URU Metals Limited

Annual Consolidated Financial Statements

for the year ended 31 March 2015

Forward-Looking Statement

This annual report contains 'forward-looking information', which may include, but is not limited to statements with respect to: the future financial and operating performance of URU Metals Limited, its subsidiaries, investment assets and affiliated companies, its mining projects, the future price of uranium and nickel, the estimation of mineral resources, the realisation of mineral resource estimates, costs of production, capital and exploration expenditures, costs and timing of the development of new deposits, costs and timing of the development of new mines, costs and timing of future exploration, requirements for additional capital, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, licenses, and conversions under the governments of Canada, Sweden, and the Republic of South Africa, other applicable mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as 'plans', 'expects', 'is expected', 'budget', 'scheduled', 'estimates', 'forecasts', 'intends', 'anticipates' or 'believes', or variations (including negative variations) of such words and phrases, or state that certain actions, events or results' may', 'could', 'would', 'might' or 'will' be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of URU Metals and/or its subsidiaries, investment assets and/or its affiliated companies to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations and studies; fluctuations in the value of the US Dollar relative to the South African Rand, the Swedish Krona, the Canadian Dollar, and UK pounds sterling and other foreign currencies; changes in project parameters as plans continue to be refined; future prices of uranium and nickel; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability, insurrection or war; the effect of HIV on labour force availability and turnover; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although URU Metals has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may well be other factors that cause actions, events or results to differ from those currently anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this annual report and URU Metals disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

Our Business

URU Metals' mission is to identify and invest in quality mineral exploration and development projects.

URU Metals' vision is to become the AIM market's premier uranium and nickel exploration and development company. URU will achieve its vision by identifying and developing its uranium opportunities as part of the global nuclear renaissance, and by developing its nickel properties to take advantage of ongoing global demand.

The Närke Oil-U Project	**Southern African Nickel Ltd ("SAN Ltd")**
• URU has 100% ownership of certain exploration licenses near the town of Örebro, Sweden; these licenses expired in September 2015 and URU has applied for renewals • The licenses cover thick sections of kerogen (oil-bearing), uranium, molybdenum, vanadium, and nickel-bearing Alum Shales. • The properties have an exploration target of 1.47 billion tonnes containing 303,000 tonnes U3O8 and 525 million barrels of oil equivalent. If proven up, the Närke Project could be one of the world's largest undeveloped uranium deposits.	• In prior year, URU acquired a 100% interest in SAN Ltd, which acquired after year-end a putative 100% interest (see Note 9 to the consolidated financial statements in relation to the transfer of the licenses) in the Zebediela licenses. SAN Ltd retained its 50% interest in the Burgersfort Project. • The transfer of licenses to SAN Ltd's acquired subsidiary is pending approval by the South African Department of Mineral Resources as set out in Note 9 to the consolidated financial statements. However, at the present time, the Company and its management do not foresee any issues with the licenses' eventual transfer. • Burgersfort and Zebediela are prospective sulphide nickel properties in the Bushveld Ni-Cu-PGM district of South Africa • In June 2012, URU announced the results of a positive NI 43-101 Preliminary Economic Assessment of the Zebediela Project which envisioned a 25-year mine life producing 53,600,000 lbs of Ni per annum, with an NPV of over US$1 billion.

The Past Year

Our Strategy

Since the Company's inception, URU has employed a two-pronged strategy to build shareholder value, to grow our asset base, and to achieve shared benefits for stakeholders.

Each sub-strategy is vital to the on-going success of URU Metals. However, the particular emphasis that is given to each component of the strategy will vary at any given moment in time, reflecting the results achieved on each project, the Company's share performance, commodity prices, and the market conditions of the sectors in which we operate.

By responding to such conditions in a timely, efficient manner, URU Metals strives to optimize value through flexibility.

The key pillars of our strategy are:

1	**Advancing100% ownedprojects** ***Mediumtolong-term returns***	*SANLtd. NärkeProject*	URU Metals plans todelineatea compliant mineral resource estimate. The Company will then look to advance the project through feasibility studies and into production and cash flow generation.
2	**Strategic Investments** ***Neartomedium-term returns***	*Theformer investmentin UrAmerica*	URU Metalswill make appropriate investments in listed or unlisted mining and mineral development companies to optimize shareholder value. Where appropriate, URU Metals will act as an active investor and will strive to advance corporate actions that deliver value-adding outcomes (for example, project development to increase company valuation or to achieve a listing).

Business Review

I am pleased to present to our shareholders and stakeholders, the consolidated financial statements of the Company for the year ended March 31, 2015 ("the Period").

The past financial year has continued to be very difficult for the mining industry. However, URU has been able to take advantage of the challenging operating environment to re-organize our Company and increase our interest in quality asset for your future benefit.

HIGHLIGHTS

The highlights of our progress during the year ended March 31, 2015 and to the date of this report can be summarized as follows:

<u>Purchase of Umnex Minerals Limpopo Pty ("UML")</u>

On April 10, 2014, URU's subsidiary, SAN Ltd. and Umnex Mineral Holdings Pty ("UMH") agreed that SAN Ltd. would purchase 100% of UML from UMH for consideration of 33,194,181 in new URU shares and 8,000,000 bonus shares issued to directors and officers for their services in the acquisition of UML. The Zebediela Nickel Project extends over three separate mining titles in Limpopo Province. As of the date of this report, title to all three rights were still held by parties unrelated to UML, and transfer of the rights to UML's subsidiary Lesogo Platinum Uitloop Pty ("LPU") had not been completed. The timing of the transfer is uncertain and regulatory approval of the transfer remains outstanding. The delay in the transfer of the rights is normal in South Africa and management does not anticipate any complications.

<u>Issuance of Shares in Private Placement</u>

On May 2, 2014, the Company announced the placing of 54,333,334 new shares at a price of 1.5 pence per share for a total of GBP 687,500. Of the total, 19,283,335 shares were issued to Niketo Co. Ltd., a company wholly owned by NWT Uranium Corp. ("NWT"), URU's largest shareholder. A further 8,500,000 shares were issued in settlement of professional fees.

<u>Grant of Share Options</u>

On May 22, 2014, the Company granted a total of 8,500,000 options to directors and contractors at an exercise price of GBP0.02 per share. The options granted vested immediately upon grant. The fair value of share options granted was $98,067 (GBP58,319) estimated using Black-Scholes option valuation model, which was expensed during the year ended March 31, 2015.

Over the financial year, URU Metals has raised capital and has upgraded its portfolio of exploration assets. We are well positioned to take advantage of potential positive movements in the uranium, nickel, and also oil and gas markets.

David Subotic,
Non-Executive Chairman
29th September 2015

From the CEO

Below are the major activities of the Company during the fiscal year of 2014 and 2015:

2014		
	August	Extending the Nueltin Lake option through to December 2016.
2015	*March*	The Group wrote off the intangible assets associated with the Nueltin License for an amount of $153,000 as the Group has no plan to pursue the project in Nunavut Territory.
	April	Acquisition of SAN Ltd's former joint venture partner's putative 26% interest in the Zebediela licenses, and in the process extinguishing the arbitration between the two and terminating the joint venture;
	May	On 2 May 2014, the Company announced the placing of 54,333,334 new shares at a price of 1.5 pence per share for a total of GBP 687,500. Of the total, 19,283,335 shares were issued to Niketo Co Ltd, a company wholly owned by NWT Uranium, the Company's largest shareholder, bringing NWT's investment in URU to 30.83%.

These projects represent a substantial upgrade to the Company's portfolio. Unlike many early stage exploration projects, the discovery risk attached to the Närke, Zebediela, and Burgersfort projects have been reduced through the work of previous operators. The presence of uranium or nickel mineralisation has already been confirmed on all our principal projects through historic drilling. However, we believe that previous work did not define the full extent these deposits, and we believe our shareholders can benefit from both reduced technical and financial risks associated with early stage exploration, and from value uplift as we advance the projects. In 2016, the Company's focus will be to continue determining the ultimate size and economic viability of the Närke project.

Nueltin project (Canada)
After the onset of the global financial crisis in 2008, Cameco declined to mount follow-up drill programs. During the year ended March 31, 2015, the Group wrote-off the Nueltin License for an amount $153,000 as the Group has no current plan to pursue the project in Nunavut Territory.

Närke Project (Sweden)
On 23 May, 2013, URU announced the acquisition of SSOAB, holder of certain exploration licenses in south-central Sweden known as the Närke Project. The licenses cover the Alum Shale Formation which is believed to contain significant quantities of uranium, oil, nickel, zinc, molybdenum, and vanadium.

Between 1941 and 1966, a Swedish Government-owned company produced 61 tonnes of uranium (134,500 lbs) and established an oil-recovery plant on the project, which recovered approximately 159,100 m^3 of petroleum (1 million barrels) and 418,400 m^3 of fuel oil (2.6 million barrels). This company extracted only a small portion of the total ore that is believed to exist at the Närke Project.

In the past, the Government operator drilled 37 drill holes spread across the six licenses, confirming the presence and thickness of the host Alum Shale rocks, and proved the existence of oil and uranium within the current property boundaries.

URU's primary focus in its initial investigations will be on developing an economically viable metallurgical process to recover uranium and oil from the Alum Shale. URU believes that with the significant technological developments in the recovery of oil from shale rocks and the improvements in uranium extraction technology over the last forty years, it can develop a financially viable project for our shareholders.

The licenses expired in September 2015 and the company has applied to renew the licenses for certain areas.

Zebediela Project and Burgersfort Projects (South Africa)

We are excited by the progress made in relation to the Zebediela project.

The Preliminary Economic Assessment ("PEA") on the Zebediela project was completed in June 2012, and indicated that with the extraction of 500 million tonnes of the 1.5 billion tonne total (non -JORC compliant) resource defined to date, the project has a Net Present Value ("NPV") of over USD 317M and a post-tax IRR of 18.6%. (This valuation assumes a post-tax discount rate of 10%, nickel price of USD 8.50/lb, production of 20,000 tonnes of nickel per year over a 25 year mine life, a total capex cost of USD 708M, and an opex cost of USD 3.35/ lb Ni.)

Unfortunately, even with our extensive assistance, our two partners, Umnex Mineral Holdings ("Umnex"), and Southern African Nickel ("SAN") were unable to resolve their issues related to an underlying agreement to the SAN-Umnex JV. Their dispute, which started in mid-2012, moved to a formal arbitration process in March 2013. The arbitration prevented any significant work from being performed on the Zebediela project. Accordingly, the Company began a two-part plan to obtain 100% control over the Zebediela licenses.

The first part of the plan was completed on 26 November 2013, when the Company announced that it had acquired all the outstanding ordinary shares of SAN Ltd, a private company incorporated in the BVI, from two private companies. This gave URU control of SAN Ltd's putative interests in various mineral prospecting rights in South Africa. SAN Ltd had been party to two joint ventures in South Africa: a 74% interest in the Zebediela project ("SAN-Umnex"), and, in a 50/50 ownership with URU, a 50% interest in the Burgersfort project ("SAN-BSC"; see Note 10 to the financial statements in both cases). The terms of the purchase agreement stipulated that the SAN-Umnex JV would be terminated upon purchase. As a result, at year-end, URU owns 100% of SAN Ltd, which in turn owns a 74% putative interest in the Zebediela project and a 50% interest in the Burgersfort project.

The second part of the plan was to acquire the remaining 26% of the putative title to the Zebediela licenses. This was held by Umnex Mineral Holdings Pty ("UMH"), which had title to the Zebediela licenses through its subsidiary, Umnex Minerals Limpopo Pty ("UML"). SAN Ltd and UMH had been in dispute since 2011, and arbitration had begun in August 2013. On 10 April 2014, SAN Ltd and UMH agreed that SAN Ltd would purchase 100% of UML from UMH for consideration of 33,194,181 in URU shares. The Zebediela Nickel Project extends over three separate mining titles in Limpopo Province. As at the date of acquisition, title to all three rights were held by parties unrelated to UML, and transfer of the rights to UML's subsidiary Lesogo Platinum Uitloop Pty ("LPU") had not been completed. The timing of the transfer is uncertain and regulatory approval of the transfer remains outstanding.

