



**Interim Financial Report
for the Half-Year ended 31 December 2010**



Corporate Directory

DIRECTORS

Mr Pat Ryan	Chairman
Ms Kate Hobbs	Managing Director
Mr Shane Hartwig	Non-Executive Director
Dr Wolf Martinick	Non-Executive Director (Resigned 12 November 2010)

COMPANY SECRETARY

Mr Sam Wright (Resigned 2 March 2011)
Mr Jack Toby (Appointed 2 March 2011)

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Unit 6, Level 1, 680 Murray Street
WEST PERTH, WA, AUSTRALIA, 6005

CONTACT DETAILS

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Unit 6, Level 1, 680 Murray Street
WEST PERTH, WA, AUSTRALIA, 6005

SOLICITORS TO THE COMPANY

Steinepreis Paganin
Level 4, Next Building
16 Milligan Street
Perth WA 6000

AUDITORS

RSM Bird Cameron Partners
8 St Georges Terrace
Perth WA 6000

STOCK EXCHANGE

Australian Securities Exchange
Exchange Plaza
2 The Esplanade
Perth WA 6000

SHARE REGISTRY

Computershare Investor Services
45 St Georges Terrace
Perth WA 6000



URAN LIMITED

ABN 93 107 316 683

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

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Directors' Report

YOUR DIRECTORS SUBMIT THE FINANCIAL REPORT OF URAN LIMITED ("THE COMPANY") FOR THE HALF-YEAR ENDED 31 DECEMBER 2010.

DIRECTORS

THE NAMES OF THE DIRECTORS IN OFFICE AT ANY TIME DURING OR SINCE THE END OF THE YEAR ARE:-

Mr Patrick Ryan	Chairman
Ms Kate Hobbs	Managing Director
Mr Shane Hartwig	Non-Executive Director
Mr Wolf Martinick	Non-Executive Director (resigned 12 November 2010)

DIRECTORS HAVE BEEN IN OFFICE SINCE THE START OF THE FINANCIAL PERIOD TO THE DATE OF THIS REPORT UNLESS OTHERWISE STATED.

REVIEW OF OPERATIONS

During the half-year the Company continued to develop its focus on uranium deposits in the south-west of the United States. Within the Grants Ridge Joint Venture, the new Mesa Montanosa Project was identified, with the location being subject to numerous high-grade drill results from previous drilling, in an area of past uranium mining. A drilling permit was applied for, and drilling is anticipated to commence in March. A radon survey and seismic survey were carried out to assist with planning the drill program.

During the period Uran acquired 100% ownership of mineral rights abutting the Mesa Montanosa Project (Kit Carson Project), and acquired 100% title to mineral claims over a further 2 square miles of ground in the same area, also covering areas of historic uranium mining. By agreement with joint venture partner Uranium Energy Corp (NYSE:UEC), this area does not form part of the Grants Ridge Joint Venture. Drill logs have been located to date for 87 holes within Kit Carson. These show that mineralisation continues through the project with numerous high-grade intercepts ranging up to 9,600 ppm U₃O₈.

Uran has entered into an option to earn a 51% interest in a number of manganese projects in Zambia. The properties include 5 large-scale prospecting licences ("LPLs") in the Kabwe, Mansa and Serenje areas, 2 small scale mining licences ("SMLs") in the Mansa area, and another SML near Kabwe. Mining of manganese has been carried out in 2010 on one of the SMLs and has exposed a number of manganese reefs at or close to surface.

Detailed mapping and hand-held magnetic surveys preparatory to drilling are underway at Kabwe as part of Uran's due diligence review of the projects, and drilling commenced in March 2011. The manganese projects are seen as having potential to provide short term cash flow to fund both further exploration of the less advanced manganese projects, and ongoing uranium exploration in the company's USA uranium projects.

Uran has a 3-month exclusive option to carry out its Due Diligence, including exploration and other works, at a cost of \$500,000. As part of the option, Uran completed a placement of 36,363,635 Shares at 2.2 cents in January 2011 (with 1 for 1 free attaching Options) to parties associated with AAM to raise approximately \$800,000.

Should Uran elect following its Due Diligence to enter into the joint venture with AAM, it will be entitled to earn 51% interest in each of the 7 projects by issuing 80,000,000 Uran shares to AAM, and expending a further \$2,000,000 on exploration and mining within 2 years. Any profit earned from manganese production on the Joint Venture projects may be re-invested into the projects and will constitute part of Uran's earn-in expenditure.

As part of the Company's cost containment procedures, Uran's right to acquire Discovery Minerals Pty Ltd was not extended. The Company formed a view that it could not accept the terms of the Share Sale Agreement due to uncertainty as to whether Discovery's applications for exploration permits over the Czech uranium deposits will be granted. However Uran retains its current 8.5% shareholding in Discovery Minerals.

The Company also disposed of its non-core tungsten properties in Montana and California.

On 11 August 2010, Uran announced to the market that it has completed a non-renounceable entitlement issue of 1 Share for every 2 Shares held at an issue price of 1.5 cents per Share, which raised approximately \$1,230,058.

