | Tanzania | Granted         |
| E74/375         | Bremer Basin    | Western Australia  | Granted         | PL4870/2007     | Mkuju         | Tanzania | Granted         |
| E38/1732        | Thatcher Soak   | Western Australia  | Granted         | PLR5081/08      | Mkuju         | Tanzania | Granted         |
| P38/3298        | Thatcher Soak   | Western Australia  | Granted         | PL5726/09       | Mkuju         | Tanzania | Granted         |
| E38/1854        | Thatcher Soak   | Western Australia  | Granted         | PL5548/08       | Mkuju         | Tanzania | Granted         |
| EL25164         | Alligator River | Northern Territory | Granted         | PL5564/08       | Mkuju         | Tanzania | Granted         |
| EL25165         | Alligator River | Northern Territory | Granted         | PL5550/08       | Mkuju         | Tanzania | Granted         |
| EL23070         | Bynoe           | Northern Territory | Granted         | PL5705/09       | Mkuju         | Tanzania | Granted         |
| EL23071         | Bynoe           | Northern Territory | Granted         | PLR4662/2007    | Makonde       | Tanzania | Granted         |
| EL24019         | Bynoe           | Northern Territory | Granted         | PLR4663/2007    | Makonde       | Tanzania | Granted         |
| EL24684         | Bynoe           | Northern Territory | Granted         | PLR4649/2007    | Makonde       | Tanzania | Granted         |
| PLR5120/2008    | Bahi            | Tanzania           | Granted         | PLR5339/2008    | Makonde       | Tanzania | Granted         |
| PLR5119/2008    | Bahi            | Tanzania           | Granted         | PL5709/09       | Kwa Mtoro     | Tanzania | Granted         |
| PL5568/08       | Bahi            | Tanzania           | Granted         |                 |               |          |                 |

# CORPORATE DIRECTORY

## **Uranex NL**

ABN 26 115 111 763

## Directors

**T A Ward** (Non-Executive Chairman)  
**J W Cottle** (Managing Director)  
**A E Daley** (Non-Executive Director)  
**B Manzi** (Non-Executive Director)  
**R G Udovenya** (Non-Executive Director)

## Company Secretary

**J M Nethersole**

## Registered Office

### **Melbourne**

Level 3, 15 Queen Street  
Melbourne, Victoria 3000  
Tel: (+61 3) 9621 1533  
Fax: (+61 3) 9621 1544

### **Tanzania**

No. 1, Pecanwood Apartments  
Plot No. MS/MAS/511  
Masaki, Dar es Salaam, Tanzania  
Tel: (+255) 22 260 1179  
Fax: (+255) 22 260 1179

## Internet Address

[www.uranex.com.au](http://www.uranex.com.au)

## Email Address

[info@uranex.com.au](mailto:info@uranex.com.au)

## Share Registry

### **Link Market Services**

Level 1, 333 Collins Street  
Melbourne Vic 3000  
Tel: 1300 554 474  
Fax: (+61 3) 9287 0303

## Auditors

### **Ernst & Young**

8 Exhibition Street  
Melbourne VIC 3000  
Australia

## Bankers

### **National Australia Bank Ltd**

330 Collins Street  
Melbourne Vic 3000  
Australia

## Lawyers

### **ResourcesLaw International**

Level 10, 30 Collins Street  
Melbourne Vic 3000  
Australia

## ASX

Uranex shares (code UNX) are listed on the Australian Securities Exchange (ASX)

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Level 3, 15 Queen Street, Melbourne Victoria 3000

**TELEPHONE:** +61 3 9621 1533 **FACSIMILE:** +61 3 9621 1544 **EMAIL:** [info@uranex.com.au](mailto:info@uranex.com.au)

[www.uranex.com.au](http://www.uranex.com.au)