Under the terms of the acquisition agreement, UMH is permitted to return the shares and take back the licences should URU:

- fail to maintain adequate cash funds to meet its general and project expenditure obligations, or
- fail to meet the purchased rights' minimum statutory expenditure obligations, or
- raise equity capital at a valuation of below 1.5 pence per share

As at the date of this report, the "general and project expenditure obligations" and the "minimum statutory expenditure obligations" of the general and project expenditure obligations has not been determined.

The dispute between SAN Ltd and the holders of the Zebediela licenses was terminated after year-end 2014 as part of the purchase agreement.

As a result of these acquisitions, URU now owns 100% of SAN, which in turn has a putative 100% of the Zebediela licenses and a 50% interest in the Burgersfort project.

Our plans for 2015/2016 include investigation of the occurrence of magnetite in both the Oxide and the Sulphide Zones. Further work will be predicated on the results of this investigation.

Closure of Operations in Niger
With the acquisition of the Närke Project, its 50% interest in the Burgersfort project, and the acquisition of putative title to the Zebediela assets, URU has three high quality assets in its portfolio, which should be accretive to shareholder value as the commodity markets and investor sentiment in the mining industry recover in the coming months.

As a result, your Board determined that the uranium exploration assets in Niger, while considered to be good projects, not to be as prospective as the other projects in the Company's portfolio. (The Company had provided for the value of the licenses in full in September 2012.) An extensive search by Management to find partners to invest in these projects has not been successful. Accordingly, the operations in Niger were closed effective September 2013, and treated as Discontinued Operations.

Strategy for 2015/2016 Consolidate and Invest

In the fiscal years 2012 and early 2013, your Company embarked on a process of diversification in its portfolio of exploration projects beyond the core holdings in the uranium sector. This led the Company to invest in the Närke and Nueltin Lake projects, in addition to its investment in the SAN-URU JV and development of the Zebediela Nickel Project.

URU remains committed to its strategy of acquiring mineral assets, through

- direct investments in companies with prospects with medium-to-long term production potential;
- partnership with other industry participants to develop projects with production forecast in the near-to- medium term; and
- Investment of 100% equity in earlier-stage projects with the potential to develop world-class sized mineral resources that could be brought to market over the long-term.

A review by your Management team has led to the belief that investments in the uranium sector will be lucrative to investors in the short to medium term, as the future primary uranium market appears undersupplied, requiring significant increases in uranium prices to stimulate miners and explorers to make the necessary investments to meet future uranium demand. Your Company has acquired quality uranium with by-product projects located in favourable, stable mining jurisdictions and is well positioned for the anticipated uranium market rebound.

URU would not rule out investing in longer-term, 100% equity projects, or in other prospective junior companies should the right opportunity arise. However, this would be dependent on investor appetite at the time.

The Uranium Market

URU acquired the Nueltin and Närke Projects for their development potential and medium-term production timelines, as well as their location in favourable mining jurisdictions. Most importantly, the Company intentionally sought out opportunities to increase exposure to the upcoming increase in uranium prices and industry outlook.

The upcoming year will be a pivotal one for the uranium industry on several fronts.

Even with slower-than-expected return to operation of the Japanese civilian nuclear plants, and the potential shut-downs (albeit unlikely to occur) in Germany, growth in the global nuclear generating capacity under the most conservative estimates is staggering, driven primarily by the building of new plants in the developing world.

The European Nuclear Society reports that, as of 11 March 2014, there are 435 nuclear power plants in operation across 31 countries worldwide, with a total installed electrical net capacity of about 372 Gigawatts (855 MW average). It also reports that there are 72 plants being built in 15 countries to produce 68 Gigawatts (949 MW average)[1]. In other words, the number of reactors will grow by 16%, and each of these on average will be 10% larger than their existing siblings. The IAEA has similar statistics at 31 December 2012: 437 reactors connected to the grid and 67 reactors under construction, but – excitingly - 102 reactors planned[2]. (More than one-third of these are Chinese: the IAEA's figures show 38 of the 102 planned and 29 of the 67 under construction.)

Nuclear utility companies purchase uranium on long-term supply contracts to ensure stable supply of uranium to feed the nuclear fuel pellet production process. The spike in uranium prices from 2005-2009 shows that the purchase of uranium by utility companies has more to do with supply security than price sensitivity.

While it is very clear that there is a growing demand under the most conservative assumptions for uranium, the ability for the mining industry to meet this growth with new supply is limited, as national regulations in most countries, and technical capacities of many operations, prohibit rapid changes in annual uranium output.

It is difficult to ignore the facts. Demand for uranium is likely to increase, and the supply is diminishing. We remain positive on the outlook of uranium and have positioned ourselves to take advantage of the upside potential within the uranium sector.

The Nickel Market

Nickel prices have moved up down from USD $8.5/lb by mid -August 2014 to USD $4.68/lb by mid -September 2015. However, nickel use is growing at about 4% each year while use of nickel-containing stainless steel is growing at about 6%. The fastest growth today is seen in the newly and rapidly industrializing countries, especially in Asia. Nickel-containing materials are needed to modernize infrastructure, for industry and to meet the material aspirations of their populations. [3]

Your Management believes that our current projects have the potential to deliver shareholder value in the short to medium term and look forward to updating shareholders on the development of our uranium projects, in Sweden and our Nickel projects in South Africa.

John Zorbas, CEO

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[1]http://www.euronuclear.org/info/encyclopedia/n/nuclear-power-plant-world-wide.htm, retrieved 28 July 2014.
[2]http://www-pub.iaea.org/MTCD/publications/PDF/RDS2-32_web.pdf.Installed, p46; under construction, p30; planned, 27.
[3]http://www.infomine.com/investment/metal-prices/nickel/6-month/

Principal Risks and Uncertainties

URU Metals is exposed to a number of risks and uncertainties, which could have a material financial, operational and reputational impact on its long-term performance and on the Company's ability to develop its project portfolio. The risks that management has assessed as "high" are summarized below.

Category	Risk	Detail	Mitigation Measure/Comments
Strategic	Mineral Reserve and Resource estimates	Mineral Reserves and Mineral Resources estimates are based on several assumptions, including geological, mining, metallurgical and other factors. There can be no assurance that the anticipated tonnages or grades will be achieved. This is particularly the case at exploration-stage projects.	Mineral Reserves and Mineral Resources are prepared to internationally recognized code compliant standards by Qualified Persons under NI 43-101 requirements.
	License transfers	The timing of transfer of minerallicenses can be uncertain and regulatory of the transfers is not automatic.	At current time, management does approval not foresee any issues with the licenses' eventual transfer.
Financial	Commodity Prices	URU Metals' financial performance is dependent upon the price of uranium and nickel. Adverse movement in commodity prices could have a material impact on operations.	The Board monitors commodity prices and potential impacts on cash flow, project development and the ability of the Company to raise necessary capital. Capital expenditure plans are aligned to prevailing and anticipated market conditions.
	Costs and capital expenditure	The Company is exposed to on-going expenditure obligations resulting from its project development activities in South Africa and its new projects in Canada and Sweden.	Management conducts cash flow analyses and reduces capital expenditure requirements wherever possible. If necessary, project scopes are adjusted or in some cases deferred to preserve capital.
	Liquidity	URU Metals needs to finance its on-going development and growth, which exposes the Company to liquidity risk. If the Company is not able to obtain sufficient financial resources, it may not be able to raise sufficient funds to develop projects, acquire additional assets or meet its on- going financial needs.	Management monitors liquidity and exploration expenditure. The Board strives to ensure liquidity through timely corporate actions, if and when required.
Operational	Project Execution	The inability to develop near-and longer-term capital projects will impact on URU Metals' strategic objectives and affect its ability to meet growth and production objectives.	The Company reviews its project portfolio on a regular basis and utilizes relevant data, such as code compliant Mineral Reserve and Mineral Resource estimates, to guide development priorities. A balanced portfolio reduces risks associated with a specific project or commodity. The Company also makes use of experienced contract and consultant personnel with relevant experience in project execution.

Category	Risk	Detail	Mitigation Measure/Comments
Personnel	Management	Loss of key management personnel can impact on the Company's strategic and operational functionality.	The Company seeks to provide competitive salary arrangements to attract and retain the services of these personnel members.
	Skills Availability	Skills shortages have been a feature of exploration across the board. The inability to attract suitably skilled individuals in the vicinity of URU Metals' operations can impact on the quality and efficiency of the work performed.	Management has implemented retention strategies, including competitive wage arrangements, as and when required. The Company also makes use of experienced contract and consultant personnel with relevant experience in project execution.
	Health and Safety	The mining and resource processing sectors are inherently hazardous. Failure to adopt high levels of safety management can result in a number of negative outcomes, including bodily harm to employees and contractors, and damage to the Company's reputation.	URU Metals takes the health and safety of all those who work for and with the Company very seriously. Measures are based on the principles outlined in the Prospectors and Developers of Canada's e3 program.
Environmental	Remediation	Unforeseen environmental degradation resulting from the Company's operational activities may result in liability and/or the requirement to undertake extensive remedial clean up actions.	All operational models take environmental responsibilities into account. Third parties are contracted as required to identify environmental risks and mitigation measures.
External	Political, Legal and Regulatory Development	URU Metals may be affected by political or regulatory developments in the countries and jurisdictions in which it operates, including changes to fiscal and other regulatory measures.	URU focuses on project development in stable, mining-friendly countries, and liaises with governments on aspects of its operations on a regular basis. URU monitors the political landscape to keep abreast of likely changes in regulatory policies, and adjusts its asset mix accordingly.
	Community Relations	Disputes may arise with local communities, causing disruption to projects or operations. Land claims between indigenous groups and federal and regional governments. Objections to mining, particularly uranium mining, could disrupt operations.	URU Metals is committed to the establishment of close working relationships with communities in the areas in which it operates. URU consults with local stakeholders, identifying them prior to the onset of activities. URU will work with stakeholders to define the way in which the Company's operations will positively impact local communities.

Directors'responsibility statement

The Directors are responsible for the preparation and fair presentation of the annual consolidated financial statements of URU Metals Limited, comprising the consolidated statement of financial position at 31 March 2015 and 31 March 2014, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and the Notes to the consolidated financial statements, which include a summary of significant accounting policies and other explanatory Notes, in accordance with International Financial Reporting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management. The Directors have made an assessment of the Company's ability to continue as a going concern and have concluded that, as discussed more fully in Note 2 to the Financial Statements, the Company's ability to continue as a going concern is dependent upon the Company obtaining additional equity or debt financing and/or new strategic partners. There is no assurance that management will be successful in obtaining such financings and this may result in the Company not meeting its operational and capital requirements. The auditors are responsible for reporting on whether the annual consolidated financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the annual consolidated financial statements

The annual consolidated financial statements of URU Metals Limited, as identified in the first paragraph, were approved by the Board of Directors on September 29 2015 and are signed on their behalf by:

David Subotic
Chairman

Jay Vieira
Director

September 29, 2015

Independent Auditor's Report

To the Shareholders of
URU Metals Limited

We have audited the accompanying consolidated financial statements of URU Metals Limited and its subsidiaries, which comprise the consolidated statements of financial position as at March 31, 2015 and March 31, 2014 and the consolidated statements of loss and comprehensive loss, consolidated statements of cash flows and consolidated statements of changes in shareholders' equity for the years then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

PricewaterhouseCoopers LLP
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Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of URU Metals Limited and its subsidiaries as at March 31, 2015 and March 31, 2014 and their financial performance and their cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of matter or Other matter
Without qualifying our opinion, we draw attention to note 2 in the consolidated financial statements which describe matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the corporation's ability to continue as a going concern.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Directors' Report

The Directors are pleased to present their report, which supplements the annual consolidated financial statements for the year ended 31 March 2015.