The Uran Annual General Meeting was held on 12 November 2010. All resolutions that were put were passed on a show of hands. At the AGM, the Company also announced the resignation of Dr Wolf Martinick from his position as a Non-Executive Director and Mr Winton Willesee as Joint Company Secretary.

Directors' Report

SUBSEQUENT EVENTS

On 7 of January 2011, the company announced that it had successfully completed the issue of 36,363,635 ordinary shares, at an issue price of 2.2 cents per share, to raise approximately \$800,000 before share issue costs. For each share issued, a free attaching option was also granted. These options expire on the 13th of July 2012 and have an exercise price of 8 cents.

On 7 January 2011, proceeds of \$80,000 were received in relation to the sale of Uran Limited's interest in Finlay Mining. Uran has chosen to dispose of the interest in order to focus on the exploration and development of the Grants Ridge and Zambian Manganese projects.

On 14 January 2011, 750,000 ordinary shares were issued to Uranium Energy Corporation in accordance with the Grants Ridge Joint Venture agreement.

Uran has an option to earn a 51% interest in a number of manganese projects in Zambia and is currently engaged in a due diligence process pursuant to the agreement. The due diligence period has been extended to one month after receipt by Uran of all the relevant documents.

Other than the matters referred to above, there are no matters or circumstances that have arisen since 31 December 2010 that have or may significantly affect the operations, results, or state of affairs of the consolidated entity in future financial periods.

FINANCIAL PERFORMANCE

Financial Position

The net assets of the company have increased to \$3,029,312 as at 31 December 2010 (30 June 2010: \$2,499,459)

Financial Performance

The loss of the company for the half-year ended 31 December 2010 amounted to \$438,767 (31 December 2009: \$605,981).

Auditor's Independence Declaration

We have obtained an independence declaration from our auditors, RSM Bird Cameron Partners, which is included within this half-year financial report.

Signed in accordance with a resolution of the Directors.

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Kate Hobbs
Managing Director
Perth, 11 March 2010

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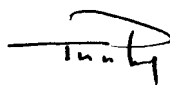
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Uran Limited for the half-year ended 31 December 2010, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants



TUTU PHONG
Partner

Perth, WA
Dated: 11 March 2011

Condensed Statement of Comprehensive Income

for the half-year ended 31 December 2010

	Consolidated	
	31/12/2010	31/12/2009
	\$	\$
Revenue	34,686	19,368
Depreciation	(32,487)	(21,143)
Director's fees	(38,674)	(55,799)
Employee benefit expense	(121,062)	(231,667)
Impairment of mineral exploration expenditure	(24,858)	-
Other expenses	(256,372)	(316,740)
Loss before income tax expense	(438,767)	(605,981)
Income tax expense	-	-
Loss after income tax expense	(438,767)	(605,981)
Other Comprehensive income		
Foreign currency translation	(147,972)	(10,921)
Income tax relating to components of other comprehensive income	-	-
Total comprehensive loss for the period	(586,739)	(616,902)
Basic loss per share (cents per share)	(0.18)	(0.53)
Diluted earnings loss per share (cents per share)	(0.18)	(0.53)

The accompanying notes form part of these financial statements

Condensed Statement of Financial Position

as at 31 December 2010

	Notes	Consolidated 31/12/2010 \$	30/06/2010 \$
CURRENT ASSETS			
Cash		478,041	114,918
Trade and other receivables		1,279	10,586
Other financial assets		20,466	141,862
Mineral exploration expenditure - held for sale		80,000	65,000
TOTAL CURRENT ASSETS		579,786	332,366
NON-CURRENT ASSETS			
Property, plant and equipment		199,276	258,317
Mineral exploration expenditure		2,355,640	2,168,903
Other financial assets		71,280	71,280
TOTAL NON CURRENT ASSETS		2,626,196	2,498,500
TOTAL ASSETS		3,205,982	2,830,866
CURRENT LIABILITIES			
Trade and other payables		138,505	273,325
Provisions		38,165	58,082
TOTAL CURRENT LIABILITIES		176,670	331,407
NET ASSETS		3,029,312	2,499,459
EQUITY			
Contributed equity	3	13,481,930	12,365,338
Reserves		3,183,215	3,331,187
Accumulated losses		(13,635,833)	(13,197,066)
TOTAL EQUITY		3,029,312	2,499,459