The Company was incorporated in the British Virgin Islands ("BVI") on 21 May 2007 in terms of the BVI Business Companies Act.

The Company's shares were admitted to trading on AIM, a market operated by the London Stock Exchange on 12 September 2007.

Nature of Business
URU Metals Limited ("URU Metals", or "the Company") and its subsidiaries (together referred to as "the Group"), is a metals exploration and development Group with a current focus on the development of largescale metals projects in Sweden and South Africa. The Group will consider either non-controlling positions or the outright purchase of uranium and other metals projects held by quoted or unquoted companies worldwide.

Our strategy is to build shareholder value by identifying, investing in, and developing the potential of mineral projects. URU Metals focuses on projects that can enter into the pre-feasibility stage within a three-year timeframe.

1. *Emerging Exploration Projects - Medium to long-term focus*
   URU reviews early stage exploration projects that are at the cusp of defining mineable resources in the medium term (3-5 years). The Company will invest in such projects with the goal of being the majority owner and project operator, and realizing shareholder value once the project reaches the pre-feasibility stage.

2. *Mid-Stage Projects - Near to medium-term returns through direct ownership*
   URU Metals will invest in projects that have a near to medium-term potential for a return to investors by partnering with companies that have made a significant mineral discovery but require financial and technical assistance in reaching the feasibility stage, where shareholder value can be realized through advancing the project to production, or through a liquidation event.

3. *Strategic investments - Near to medium term returns through passive investments*
   The Company will make timely investments in resources and mineral development companies, listed and unlisted, with attractive growth prospects, and in which it can realise value in near to medium term.

Additional information on our strategic investments appears in the Investments section of the Operating and Financial Review, below.

Operating and Financial Review
As the Group is primarily involved in exploration and project development, no revenue is generated (2014: Nil).

	Group 31 March 2015	Group 31 March 2014
Operating results		
Loss for the year (USD '000)		
From continuing operations	(1,129)	(388)
From discontinued operations	-	(183)
	(1,129)	(571)
Basic and fully diluted loss per share (US cents)		
From continuing operations	(0.51)	(0.29)
From discontinued operations	(0.00)	(0.14)
	(0.51)	(0.43)

Market Trends

Uranium Oxide prices increased in the fiscal year from USD 27/ lb in summer 2014 to USD37.25/lb in September 2015. Nickel prices have moved from USD $8.5/ lb in August 2014 to USD $4.68/lb by mid -September 2015. Long-term demand for uranium is expected to be strong, given the large number of nuclear reactors under construction (72) and planned (102) [4] around the globe.

Nickel use is growing at about 4% each year while use of nickel-containing stainless steel is growing at about 6%. The fastest growth today is seen in the newly and rapidly industrializing countries, especially in Asia. Nickel-containing materials are needed to modernize infrastructure, for industry and to meet the material aspirations of their populations. [5]

Environmental matters

As the Company has not been conducting active field exploration operations since September 2013, there are no emerging environmental issues related to existing projects. URU had mining and exploration activities in Sweden in the year (Niger having been closed) and works with local regulators and stakeholders to identify and mitigate future potential environmental issues using the Prospector and Developers e3 Plus principles.

The Company's employees
The Company's CEO position was filled during the year by Mr John Zorbas. In the interim, executive duties were carried out by the Company's Chairman, Mr David Subotic. The Company and the Group have deliberately engaged in a strategy of hiring expertise on a contract or consultant basis as required in order to reduce administrative costs, and ensure access to the best skilled people on an as-needed basis. URU currently has contracts with individuals or companies to provide public relations, project management, and accounting/controller expertise for itself and its subsidiaries.

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[4] http://www.infomine.com/investment/uranium/
[5] http://www.nickelinstitute.org/en/NickelUseInSociety/AboutNickel/WhereWhyNickelIsUsed.aspx

Social and community issues
As the Company has not been conducting active field exploration operations since September 2013, there are no emerging social and community issues related to existing projects.

Since the completion of the Preliminary Economic Assessment on the Zebediela Project, labour issues within the South African mining community have flared up resulting in violent and sometimes fatal incidents between mine workers and South African police have made international headlines. As URU was not the operator of the SAN-URU JV, and the fact that the Zebediela Project has been at an early evaluation stage, the project has not be subject to the labour issues currently facing the South African mining industry. URU believes that the issues that have caused the labour conflict to erupt will be resolved between unionized mine worker and the mining industry well before the Zebediela Project would commence construction and operation.

However, URU will be continuing activities in Sweden in the upcoming year and will be working with stakeholders, and to identify and mitigate future potential social and community issues using the Prospector and Developers e3 Plus principles. Our plans in South Africa for 2015/2016 include evaluation of the occurrence of magnetite in both the Oxide and the Sulphide Zones. Further work will be predicated on the results of this investigation.

Committee Meetings
During fiscal 2015, the Board met six times and the audit committee met twice. Both sets of meetings were attended by all Directors in all cases.

Meeting	**Date**	**Directors Attending**
Directors	10 April 2014	2
Directors	1 May 2014	2
Directors	22 May 2014	2
Directors	14 July 2014	2
Directors	17 September 2014	2
Audit	29 September 2014	2
Directors	11 February 2015	2
Audit	15 September 2015	2

The Annual General Meeting of the Company took place on 26th August 2013.

Nickel Joint Venture and investment in SAN Ltd and its subsidiaries

On 5 October 2010, the Group announced that it had entered into a joint venture (the "SAN-URU Joint Venture") with Southern African Nickel Limited (“SAN”), the joint owner and current developer of a large nickel project in Southern Africa. Under the agreement, the Group was committed to provide funding to the Nickel Joint Venture of up to USD 3.6 million, in aggregate, over a period of 20 months from October 2010.

In 2012, URU Metals satisfied all its obligations under the SAN-URU Joint Venture Agreement and thus had fully vested a 50% interest in the SAN-URU Joint Venture.

However, as announced on 6 April 2011, the Joint Venture sought to continue the development of the Zebediela Nickel Project. Umnex Mineral Holdings (“Umnex”), the vendor of the Zebediela Nickel Project, was to receive a direct interest in the SAN-URU Joint Venture from both Southern African Nickel and URU Metals. Following that direct investment – and assuming that the arbitration (see below) was to have ruled in SAN’s favour - the effective interest of each party in the SAN-URU Joint Venture would have been: URU Metals 45%, SAN 40%, and Umnex 15%.

As a consequence of the positive results from the drilling programme and the progress made in the metallurgical testing phases, early in fiscal 2013, the SAN-URU Joint Venture partners committed a further USD 685,000 in order to complete a Preliminary Economic Assessment study (“PEA”) on the Zebediela Nickel Project and to continue with metallurgical testing of the Burgersfort Nickel Project mineralisation. The Zebediela Nickel Project was a joint venture between SAN Ltd and Umnex (the “SAN-Umnex Joint Venture”).

The PEA on the Zebediela project was completed in June 2012, and indicated that with the extraction of 500 million tonnes of the 1.5 billion tonne total (non -JORC compliant) resource defined to date, the project has a Net Present Value (“NPV”) of over USD 317M and a post-tax IRR of 18.6%. (This valuation assumes a post-tax discount rate of 10%, nickel price of USD 8.50/lb, production of 20,000 tonnes of nickel per year over a 25 year mine life, a total capex cost of USD 708M, and an opex cost of USD 3.35/ lb Ni.) A further resource of 1,115 million tonnes of inferred nickel resources were not considered in the PEA, but represent, along with the future inclusion the production of iron concentrates and significant lateral and depth resource expansion, significant potential to increase the economic value of the project to the Nickel Joint Venture partners.

On 6 August 2012, URU was informed by its partners, SAN and Umnex, that they were in dispute in the SAN-Umnex Joint Venture, citing a lack of performance in achieving deliverables under the SAN-Umnex joint venture agreement, and that they had entered into an arbitration process against each other with hearings to be held in front of the Arbitration Foundation of Southern Africa. The dispute was strictly between SAN and Umnex under the SAN-Umnex Joint Venture, i.e. URU was not a direct party to the dispute.

As set out in Note 9 to the financial statements, on 25 November 2013, the Company announced that it had acquired all the outstanding ordinary shares of SAN Ltd from two private companies. The Group paid total consideration of USD 218,000. As part of that purchase, the SAN-URU Joint Venture was dissolved. SAN Ltd in turn had its 74% interest in the SAN-Umnex Joint Venture, with the remaining 26% held by Umnex, which had putative title to the Zebediela licenses (see Note 10) through its subsidiary, Umnex Minerals Limpopo Pty (“UML”). SAN Ltd’s dispute with Umnex over the Zebediela project was ongoing at the time of the SAN Ltd purchase.

As set out in Note 10 to the financial statements, on 10 April 2014, SAN Ltd and Umnex agreed that SAN Ltd would purchase 100% of UML from Umnex for consideration of 33,194,181 in URU shares and 8,000,000 bonus shares issued to directors and officers for their services in the acquisition of UML.

The Zebediela Nickel Project extends over three separate mining titles in the Limpopo Province. As at the date of acquisition, title to all three rights were held by parties unrelated to Umnex, and transfer of the rights to UML’s subsidiary Lesogo Platinum Uitloop Pty (“LPU”) had not been completed. As set out in Note 28 a, the timing of the transfer is uncertain and regulatory approval of the transfer remains outstanding. However, at the current time, Management does not foresee any issues with the licenses’ eventual transfer.

Umnex is permitted to return the shares and take back the licenses should URU:

- fail to maintain adequate cash funds to meet its general and project expenditure obligations, or
- fail to meet the purchased rights’ minimum statutory expenditure obligations, as determined by an independent expert or
- raise equity capital at a valuation of below 1.5 pence per share

As at September 29, 2015, the “general and project expenditure obligations”, the “minimum statutory expenditure obligations”, and the time period to which they would apply have not been determined.

Nueltin Lake Gold-Uranium Project

On 5 February, 2013, the Group signed an exclusive option agreement with Cameco Corporation ("Cameco") to earn a majority interest in Nueltin Lake Gold-Uranium Project ('the Project"), in the Kivalliq Region of the Territory of Nunavut, Canada. Under the terms of the option agreement, URU Metals can fund a total of CAD 2.5 million on exploration expenditures over a three -year period in return for a 51% stake in the Project ("the First Option"). The Group is committed to spend a minimum of CAD 550,000 by 30 September 2015, at which point the Group has the ability to decide whether to meet the remaining exploration requirement to satisfy the First Option in full. On completion of the First Option, URU has the option to earn an additional 19% interest in the project by funding a further CAD 8.0 million in exploration over a four -year period ("the Second Option").On successful completion of both options, the Company would have earned a 70% interest in the Project by completing CAD 10.5 million in exploration expenditures over a seven -year period. URU will be the project operator over the option earn-in period. During the year ended March 31, 2015, the Group wrote-off the Nueltin License for an amount $153,000 as the Group has no plan to pursue the project in Nunavut Territory.

Funding
The Group continued to fund its activities from its own cash resources.

	Group 31 March 2015	Group 31 March 2014
Financial position		
Total assets (USD '000)	4,615	3,792
Total shareholders' funds (USD '000)	4,094	3,331
Net asset value per share (US cents)	2.0	2.6

The financial position and the results of operations are fully dealt with in the financial statements.

Dividends
The Board does not recommend a dividend in respect of the results for the year ended 31 March 2015.

Risks, Uncertainties, and Going Concern
As part of the Group's normal procedures, the Board and management continually evaluate the going concern premise and as an exploration Group, use budgets and cash flow forecasts to evaluate requirements in ensuing periods. Having reviewed its financial requirements over the next eighteen months, and on the basis that the Group continues with its current strategies, the Board and management considers that there is significant doubt regarding the ultimate applicability of the going concern assumption for the Group as discussed fully in Note 2 to the Financial Statements.

Financial Objectives
The Group's financial objectives are to achieve:

- Active project development;
- Strategic investment and value release to shareholders; and
- Good corporate governance and sound financial management.