The accompanying notes form part of these financial statements

Condensed Statement of Changes in Equity

for the half-year ended 31 December 2010

Consolidated	Issued Capital	Retained Earnings	Foreign Currency Translation Reserve	Option Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2009	9,642,000	(11,503,307)	-	3,211,359	1,350,052
Foreign currency translation	-	-	(10,921)	-	(10,921)
Comprehensive loss attributable to equity shareholders	-	(605,981)	-	-	(605,981)
Total comprehensive loss for the period	-	(605,981)	(10,921)	-	(616,902)
Shares issued during the period	2,248,974	-	-	-	2,248,974
Share based payments during the period	-	-	-	81,594	81,594
Capital raising costs	(352,165)	-	-	-	(352,165)
Balance at 31 December 2009	<u>11,538,809</u>	<u>(12,109,288)</u>	<u>(10,921)</u>	<u>3,292,953</u>	<u>2,711,553</u>
Balance at 1 July 2010	12,365,338	(13,197,066)	22,097	3,309,090	2,499,459
Foreign currency translation	-	-	(147,972)	-	(147,992)
Loss attributable to equity shareholders	-	(438,767)	-	-	(438,767)
Comprehensive loss attributable to equity shareholders	-	(438,767)	(147,972)	-	(586,739)
Shares issued during the year	1,230,058	-	-	-	1,230,058
Capital raising costs	(113,466)	-	-	-	(113,466)
Balance at 31 December 2010	<u>13,481,930</u>	<u>(13,635,833)</u>	<u>(125,875)</u>	<u>3,309,090</u>	<u>3,029,312</u>

The accompanying notes form part of these financial statements

Condensed Statement of Cash Flows

for the half-year ended 31 December 2010

	Consolidated	
	31/12/2010	31/12/2009
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Other income	23,290	15,708
Payments to suppliers and employees	(579,731)	(662,636)
Interest received	11,396	3,660
NET CASH USED IN OPERATING ACTIVITIES	(545,045)	(643,268)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for mineral exploration expenditure	(328,631)	(786,826)
Payments for property, plant and equipment	(1,189)	(120,462)
Refund of environmental bond deposits	121,396	-
NET CASH USED IN FINANCING ACTIVITIES	(208,424)	(907,288)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	1,230,058	2,209,624
Payments for share issue costs	(113,466)	(279,221)
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,116,592	1,930,403
NET INCREASE IN CASH HELD	363,123	379,847
Cash at the beginning of the period	114,918	185,836
CASH HELD AT END OF PERIOD	478,041	565,683

The accompanying notes form part of these financial accounts

Notes to the Financial Statements

for the half-year ended 31 December 2010

NOTE 1. Basis of Preparation

This general purpose financial report for the half-year reporting period ended 31 December 2010 has been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures the financial report compliance with International Financial Reporting Standard IAS 34: Interim Financial Reporting.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report to be read in conjunction with the annual financial report for the year ended 30 June 2010 and any public announcements made by Uran Limited during the half-year.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period.

Notes to the Financial Statements

for the half-year ended 31 December 2010

Note 2. Contributed Equity

		<u>Consolidated</u>	
		31 Dec 2010	30 June 2010
		\$	\$
a)	Paid up capital Ordinary shares	13,481,930	12,365,338
b)	Movements		
		<u>No. of Shares</u>	<u>Paid Up Capital</u>
			\$
	Balance 1 July 2010	166,007,703	12,365,338
	Rights issue- July 2010	82,003,851	1,230,058
	Less capital raising costs	-	(113,466)
	Balance 31 December 2010	248,011,554	13,481,930

Note 3. Segment information

The Consolidated entity has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors has considered the business from both a geographic and business segment perspective.

During the half-year, Uran Limited operated in the mineral exploration industry within the geographical segments, Australia and USA.

Geographical

	Australia		USA		Total	
	\$ 31 December 2010	\$ 30 June 2010	\$ 31 December 2010	\$ 30 June 2010	\$ 31 December 2010	\$ 30 June 2010
Segment revenue	34,686	42,499	-	-	34,686	42,499
Segment result	(438,767)	(1,693,759)	-	-	(438,767)	(1,693,759)
Loss before income tax	(438,767)	(1,693,759)	-	-	(438,767)	(1,693,759)
Assets						
Segment assets	663,933	372,543	2,542,049	2,458,323	3,205,982	2,830,866

Note 4. Event after the reporting date

On 7 of January 2011, the company announced that it had successfully completed the issue of 36,363,635 ordinary shares, at an issue price of 2.2 cents per share, to raise \$800,000 before share issue costs. For each share issued, a free attaching option was also granted. These options expire on the 13th of July 2012 and have an exercise price of 8 cents.

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Notes to the Financial Statements (continued)

for the half-year ended 31 December 2010

Other than the matters referred to above, there are no matters or circumstances that have arisen since 31 December 2010 that have or may significantly affect the operations, results, or state of affairs of the consolidated entity in future financial periods.

Note 5. Contingencies and commitments

There has been no change in contingent liabilities since the last annual reporting date.

Note 6. Dividends

There has been no dividends declared or recommended and no distributions made to shareholders or other persons during the period.

Directors' Declaration

The directors of the company declare that:

- 1) The financial statements and notes, as set out within this financial report:
 - (a) comply with the Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Act 2001*; and
 - (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date.
- 2) In the directors' opinion there are reasonable grounds to believe that Uran Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



Kate Hobbs
Managing Director
11 March 2010

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
URAN LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Uran Limited which comprises the condensed statement of financial position as at 31 December 2010, and the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Uran Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Uran Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

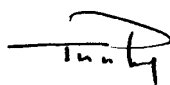
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Uran Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants



TUTU PHONG
Partner

Perth, WA
Dated: 11 March 2011