Segmental Analysis
Information on segment reporting is set out in Note 20 to the annual consolidated financial statements.

The Board and Senior Management
On 12 July 2012, URU Metals announced that Mr. David Subotic was appointed to the Board as a Non-Executive Director with immediate effect. Mr. Subotic was nominated to join the Board by NWT Uranium Corporation ("NWT"), the Company's largest shareholder, pursuant to the terms of the relationship agreement between the Company and NWT dated 20 April 2010 (the "Relationship Agreement"). Mr Subotic was nominated as Chairman of the Board at the meeting of 26 September 2012. Mr. Subotic is the former President and Chief Executive Officer of NWT. He is also the President and Chairman of DAS Capital Limited.

Mr. Subotic is a former vice president of Haywood Securities, an international investment firm specialising in the resource sector, where he helped raise more than $2 billion in financing for commodities and oil and gas companies. Previously, Mr. Subotic was a vice president of Canada's Yorkton Securities, a national full-service firm that provides services to institutional investors, issuing companies and retail clients. More recently Mr. Subotic was the founder and Chief Executive Officer of Asian Coast Development Ltd., an international resort developer planning the $4.2 billion Ho Tram Strip integrated resort destination in Southern Viet Nam. Mr. Subotic is currently the CEO and CIO of DAS Capital, a Singapore- and Toronto-based hedge fund, and a director of NWT.

On 21 September, 2012, the Company announced that Mr. Paul Loudon, Chairman and Director and Mr. John Lynch, Director, resigned from the Board of Directors of the Company. On the same date, the Company appointed Mr. Jay Vieira and Mr. Roger Lemaitre to the Board of Directors.

Mr. Vieira is a partner with the law firm of Blaney McMurtry LLP and before that a partner with the law firm of Fogler, Rubinoff LLP, Toronto, Ontario. Prior to that and since 2000, Mr. Vieira was an associate with Sui & Pathak, Sui & Company and Himmelfarb, Prozanski as well as being as sole practitioner. Mr. Vieira focuses on the area of securities and corporate finance. Mr. Vieira is a member of the Canadian and Ontario bar associations and the Law Society of Upper Canada. Mr. Vieira was admitted to the Ontario bar in 1999 after obtaining his LL.B. from the University of Windsor Law School. Mr. Vieira holds a B.A. (Hons.) in Humanities from McMaster University.

Mr. Roger Lemaitre served as the Company's Chief Executive Officer from 20 February 2012 to 10 January 2014. Mr. Lemaitre is a Professional Engineer and Geologist with more than 20 years of professional experience, predominantly with major mining companies, and has held a variety of senior management positions with Cameco Corporation, one of the world's largest uranium producers. Mr. Lemaitre has a Master of Business Administration from Athabasca University, a Master of Applied Science in Geology from McGill University and a Bachelor of Applied Science in Geological Engineering from Queen's University.

On 18 December 2013, the Company announced the resignation of Mr. Lemaitre, effective 10 January 2014. This was approved by the Board on 17 December 2013. On 2 June 2014, the Company announced the appointment of Mr John Zorbas as Chief Executive Officer (a non-Board appointment). Mr Zorbas' appointment was approved by the Board on 14 July 2014.

Mr. Zorbas, a resource entrepreneur with a proven track record in the metals exploration and development industry, will provide further expertise to the URU Metals team as it focuses on the advancement of the low-cost high-tonnage Zebediela Nickel Sulphide Project in South Africa. Mr Zorbas is currently Executive Chairman and President of NWT Uranium Corporation ("NWT Uranium") and Chief Executive Officer of Mercom Oil Sands plc. He is also a director of both ZorCorp Capital Holdings and Starline Capital Holdings Infrastructure Fund, and served as President of MGM Productions Group Inc. Mr Zorbas has held senior advisory positions in various facets of business including operations, marketing, sales, strategic planning and structured finance. Mr. Zorbas holds an Honours Bachelors in Economics from the University of Toronto.

The current and former directors' and executives' interests in the Company are set out in the following table:

	Currently		**31 Mar 2015**		**31 Mar 2014**	
000s	**Shares**	**Options**	**Shares**	**Options**	**Shares**	**Options**
Mr Lemaitre, directly	nil	nil	nil	nil	nil	1,750
Interest (1)	-	-	-	-	-	1.32%
Mr Zorbas, directly	6,700	3,000	6,200	3,000	nil	500
Interest (1)	2.93%	23%	2.71%	23%	-	0.36%
Mr Zorbas, indirectly (2)	70,382	nil	70,382	nil	50,323	nil
Interest (1)	30.74%	-	30.74%	-	37.49%	-
Mr Subotic, directly	5,350	4,000	5,350	4,000	3,250	1,000
Interest (1) (3)	2.34%	30%	2.34%	30%	2.45%	0.71%
Mr Vieira, directly	2,000	3,000	2,000	3,000	nil	1,000
Interest (1)	0.87%	23%	0.87%	23%	-	0.71%

(1) The interest figures are in the issued shares of the company in the case of shares, and if exercised in the case of the options.
(2) Mr Zorbas owns shares in URU through controlling interests in NWT Uranium, its subsidiary Niketo Co. Ltd and a third company.
(3) Mr Subotic also holds 4,360,000 (31 March 2015 and 2014: 4,360,000) ordinary shares in NWT, which represents 3.27% of the issued share capital of NWT.

Audit-Related Matters
Responsibilities of the Audit Committee include

- Overseeing the financial reporting and disclosure process.
- Monitoring choice of accounting policies and principles.
- Overseeing hiring, performance and independence of the external auditors.
- Oversight of regulatory compliance, ethics, and whistleblower hotlines.
- Monitoring the internal control process.
- Discussing risk management policies and practices with management.

The Company is sufficiently small that an internal audit function would not be practicable.

Other Matters

The Board is sufficiently small that a Nomination Committee is not practicable.

URU has not adopted a formal performance evaluation process for its Board and the Committees. However, the Board members stand for re-election at the Annual General Meeting.

Management and the Board will often discuss issues and solicit the views of the major shareholders through telephone meetings and in-person discussions on a quarterly basis before making significant changes to the Company's strategies or assets. The Company's largest Shareholder, NWT Uranium, is represented by Mr Zorbas, who is Executive Chairman and President of NWT Uranium and CEO of URU Metals.

As noted in the Directors' Responsibility Statement, the Directors are responsible for the preparation and fair presentation of the annual consolidated financial statements of URU Metals Limited, whereas the Company's auditor is responsible for reporting on whether the annual consolidated financial statements are fairly presented in accordance with the applicable financial reporting framework.

Shareholders are referred to the AIM Rule 26 section of the URU website (http://www.urumetals.com/investor-relations/aim-rule-26) for, inter alia, the terms of reference of the audit and remuneration committees, and the terms and conditions of appointment of Non Executive Directors. (The Company does not maintain a nomination committee as noted above.)

Issuance of Shares to Fund Operation
On 2 May 2014, the Company announced the placing of 54,333,334 new shares at a price of 1.5 pence per share for a total of GBP 815,000. Of the total, 19,283,335 shares were issued to Niketo Co Ltd, a company wholly owned by NWT Uranium, the Company's largest shareholder, bringing NWT's investment in URU to 30.83%. A further 8,500,000 of these shares were issued in settlement of professional fees.

Issuance of Shares to Related Parties
On 1 May 2014, the Board approved the issuance of shares as follows:

Party	Relationship	Number of shares
David Subotic	Director	3,000,000 (1)
Jay Vieira	Director	2,000,000
Algena Holdings	Controlled by John Zorbas, now CEO	3,000,000
Total		8,000,000

(1) Of the 3 million shares awarded to David Subotic, 900,000 were simultaneously gifted by him to unrelated parties.

The shares were issued in recognition for work done to complete the Zebediela acquisition, and dealing with other matters in the Group following the resignation of the former CEO of URU in December 2013, which required a significant amount of work, over and above that usually required of Non-Executive Directors, and which was not further remunerated.

Issuance of Options
On 22 May 2014, the company awarded 8,500,000 options as follows:

Party	Relationship	Number of options
David Subotic	Director	3,000,000
Jay Vieira	Director	2,000,000
Algena Holdings	Controlled by John Zorbas, now CEO	3,000,000
WH Ireland	Outgoing Nomad	500,000
Total		8,500,000

The options vest immediately, may not be exercised later than 23 May 2017, and are exercisable at 2 pence per share.

Share capital
Authorised:
The Company is authorised to issue up to 300,000,000 ordinary shares of USD 0.01 par value (2014: 300,000,000 ordinary shares of USD 0.01 par value).

Number of issued shares:	**Company 31 March 2015**	**Company 31 March 2014**
Balance at beginning of year	132,776,722	113,276,722
Issue of shares		
Purchase of Svenska Skifferoljeaktiebolaget ("SSOAB")		19,500,000
Purchase of UML	41,194,181	
Private placement	54,333,334	
Shares issued for professional service	656,142	
Balance at end of year	**228,960,379**	**132,776,722**

During the year the movements in the share capital and share premium accounts were as follows: USD ’000

	31 March 2015		31 March 2014	
	Share capital	**Share premium**	Share capital	Share premium
Balance at beginning of year	1,328	46,196	1,133	45,724
Issue of shares –				
Purchase of Svenska Skifferoljeaktiebolaget (“SSOAB”)	-	-	195	472
Purchase of UML	412	810		
Private placement	543	831		
Shares issued for professional services	7	7		
Transaction costs incurred for private placement	-	(184)		
Balance at end of year	**2,290**	**47,660**	**1,328**	**46,196**

Directors’ Remuneration (USD ’000)

The Directors’ remuneration for the year ended 31 March 2015 is detailed below:

	Fees for services	**Basic salary**	**Share-based payment expense**	**Total**
Executive Directors				
John Zorbas	-	79	35	114
Non-Executive Directors				
J. Vieira	17	-	22	39
D. Subotic	28	35	35	98
Total for the year ended 31 March 2015	**45**	**114**	**92**	**251**
Total for the year ended 31 March 2014	50	163	11	224

Details of share options granted are set out in Note 17 to the financial statements.

Interest of Directors and Senior Key Personnel in share capital

The interests in the Company, direct and indirect, of the Directors and senior key personnel in office are as follows:

	Company 31 March 2015 Ordinary shares		Company 31 March 2014 Ordinary shares	
	Beneficial	**Non-Beneficial**	Beneficial	Non-beneficial
Executive Directors	-	-	-	-
Non-Executive Directors	7,350,000	-	3,250,000	-
Senior key personnel	-	-	-	-
	5,350,000	**-**	**3,250,000**	**-**

Shareholders' Spread
An analysis of holdings extracted from the register of ordinary shareholders is listed below:

	31 March 2015 Number of shares	**% of share capital**	31 March 2014 Number of shares	% of share capital
Institutions				
United Kingdom	28,287,962	12.35	28,287,962	21.30
Europe (excluding UK)	3,059,051	1.34	3,059,051	2.30
North America	2,952,656	1.29	2,952,656	2.22
Subtotal - Institutions	34,299,669	14.98	34,299,669	25.83
Corporate & Non Profit Organizations	121,681,341	53.15	69,703,825	52.50
Private Investors	35,352,412	15.44	11,146,271	8.39
Brokers	11,092,312	4.84	11,092,312	8.35
Custodians & Nominees	6,000,604	2.62	6,000,604	4.52
Total Analyzed	**208,426,338**	**91.03**	132,242,681	99.60
Balance of Register not analyzed (< 10,000)	20,534,041	8.97	534,041	0.40
Total Issued Capital	228,960,379	100.00	132,776,722	100.00

Major Shareholders
According to the share registers, the following are the only shareholders beneficially holding, directly or indirectly, in excess of 3% of the share capital:

Top Investors	City	**31 March 2015** Number of shares	% of share capital	31 March 2014 Number of shares	% of share capital
Niketo Co Ltd (NWT Uranium)	Nicosia	69,056,674	30.16	49,773,339	37.49
Unmex Mineral Holdings (Pty)	Johannesburg	33,194,181	14.50	-	12.80
Hargreave Hale Ltd.	Blackpool	18,949,252	8.28	11,072,345	8.34
Global Hydrocarbons Limited	Edinburgh	17,000,000	7.42	17,000,000	3.92
TD Waterhouse (Europe) Ltd	London	5,157,728	2.25	5,157,728	3.88
Total		**138,004,555**	**62.61**	**88,203,421**	**66.43**

Directors and Secretary

The following were Directors of the Company during the year:

Name	**Title**	**Appointed**	**Resigned**
David Subotic	Non-Executive Chairman	12July 2012	-
Jay Vieira	Non-Executive Director	21September 2012	-

Mr Russel Swarts served as Corporate Secretary from 15 September 2011 to 31 January 2013. The Company has not appointed a formal Secretary to replace Mr Swarts.

On 2 June 2014, the Company announced the appointment of Mr John Zorbas as Chief Executive Officer (a non-board appointment). Mr Zorbas' appointment was approved by the Board on 14 July 2014.

Registered office:
Intertrust
PO Box 92
Road Town, Tortola
British Virgin Islands
VG1110

Postal Address:
Suite 702
85 Richmond Street
Toronto, ON
Canada
M5H 2C9

As far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. The Directors have also taken all the steps required as Directors to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board:

David Subotic
Chairman

Jay Vieira
Director

URU METALS LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2015 AND 2014

(EXPRESSED IN UNITED STATES DOLLARS)

URU Metals Limited
Consolidated Statements of Financial Position
(Expressed in thousands of United States Dollars)

		As at March 31, 2015		As at March 31, 2014
ASSETS				
Non-current assets				
Plant and equipment (note 11)	**$**	**-**	$	20
Intangible assets (note 12)		**4,039**		3,415
Total non-current assets		**4,039**		3,435
Current assets				
Receivables (note 13)		**2**		116
Cash and cash equivalents		**574**		240
Total current assets		**576**		356
Assets of disposal group (note 7)		**-**		1
Total assets	**$**	**4,615**	$	3,792
EQUITY AND LIABILITIES				
Equity				
Share capital and premium (note 14)	**$**	**49,950**	$	47,524
Reserves (note 15)		**1,342**		1,876
Accumulated deficit		**(47,198)**		(46,069)
Total equity		**4,094**		3,331
Current liabilities				
Trade and other payables (note 16)		**379**		301
Total liabilities		**379**		301
Non-current liabilities				
Contingent consideration on SSOAB purchase (note 8)		**142**		160
Total liabilities		**521**		461
Total equity and liabilities	**$**	**4,615**	$	3,792

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Nature of operations and Going concern (note 2)
Commitment (note 21)

Approved on behalf of the Board:

"David Subotic", Chairman

"Jay Vieira", Director

URU Metals Limited
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in thousands of United States Dollars)

For the years ended March 31,		**2015**		**2014**
Administrative expenses	**$**	**(978)**	$	(658)
Operating loss before the following items		**(978)**		(658)
Gain on disposal of investment (note 7a)		**-**		292
Financing costs		**(29)**		(22)
Gain on fair value adjustment of financial liabilities (note 8)		**43**		-
Impairment of intangible assets and property, plant and equipment (notes 11 and 12)		**(165)**		-
Loss before discontinued operations		**(1,129)**		(388)
Net loss from discontinued operations (note 7)		**-**		(183)
Net loss for the year		**(1,129)**		(571)
Other comprehensive loss				
Items that will be reclassified subsequently to income				
Effect of translation of foreign operations				
of continuing operations		**(632)**		(72)
of discontinued operations		**-**		(2)
Other comprehensive loss for the year		**(632)**		(74)
Total comprehensive loss for the year	**$**	**(1,761)**	$	(645)
Basic and diluted net loss per share (USD cents)				
from continuing operations	**$**	**(0.51)**	$	(0.29)
from discontinued operations	**$**	**(0.00)**	$	(0.14)
Weighted average number of common shares outstanding		**221,082,634**		132,776,722

The accompanying notes to the consolidated financial statements are an integral part of these statements.

URU Metals Limited

Consolidated Statements of Cash Flows
(Expressed in thousands of United States Dollars)

For the years ended March 31,		2015		2014
Operating activities				
Net loss from continuing operations for the year	**$**	**(1,129)**	$	(571)
Items not involving cash:				
Share-based payments		**98**		18
Depreciation		**8**		7
Interest accretion on long-term liability		**29**		19
Gain on fair value adjustment on long-term liability		**(43)**		-
Shares issued for professional fees		**87**		-
Gain on sale of UR America		**-**		(292)
Unrealized foreign exchange (gain)/loss		**(64)**		(57)
Write-off of Nueltin		**166**		-
Loss on disposal of plant and equipment - discontinued operations		**-**		5
Changes in non-cash working capital items:				
Decrease (Increase) in receivables		**114**		(85)
Increase in trade and other payables		**45**		143
Net cash used in operating activities		**(689)**		(813)
Investing activities				
Proceeds of sale of UR America		**-**		292
Additions to plant and equipment		**-**		(20)
Capitalisation of exploration costs		**(116)**		(431)
Cash paid to acquire SSOAB		**-**		(461)
Cash paid to acquire SAN Ltd.		-		(219)
Cash paid to acquire UML		**(32)**		-
Foreign exchange differences on consolidation of subsidiaries		-		(74)
Net cash used in investing activities		**(148)**		(913)
Financing activities				
Proceeds from private placement, net of transaction costs		**1,117**		-
Net cash provided by financing activities		**1,117**		-
(Gain)/loss on exchange rate changes on cash		**54**		84
Net change in cash and cash equivalents		**334**		(1,642)
cash and cash equivalents, beginning of year		**240**		1,882
cash and cash equivalents, end of year	**$**	**574**	$	240
Compresed of:				
Continued operations	**$**	**574**	$	239
Discontinued operations	$	-	$	1

The accompanying notes to the consolidated financial statements are an integral part of these statements.

URU Metals Limited
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in thousands of United States Dollars)

Equity attributable to shareholders

	Share Capital	Share premium	Share Option Reservve	Foreign Currency Translation Reserve	Accumulated Deficit	Total
Balance, March 31, 2013	**$ 1,133**	**$ 45,724**	**$ 2,380**	**$ (259)**	**$ (45,688)**	**$ 3,290**
Issuance of shares	195	472	-	-	-	667
Share-based payment		-	(171)	-	190	19
Net loss and comprehensive income for the year		-	-	(74)	(571)	(645)
Balance, March 31, 2014	**$ 1,328**	**$ 46,196**	**$ 2,209**	**$ (333)**	**$ (46,069)**	**$ 3,331**
Share-based compensation		-	98	-	-	98
Shares issued for acquisition of UML	412	810	-	-	-	1,222
Shares issued in private placement	543	831	-	-	-	1,374
Shares issued for professional service	7	7	-	-	-	14
Transaction costs incurred for private placement		(184)	-	-	-	(184)
Net loss and comprehensive loss for the year		-	-	(632)	(1,129)	(1,761)
Balance, March 31, 2015	**$ 2,290**	**$ 47,660**	**$ 2,307**	**$ (965)**	**$ (47,198)**	**$ 4,094**

The accompanying notes to the consolidated financial statements are an integral part of these statements.

1. General information

URU Metals Limited (the "Company", or "URU Metals"), formerly known as Niger Uranium Limited, and before that, as UraMin Niger Limited, was incorporated in the British Virgin Islands ("BVI") on 21 May 2007. The Company's shares were admitted to trading on AIM, a market operated by the London Stock Exchange on 12 September 2007. The address of the Company's registered office is Intertrust, P.O. Box 92, Road Town, Tortola, British Virgin Islands, and its principal office is 702-85 Richmond Street West, Toronto, Ontario, Canada, M5H 2C9.

The annual consolidated financial statements of the Company as at and for the year ended March 31, 2015 comprise the Company and its subsidiaries (together referred to as the "Group"). These annual consolidated financial statements (including the Notes thereto) of the Group were approved by the Board of Directors on September 29, 2015.

2. Nature of operations and Going concern

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and development programs will result in profitable mining operations. The Company has not yet established whether its mineral properties contain reserves that are economically recoverable. Changes in future conditions could require material write-downs of the carrying values of mineral properties.

These audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern which contemplates that the Company will be able to realize its assets and settle its liabilities in the normal course as they come due for the foreseeable future. As of March 31, 2015 the Company has no source of revenues or operating cash flows, incurred losses from continuing operations of $1,129,000 for the year ended March 31, 2015, has accumulated losses of $47,198,000 (March 31, 2014 - $46,069,000) and expects to incur further losses in the development of its business. Management is aware, in making its assessment to continue as a going concern, of material uncertainties related to events or conditions that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon the Company obtaining additional equity or debt financing and/or new strategic partners. There is no assurance that management will be successful in obtaining such financings and this may result in the Company not meeting its operational and capital requirements.

These consolidated financial statements do not include any adjustments or disclosures that may result should the Company not be able to continue as a going concern. If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the expenses, the reported comprehensive loss and balance sheet classifications used that would be necessary if the company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. These adjustments could be material.

As part of the Group's normal procedures, the Board and management continually evaluate the going concern premise and as an exploration Group, use budgets and cash flow forecasts to evaluate requirements in ensuing periods.

The Company is in the exploration stage and is subject to the risks and challenges similar to other companies in a comparable stage of development. These risks include, but are not limited to:

- Dependence on key individuals;
- receipt and maintenance of all required exploration permits and property titles;
- successful development; and
- as noted above, the ability to secure adequate financing to meet the minimum capital required to successfully develop the Company's projects and continue as a going concern.

3. Basis of preparation

(a) Statement of compliance

The annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations. The Company has consistently applied the same accounting policies throughout all periods presented.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are further disclosed within this note.

These consolidated financial statements were approved by the Board of Directors for issue on September 29, 2015.

(b) Basis of measurement

The annual consolidated financial statements have been prepared on a historical cost basis convention, as modified by the revaluation of certain financial assets and liabilities at fair value through profit and loss.

(c) Functional and presentation currency

Items included in the consolidated financial statements for each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the "functional currency". Similarly, the Group reports its results in a specified currency (the "presentation currency"). The functional and presentation currencies (with their abbreviation defined in note 5) are set out in the table below:

	March 31, 2015 Functional	Presentation
Group		USD
Subsidiaries:		
URU Metals Limited ("URU")	CAD	-
Niger Uranium Societe Anonyme ("NUSA")	CFA	-
8373825 Canada Inc. ("Nueltin")	CAD	-
Svenska Skifferoljeaktiebolaget ("SSOAB")	SEK	-
Southern Africa Nickel Ltd. ("SAN Ltd")	USD	-
Umnex Minerals Limpopo Pty ("UML")	USD	-
Lesogo Platinum Uitloop Pty ("LPU")	USD	-

In accordance with IAS 21, Effects of Changes in Foreign Exchange Rates ("IAS 21"), company entities and operations whose functional currencies differ from the presentation currency are translated into US dollars.

3. Basis of preparation (continued)

(d) Critical estimates and judgments

The preparation of the annual consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The Group makes estimations and assumptions concerning the future. The resulting accounting estimates may not equal the related actual results.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant risk and effect on the carrying amounts recognised in the consolidated financial statements are included in the following Notes:

Note 3 (c) Determination of Functional currency
Note 12 Valuation of Intangible assets
Note 15 Measurement of share options
Note 21 Completeness of Contingent liabilities and commitments

4. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(a) Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in loss or other comprehensive loss.

Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

4. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

Joint arrangements, joint operations and joint ventures

A joint arrangement is a contractual arrangement in which two or more parties have joint control. Joint control only exists when decisions require unanimous consent of the parties sharing that control. A joint arrangement is either a joint operation, where the parties have rights to the assets and obligations of the operation and thus recognize its share of the assets, liabilities, and operations, or a joint venture, where the parties have rights to the net assets or the obligation, and thus recognize their interest as an investment using the equity method.

Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currency transactions

i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in consolidated statement of loss.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in consolidated statement of loss.

ii) Foreign operations

The assets and liabilities of operations, including goodwill and fair value adjustments arising on acquisition, are translated to the Group presentation currency (where different) at exchange rates at the reporting date. The income and expenses of foreign operations are translated to the Group presentation currency at average exchange rates, unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction rates, in which case income and expenses are translated at the rate on the dates of the transactions. Equity balances are translated to presentation currency at historical exchange rates.

Foreign currency differences are recognised directly in other comprehensive income and such differences have been recognised in the foreign currency translation reserve (FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to profit or loss.

Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in other comprehensive income in the FCTR.

4. Significant accounting policies (continued)

(c) Plant and equipment

Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of plant and equipment was determined by reference to the cost at the date of acquisition.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment, and are recognised net within consolidated statement of loss.

Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of the asset, less its residual value. If the useful lives and depreciation methods are the same for significant parts of assets, these are not depreciated on a component basis.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

exploration plant and equipment	3 years
computer equipment	5 years
furniture and office equipment	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(d) Exploration costs and intangible assets

Exploration and evaluation costs are capitalized on a project-by-project basis, pending determination of the technical feasibility and the commercial viability of the project. In accordance with IFRS 6, Exploration for and Evaluation of Mineral Resources, the Company allocates costs incurred to cash generating units (CGUs), which are projects, or groups of projects, which share a consistent profile and proximity. Exploration costs are presented in Intangible assets in the statement of financial position.

Capitalized costs include costs directly related to the exploration and evaluation activities in the CGU.

4. Significant accounting policies (continued)

(d) Exploration costs and intangible assets (continued)

General and administrative costs are allocated to the exploration property to the extent that the costs are directly related to activities in the relevant areas of interest. Costs incurred before the legal rights are obtained to explore an area and costs relating to a relinquished or abandoned license are recognized in consolidated statement of loss.

Exploration and evaluation assets shall be assessed for impairment at each reporting period in accordance with IFRS 6, and any impairment loss is recognized in the consolidated statement of loss.

Once technical feasibility and commercial viability have been established, exploration assets attributable to those projects are tested for impairment and reclassified from exploration properties to development properties.

Mineral property acquisition costs, and exploration and development expenditures incurred subsequent to the determination of the feasibility of mining operations and approval of development by the Company, are capitalised until the property to which they relate is placed into production, sold, allowed to lapse or abandoned.

(e) Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(f) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets and financial liabilities

Financial assets and financial liabilities are classified into one of four categories as summarised in the table below:

Category	Derivative status	Initial measurement	Subsequent to initial recognition, held at:	URU's assets in the category
Loans and receivables	Non-derivative	Fair value	Amortised cost using the effective interest method	Receivables
Loans and receivables	Non-derivative	Fair value	same as above	Cash and cash equivalents
Other financial liabilities	Non-derivative	Fair value	same as above	Trade and other payables
Other financial liabilities	Non-derivative	Fair value	Fair value through profit and loss	Contigent consideration

The classification is determined at initial recognition and depends on the nature and the purpose of the financial asset. Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

4. Significant accounting policies (continued)

(f) Financial instruments (continued)

(i) Financial assets and financial liabilities (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets that have fixed or determinable payments and that are not quoted in an active market. Loans and receivables are initially recognized at the fair value and subsequently carried at amortized cost less impairment losses. If collection of other receivables is expected in one year or less, they are classified as current assets. If not, they are classified as non-current assets.

Other financial liabilities

The Group initially recognizes financial liabilities on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities are recognised initially at fair value plus any directly attributable transaction costs.

(ii) Derecognition of financial assets and financial liabilities

A financial asset is derecognized when the contractual right to the asset's cash flows expire or if the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity. Any interest in transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

(iii) Offset

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(g) Impairment of assets

(i) Financial assets

Financial assets are assessed for indicators of impairment at each reporting period end. Financial assets are impaired when there is objective evidence that the estimated future cash flows of the financial assets have been affected by one or more events that occurred after the initial recognition of the financial asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the assets original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairments loss to decrease, the decrease in impairment loss is reversed through the consolidated statement of loss.

4. Significant accounting policies (continued)

(g) Impairment of assets (continued)

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. Fair value less cost to sell is determined as the amount that would be obtained from the sale of the assets in an arm's length transaction between knowledgeable and willing parties.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(h) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the consolidated statement of loss except to the extent that it relates to items recognised directly in equity or other comprehensive loss.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(i) Financing cost

Financing costs relate to the accretion of the contingent consideration on SSOAB purchase over the period to payment using the effective interest method.

4. Significant accounting policies (continued)

(j) Loss per share

The Group presents basic and diluted loss per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted earnings or loss per share is similar to basic earnings or loss per share, except that the denominator is adjusted to include the dilutive potential ordinary shares that would have been outstanding assuming that options and warrants with an average market price for the year greater than their exercise price are exercised and the proceeds used to repurchase ordinary shares.

(k) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group’s other components. All operating segments’ operating results are reviewed regularly by the Group’s Chief Operating Decision Maker, the CEO, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(l) Employee benefits

Pension obligations and other post-employment benefits

The Group does not offer any pension and/or post-employment benefits to employees.

Short-term employee benefits

Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonuses if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based compensation

The Group operates an equity-settled, share-based compensation plan, The Niger Uranium Limited Share Option Plan 2008. The grant date fair value of the employee services received in exchange for the grant of the options is recognised as an expense with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions, such as forfeiture rates, are included in assumptions about the number of options that are expected to vest. At each reporting date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in consolidated statement of loss, with a corresponding adjustment to equity.

4. Significant accounting policies (continued)

(m) New accounting standards adopted during the year

Effective April 1, 2014, the Company adopted the following new and revised standards in accordance with the applicable transitional provisions:

IAS 32 - Financial Instruments - Presentation ("IAS 32")
IAS 32 was amended to clarify the criteria that should be considered in determining whether an entity has a legally enforceable right of set off in respect of its financial instruments. At April 1, 2014, the Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements for the year ended March 31, 2015.

IFRIC 21 – Levies ("IFRIC 21")
IFRIC 21 were issued in May, 2013 and is an interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. The interpretation clarifies the obligating event that gives rise to a liability to pay a levy. At April 1, 2014, the Company adopted this interpretation and there was no material impact on the Company's consolidated financial statements for the year ended March 31, 2015.

IAS 36 – Impairment of Assets ("IAS 36")
The IASB issued a narrow-scope amendment to IAS 36. The amendments included those (i) to require disclosure of the recoverable amount of an asset or cash-generating unit when an impairment loss has been recognized or reversed and (ii) to require detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognized or reversed. At April 1, 2014, the Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements for the year ended March 31, 2015.

(n) New accounting standard issued but not yet effective

IFRS 9 – Financial Instruments: Classification and Measurement ("IFRS 9")
IFRS 9 was issued in November 2009, and will replace IAS 39 - Financial instruments: Recognition and measurement. IFRS 9 is effective for periods beginning on or after January 1, 2018. The Company is evaluating the impact of the amendments on its consolidated financial statements as issued, although currently they are not expected to have a material impact.

(Expressed in United States Dollars Except As Otherwise Indicated)

5. Financial instruments

Fair value determination
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. The Group has no financial instruments carried at fair value as at March 31, 2015, other than the contingent payment on acquiring SSOAB. This is a level 3 financial liability as determined based on management's expected time to settle the obligation.

Financial risk management
The Company's Board of Directors monitors and manages the financial risks relating to the operations of the Group. These include liquidity risk, credit risks and market risks which include foreign currency and interest rate risks.

Credit risk
Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Group's credit risk is primarily attributable to the Group's cash and other receivables. The Group has no allowance for impairment that might represent an estimate of incurred losses on other receivables. The Group has cash and cash equivalents of $574,000 (March 31, 2014 - $240,000), which represent the maximum credit exposure on these assets. As at March 31, 2015, the majority of the cash and cash equivalents were held with a major Canadian chartered bank from which management believes the risk of loss to be minimal.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically the Group tries to ensure that it has sufficient cash on demand to meet expected operational expenses for a period of twelve months, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted. Management monitors the rolling forecasts of the Group's liquidity reserve on the basis of expected cash flows.

The following are the contractual maturities of financial liabilities:

	Carrying amount	Contractual cash flows	6 months or less	2-5 years
March 31, 2015				
Trade and other payables	$ 379	$ 379	$ 379	$ -
Contingent consideration	142	221	-	221
March 31, 2014				
Trade and other payables	$ 301	$ 301	$ 301	$ -
Contingent consideration	160	221	-	221

(Expressed in United States Dollars Except As Otherwise Indicated)

5. Financial instruments (continued)

Market risks
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company does not apply hedge accounting in order to manage volatility in statements of loss.

Foreign currency rate risk
The Group, operating internationally, is exposed to currency risk on purchases that are denominated in a currency other than the functional currency of the Group's entities, primarily Pound Sterling (GBP), the Canadian Dollar (CAD), the Central African Franc (CFA), the South African Rand (ZAR), and the US Dollar (USD).

The Group does not hedge its exposure to currency risk.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short term imbalances.

The Group's exposure to foreign currency risk, based on notional amounts, was as follows:

	USD	GBP	ZAR	Franc CFA	SEK	CAD	Total
March 31, 2015							
Cash	$ 17	$ 537	$ -	$ -	$ 5	$ 15	$ 574
Deposits, prepaid and receivables	-	-	-	-	2	-	2
Trade and other payable	-	(136)	-	-	(13)	(230)	(379)
Contingent consideration	(142)	-	-	-	-	-	(142)
March 31, 2014							
Cash	$ 9	$ 223	$ -	$ 1	$ 5	$ 2	$ 240
Deposits, prepaid and receivables	64	25	-	-	12	15	116
Trade and other payable	(1)	(104)	(75)	-	(39)	(82)	(301)
Contingent consideration	(160)	-	-	-	-	-	(160)

Interest rate risk

The financial assets and liabilities of the Group are subject to interest rate risk, based on changes in the prevailing interest rate. The Group does not enter into interest rate swap or derivative contracts. The primary goal of the Group's investment strategy is to make timely investments in listed or unlisted mining and mineral development properties to optimise shareholder value. Where appropriate, the Group will act as an active investor and will strive to advance corporate actions that deliver value adding outcomes. The Group will undertake joint ventures with companies that have the potential to realize value through mineral project development, and invest substantially in those joint ventures to advance asset development over the near term.

(Expressed in United States Dollars Except As Otherwise Indicated)

5. Financial instruments (continued)

Sensitivity analysis

A 10% strengthening of the US Dollar against the following currencies at March 31, 2015 would have increased/(decreased) equity and profit or loss by the amounts shown below. This was determined by recalculating the USD balances held using a 10% greater exchange rate to the US Dollar. This analysis assumes that all other variables, in particular interest rates, remain constant.

	March 31, 2015		March 31, 2014	
	Equity	Profit or loss	Equity	Profit or loss
GBP	$ -	$ (40)	$ -	$ (4)
ZAR	$ -	$ -	$ -	$ (1)
CAD	$ -	$ 28	$ -	$ (9)
SEK	$ -	$ 3	$ -	$ -

6. Capital risk management

The Company includes its share capital and premium, reserves and accumulated deficit as capital. The Company's objective is to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In light of economic changes and with the risk characteristics of the underlying assets, the Company manages the capital structure and makes adjustments to it. As the Company has no cash flow from operations and in order to maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt and/or find a strategic partner. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

The Company prepares annual expenditure budgets to facilitate the management of its capital requirements and updates them as necessary depending on various factors such as capital deployment and general industry conditions. The Company's investment policy is in highly liquid, short-term interest-bearing investments with short maturities. During the year ended March 31, 2015, there were no changes in the Company's approach to capital management.

(Expressed in United States Dollars Except As Otherwise Indicated)

7. Disposed investments and discontinued operations

(a) Sale of UrAmerica

On 4 April 2013, the Company elected to sell its entire holdings (4,421,000 shares) in UrAmerica, an Argentina-based private uranium exploration company, for GBP 200,000, resulting in a gain of USD 292,000. This investment had previously been written off in the consolidated financial statements.

(b) Decision to close the Niger Operations

The closure of the Niger operations was effective September 30, 2013 and have been treated as a discontinued operation in the consolidated financial statements.

The consolidated financial statements have been updated for the discontinued operations for the following amounts:

		Year ended March 31, 2014
Operating expenses	$	178
Loss on disposal of assets		5
Total loss and comprehensive loss for the period from discontinued operations	$	183
Cash flows from discontinued operations		
Used in operations	$	(178)
Change in working capital		(33)
	$	(211)

Assets and liabilities of discontinued operations

		As at March 31, 2014
Cash	$	1
Total assets of discontinued operations	$	1

8. Purchase of Svenska Skifferoljeaktiebolaget ("SSOAB")

On 23 May, 2013, the Company announced that it had acquired all the outstanding ordinary shares of a Swedish company, Svenska Skifferoljeaktiebolaget ("SSOAB") from a private company. The acquisition was made to obtain SSOAB's only significant assets: its title to six exploration licenses in Sweden, located in Örebro County.

URU paid the vendors USD 300,000 and issued 17 million ordinary shares as consideration to the vendors for the purchase of SSOAB. Of these shares, 15 million are restricted subject to a lock-in agreement which have yet to be released. An additional 2.5 million ordinary shares, plus a cash payment of USD 25,000, were paid as a finder's fee on the transaction. A deferred payment of USD 200,000 will be paid by URU to the vendors upon the completion of the first exploration drill programme on the property in the future. The agreement has not specified a drilling timetable at the time of acquisition; management's best estimate was that it would be on or about three years after acquisition (i.e. May 2016), although the drilling would be contingent on the Group's cash position. Coincident with the deferred payment will be a return to the purchasers of cash and equivalents in the company at transfer of SEK 132,000 (USD 21,000 at date of purchase). The payment terms offer a reduction to the extent of any claims for pre-acquisition liabilities not previously disclosed by the seller and identified by URU within one year of purchase, provided that any one claim is greater than USD 10,000 and the claims in aggregate are greater than USD 100,000.

The contingent consideration of USD 221,000 (comprising a purchase cost of USD 200,000 plus a return of assets of USD 21,000) has been discounted and recognized at fair value of USD 141,000 at issue, and will be remeasured to fair value at each reporting date:

(in thousands of US dollars)		**As at March 31, 2015**		**As at March 31, 2014**
Opening balance	**$**	**160**	$	-
Amount recognized		**-**		141
Accretion		**29**		19
Gain on fair value adjustment		**(43)**		-
Foreign exchange		**(4)**		-
Closing balance	**$**	**142**	$	160

As the Company owns all of SSOAB's outstanding ordinary shares, the Company has control over SSOAB as defined in IFRS 10, Consolidation. However, the Group has treated the transaction as a purchase of assets, as SSOAB does not meet the definition of a "business" as set out in IFRS 3, Business Combination. As it was not a business combination, transaction costs have been capitalised, and, as the transaction affected neither accounting nor taxable profit, deferred taxes do not arise.

8. Purchase of Svenska Skifferoljeaktiebolaget ("SSOAB") (continued)

The following table summarises the consideration paid for SSOAB, and the amounts of the assets acquired at the acquisition date (in thousands of US dollars):

Consideration		**USD '000s**
Cash	$	300
Cash-based acquisition costs		161
Total cash-based costs		461
Shares issued to vendor		582
Shares issued as part of acquisition costs		85
Contingent consideration		141
	$	1,269
Identifiable net assets acquired		
Exploration licenses	$	1,269
	$	1,269

9. Purchase of Southern Africa Nickel Limited ("SAN Ltd")

On 25 November 2013, the Company announced that it had acquired all the outstanding ordinary shares of SAN Ltd, a private company incorporated in the BVI, from two private companies.

The acquisition was the first of a two-part plan to gain control of SAN Ltd's interests in various mineral prospecting rights in South Africa. SAN Ltd had been party to two joint ventures in South Africa: a putative 74% interest in the Zebediela licenses, and, in a 50/50 ownership with URU, a 50% interest in the Burgersfort project. The terms of the purchase agreement stipulated that URU's joint venture with SAN Ltd would be terminated upon purchase. As a result, URU now owns 100% of SAN Ltd, which in turn owns a putative 74% interest in the Zebediela licenses and a 50% interest in the Burgersfort project. The dispute between SAN Ltd and the holders of the Zebediela licenses was terminated after year-end with the completion of the second part of the plan, which is set out in Note 10.

URU paid consideration of USD 218,000, consisting of ZAR 1,907,977 (USD 187,000) to one of SAN Ltd's debtors, plus an additional USD 34,000 in purchase costs.

As the Company owns all of SAN Ltd's outstanding ordinary shares, the Company has control over SAN Ltd as defined in IFRS 10, Consolidation. However, the Group has treated the transaction as a purchase of assets as SAN Ltd does not meet the definition of a "business" as set out in IFRS 3, Business Combination. As it was not a business combination, transaction costs have been capitalised, and, as the transaction affected neither accounting nor taxable profit, deferred taxes do not arise.

9. Purchase of Southern Africa Nickel Limited ("SAN Ltd") (continued)

The following table summarises the consideration paid for SAN Ltd, and the preliminary allocation to the assets acquired at the acquisition date:

Consideration		**USD '000s**
Cash	$	184
Cash-based acquisition costs		34
Total consideration	$	218
Receivable from former owner	$	9
Exploration licenses		209
Recognized amounts of identifiable assets assumed	$	218

10. Purchase of Umnex Minerals Limpopo Pty ("UML")

In November 2013, the Company acquired 100% interest in SAN Ltd. SAN Ltd in turn had a 74% interest in a joint operation (the "SAN-Umnex Joint Venture"). The remaining 26% was held by Umnex Mineral Holdings Pty ("UMH"), which had putative title to the Zebediela licenses through its subsidiary, Umnex Minerals Limpopo Pty ("UML"). SAN Ltd and UMH had been in dispute since 2011, and arbitration had begun in August 2013. As a result of this arbitration, in fiscal 2013 the Company had provided in full for the costs of the Zebediela project (USD 1,821,000). The reversal of the impairment will be assessed once the title to the licences has been completely transferred to the Group.

On April 10, 2014, SAN Ltd. and UMH agreed that SAN Ltd. would purchase 100% of UML from UMH for consideration of 33,194,181 in new URU shares and 8,000,000 bonus shares issued to directors and officers for their services in the acquisition of UML.

The Zebediela Nickel Project extends over three separate mining titles in Limpopo Province. As at the date of acquisition, title to all three rights were held by parties unrelated to UML, and transfer of the rights to UML's subsidiary Lesogo Platinum Uitloop Pty ("LPU") had not been completed. The timing of the transfer is uncertain and regulatory approval of the transfer remains outstanding.

Under the terms of the acquisition agreement, UMH is permitted to return the shares and take back the licences should URU:

- fail to maintain adequate cash funds to meet its general and project expenditure obligations, or
- fail to meet the purchased rights' minimum statutory expenditure obligations, or
- raise equity capital at a valuation of below 1.5 pence per share

As at March 31, 2015, the "general and project expenditure obligations" and the "minimum statutory expenditure obligations" of the general and project expenditure obligations has not been determined.

10. Purchase of Umnex Minerals Limpopo Pty ("UML") (continued)

As the Company owns all of UML's outstanding ordinary shares, the Company has control over UML as defined in IFRS 10, Consolidation. However, as UML does not meet the definition of a "business" as set out in IFRS 3, the Company has treated the transaction as a purchase of assets. As it was not a business combination, transaction costs have been capitalized, and as the transaction affected neither accounting nor taxable profit, deferred taxes do not arise.

The following table summarises the assessment of consideration paid for UML and the amounts of assets acquired at the acquisition date:

Consideration		**USD '000s**
Value of shares issued	$	996
Value of bonus shares issued		226
Cash-based acquisition costs		126
	$	1,348
Identifiable net assets acquired		
Intangible assets	$	1,348
	$	1,348

Of the consideration paid, USD95,000 was incurred and capitalized to intangible assets in the year ended March 31, 2014.

Additionally, conditional consideration of 12,000,000 free-trading shares is payable if either 1) a transaction is consummated by URU to sell, farm-out, or similarly dispose of any portion of a mineral project on some or all of the mining titles, or 2) a mining right is obtained from the South African Department of Mines and Resources in respect of some or all of the rights, or 3) an effective change of control of URU occurs. As at March 31, 2015, none of the above conditions have occurred.

11. Plant and equipment

(In thousands of United States Dollars)

COST	Exploration Plant and equipment	Computer equipment	Total
Balance, March 31, 2013	**$ 29**	**$ 7**	**$ 36**
Additions	21	-	21
Balance, March 31, 2014	**50**	**7**	**57**
Impairment of assets	(50)	-	(50)
Balance, March 31, 2015	**$ -**	**$ 7**	**$ 7**

ACCUMULATED DEPRECIATION	Exploration Plant and equipment	Computer equipment	Total
Balance, March 31, 2013	$ 23	$ 6	$ 29
Depreciation for the year	8	-	8
Balance, March 31, 2014	**31**	**6**	**37**
Depreciation for the year	7	1	8
Impairment of assets	(38)	-	(38)
Balance, March 31, 2015	**$ -**	**$ 7**	**$ 7**

CARRYING AMOUNTS	Exploration Plant and equipment	Computer equipment	Total
At March 31, 2014	**$ 19**	**$ 1**	**$ 20**
At March 31, 2015	**$ -**	**$ -**	**$ -**

During the year ended March 31, 2015, the Group wrote off the exploration plant and equipment related to Nueltin as the Group has no plan to pursue the project in Nunavut Territory (see note 12).

12. Intangible assets

(In thousands of United States Dollars)

Exploration costs

COST	South African Projects	SSOAB	Nueltin	Total
Balance, March 31, 2013	**$ 3,872**	**$ -**	**$ -**	**$ 3,872**
Acquired (note 10) (i)	209	1,269	-	1,478
Foreign exchange	(228)	36	-	(192)
Additions	123	133	175	431
Balance, March 31, 2014	**3,976**	**1,438**	**175**	**5,589**
Acquired (note 10) (i)	1,254	-	-	1,254
Foreign exchange	(440)	(453)	(22)	(915)
Additions	5	111	-	116
Impairment	-	-	(153)	(153)
Balance, March 31, 2015	**$ 4,795**	**$ 1,096**	**$ -**	**$ 5,891**

ACCUMULATED AMORTIZATION AND IMPAIRMENT	South African Projects	SSOAB	Nueltin	Total
Balance, March 31, 2013	**$ (2,345)**	**$ -**	**$ -**	**$ (2,345)**
Foreign exchange	257	-	-	257
Balance, March 31, 2014	**(2,088)**	**-**	**-**	**(2,088)**
Foreign exchange	236	-	-	236
Balance, March 31, 2015	**$ (1,852)**	**$ -**	**$ -**	**$ (1,852)**

CARRYING VALUE	South African Projects	SSOAB	Nueltin	Total
At March 31, 2014	**$ 1,802**	**$ 1,438**	**$ 175**	**$ 3,415**
At March 31, 2015	**$ 2,943**	**$ 1,096**	**$ -**	**$ 4,039**

(i) The intangible assets acquired from UML were capitalized as additions to South African Projects.

NUSA Licenses
All of the Niger exploration licences were acquired from NWT Uranium Corporation (“NWT”) and UraMin Inc. as part of the asset purchase agreement when URU Metals Limited was formed. All the Niger licenses are considered to be a single project, and thus to be one Cash Generating Unit (CGU).

In fiscal 2014, the licenses were returned and the Group’s operations in Niger were closed, and the latter are thus set out in Note 7, Disposed investments and discontinued operations.

12. Intangible assets (continued)

SSOAB Licenses
SSOAB has 100% ownership of several exploration licenses near the town of Örebro, Sweden. The Swedish licenses are considered to be a single project, and thus to be one CGU.

Nueltin License
Nueltin is party to an option agreement with Cameco Corporation, the holder of license located in the Nunavut Territory of Canada. Under the agreement, the Group can earn 51% interest in the project from Cameco in return for exclusively funding CDN$2.5 million in exploration expenditures by December 31, 2016. The Cameco project is considered to be one CGU. During the year ended March 31, 2015, the Group wrote-off the Nueltin License for an amount $153 as the Group has no plan to pursue the project in Nunavut Territory.

South African Projects

On 5 October 2010, the Group announced that it had entered into a joint venture (the "SAN-URU Joint Venture") with SAN Ltd, the joint owner and current developer of a portfolio of large nickel projects in Southern Africa. Under the agreement, the Group committed to provide funding to the SAN-URU Joint Venture of, in aggregate, up to USD 3.6 million over a period of 20 months from 5 October 2010. The SAN-URU Joint Venture's interests included a 50% interest in a joint arrangement to explore mineral rights near the town of Burgersfort in South Africa (the "Burgersfort Project") as well as the Zebediela Nickel Project as noted below.

On 6 April 2011 the Group announced the satisfactory and successful conclusion of all due diligence activities between SAN Ltd and Umnex Mineral Holdings Pty ("Umnex"), in relation to the acquisition of the Zebediela Nickel Project close to the mining town of Mokopane in the Limpopo province of South Africa. The Zebediela project is a joint venture, structured exclusively between SAN Ltd and Umnex (the "SAN-Umnex Joint Venture", i.e. not to be confused with the SAN-URU Joint Venture). The acquisition of an interest in the Zebediela rights via the SAN-Umnex Joint Venture involved no additional cash consideration to be made by either the Group or SAN and did not increase the Group's original committed contribution to the SAN-URU Joint Venture of USD 3.6 million.

In fiscal 2012, URU Metals satisfied all its obligations under the SAN-URU Joint Venture Agreement and thus had a fully vested 50% interest in the SAN-URU Joint Venture. However, as announced on 6 April 2011, the SAN-URU Joint Venture sought to continue the development of the Zebediela Nickel Project. Umnex, the vendor of the Zebediela Nickel Project, would receive a direct interest in the SAN-URU Joint Venture from both Southern African Nickel and URU Metals. Subsequent to that direct investment – and assuming that the arbitration (see below) was to have ruled in SAN's favour - the effective interest of each party in the SAN-URU Joint Venture would have been URU Metals 45%, SAN 40%, and Umnex 15%.

In fiscal 2013, a dispute arose between SAN and Umnex. Both parties alleged that the other party had failed in its obligations under their SAN-Umnex Joint Venture agreement. Primarily, Umnex alleged that SAN has failed in its obligation to achieve a public listing for the SAN-Umnex Joint Venture by July 6, 2012, and thus Umnex had the ability to leave the Joint Venture with ownership of the mineral rights in exchange for payment of historical exploration costs, whereas SAN Ltd alleged that Umnex had not facilitated the required transfer of the mineral license into the correct corporate vehicle first, which was necessary to allow the public listing to proceed. URU's interest in the Zebediela project was negotiated as an amendment to the SAN-URU Joint Venture; URU was never party to the dispute between SAN Ltd and Umnex. As at 31 March 2013, URU had fulfilled all of its obligations under that separate agreement. URU was in active discussions between Umnex and SAN Ltd to facilitate a resolution to the dispute. Unfortunately, discussion through to the end of calendar 2012 failed to resolve the dispute between Umnex and SAN Ltd, such that those two partners entered into a formal arbitration process.

12. Intangible assets (continued)

URU acquired 100% of the shares of SAN Ltd in November 2013 as set out in Note 10.

The arbitration was ultimately settled as a condition of URU's acquisition in April 2014 of the Umnex subsidiary which held the Zebediela licenses.

Accounting Treatment of SAN-URU Joint Venture (the Burgersfort properties).

With URU's acquisition of SAN Ltd at year-end, the SAN-URU Joint Venture was dissolved, and SAN Ltd obtained ownership of the JV's 50% interest in the Burgersfort properties. SAN Ltd's interest in the Burgersfort properties is a Joint Operation, as set out in IFRS 11, Joint Arrangements, with BSC Resources as the other party to the arrangement. Any disputes not resolved by management of SAN Ltd and its joint venture partner must go to arbitration, i.e. joint control over a contractual agreement.

Accounting Treatment of SAN-Umnex Joint Venture (the Zebediela properties)

The original agreement intended that SAN Ltd would have 74% ownership of the final agreement. Accordingly, at March 31, 2014, SAN Ltd's interest in Zebediela remained a Farm-in Agreement, and the Company capitalised 100% of the costs it incurred in relation to the SAN-Umnex Joint Venture to the extent that the costs were directly related to exploration and evaluation activities.

On April 10, 2014, SAN Ltd. and UMH agreed that SAN Ltd. would purchase 100% of UML from UMH for consideration (see note 10), thereby dissolving the SAN-Umnex Joint Venture.

13. Receivables

(In thousands of United States Dollars)

	As at March 31, 2015	As at March 31, 2014
Deposits	**$ -**	$ 63
Other prepayments	**-**	19
Other receivables	**2**	30
Payroll withholding taxes recoverable from directors	**-**	4
	$ 2	$ 116

14. Share capital and premium

(In thousands of United States Dollars except number of shares)

	Number of shares	Share capital	Share premium	Total
Balance, March 31, 2013	113,276,722	$ 1,133	$ 45,724	$ 46,857
Shares issued to purchase SSOAB (i)	19,500,000	195	472	667
Balance, March 31, 2014	132,776,722	$ 1,328	$ 46,196	$ 47,524
Shares issued for acquisition of UML (note 10)	41,194,181	412	810	1,222
Shares issued in private placement (ii)	54,333,334	543	831	1,374
Shares issued for professional service (iii)	656,142	7	7	14
Transaction costs incurred for private placement	-	-	(184)	(184)
Balance, March 31, 2015	228,960,379	$ 2,290	$ 47,660	$ 49,950

(Expressed in United States Dollars Except As Otherwise Indicated)

14. Share capital and premium (continued)

Issued shares

All issued shares are fully paid up.

(i) Of these shares, 15 million are restricted subject to a lock-in agreement.

(ii) On May 2, 2014, the Company announced the placing of 54,333,334 new shares at a price of 1.5 pence per share for a total of GBP 815,000. Of the total, 19,283,335 shares were issued to Niketo Co. Ltd., a company wholly owned by NWT Uranium Corp.("NWT"), the Company's largest shareholder. 8,500,000 of these share were issued in settlement of professional fees owed.

(iii) During the year ended March 31, 2015, the Company issued 656,142 shares to RB Milestone, a consultant, for settlement of professional services privided with a total value of $14.

Unissued shares
In terms of the BVI Business Companies Act, the unissued shares are under the control of the Directors.

Dividends
Dividends declared and paid by the Company were $nil for the year ended March 31, 2015 (2014 - $nil)

15. Share option reserve

(a) Share options

The Share Option Plan is administered by the Board of Directors, which determines individual eligibility under the plan for optioning to each individual. Below is disclosure of the movement of the Group's share options as well as a reconciliation of the number and weighted average exercise price of the Group's share options outstanding on March 31, 2015.

The assessed fair value at grant date is determined using the Black-Scholes Model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

(i) Reconciliation of share options outstanding as at March 31, 2015:

Exercise prices (GBP)	Weighted average remaining life (years)	Number of options originally granted	Number exercisable
0.034	0.91	2,000,000	2,000,000
0.049	5.56	2,633,334	2,633,334
0.020	2.15	8,500,000	8,500,000
0.032	2.64	13,133,334	13,133,334

(Expressed in United States Dollars Except As Otherwise Indicated)

15. Share option reserve (continued)

(a) Share options (continued)

(ii) Continuity and exercise price

The number and weighted average exercise prices of share options are as follows:

	Number of options		Weighted average exercise price per share (GBP)
Balance, March 31, 2013	11,483,334	$	0.05
Options expired unexercised	(4,000,000)		0.05
Balance, March 31, 2014	7,483,334		0.04
Options granted	8,500,000		0.02
Options expired unexercised	(2,850,000)		0.05
Balance, March 31, 2015	13,133,334	$	0.03

On May 22, 2014, the Company granted a total of 8,500,000 options to directors and contractors at an exercise price of GBP0.02 per share. The options granted vested immediately upon grant. The fair value of share options granted was $98,067 (GBP58,319) which was expensed during the year ended March 31, 2015. The fair value of these share options was calculated using the Black Scholes model with the following assumptions:

Risk-free interest rate	1.04%
Expected life (years)	3.0
Expected volatility	49.62%
Dividend yield per share	Nil
Exercise price	GBP0.02
Share price	GBP0.02

(b) Warrant

The following is a summary of the Company`s warrant granted under its Share Incentive Scheme. As at March 31, 2015, the following warrant, issued in respect of capital raising, had been granted but not exercised:

Name	Date granted	Date vested	Number of warrants	Exercise price (GBP)	Expiry date	Fair value at grant date (GBP)
Beaumont	October 9, 2009	October 9, 2009	100,000	0.345	October 9, 2019	0.345

There were no movements in warrant during the year ended March 31, 2014 or during the year ended March 31, 2013.

16. Trade and other payables

(In thousands of United States Dollars)

	As at March 31, 2015	As at March 31, 2014
Other payables	**$ 105**	$ 3
Accruals	**274**	298
	$ 379	$ 301

17. Related party transactions

(a) Transactions with key management personnel

During the year ended March 31, 2015, stock options of 8,000,000 were granted to officers and directors of the Company (2014 - nil) at an exercise price of GBP 0.02 per share.

Details of stock options outstanding granted to directors, management and past directors and management are as follow:

Directors/officers	Weighted average exercise price (GBP)	Number of options originally granted	Expiry date
Directors			
J. Vieira	0.034	1,000,000	February 27, 2016
J. Vieira	0.02	2,000,000	May 23, 2017
D. Subotic	0.034	1,000,000	February 27, 2016
D. Subotic	0.02	3,000,000	May 23, 2017
Management			
J. Zorbas	0.02	3,000,000	May 23, 2017
		10,000,000	

The former Chief Executive Officer and director R. Lemaitre and former Chief Financial Officer, R. Swarts resigned during the prior two years and the Board of Directors confirmed that their options remained in force until they expire or are unexercised.

(b) Management remuneration

(In thousands of United States Dollars)

For the years ended March 31,	2015	2014
Fees for services as director	**$ 45**	$ 50
Basic salary	**114**	163
Share-based payments	**92**	11
Total	**$ 251**	$ 224

18. Loss before income tax

The following items have been charged in arriving at the operating loss for the year:

(In thousands of United States Dollars)

	Note	March 31, 2015	March 31, 2014
Auditors' remuneration		**$ 96**	$ 70
Directors' fees		**45**	51
Legal fees		**21**	49
Operating lease payments		**62**	96
Depreciation		**7**	7
Foreign exchange loss(gain)			
Realized		**53**	(80)
Unrealized		**(73)**	22
Staff remuneration			
Share options expensed - Directors (equity settled)	15a	**98**	11
Share options expensed - Current and former staff (equity settled)	15a	**-**	7
Share options expensed - salaries		**115**	303
Other professional fees		**192**	119

19. Income tax expense and deferred taxation

The Company is incorporated in the British Virgin Islands (BVI). The BVI under the Business Companies Act (BCA) imposes no corporate or capital gains taxes. As such, the Company's losses will not result in an income tax recovery in the BVI. However, the Company as a Group may be liable for taxes in the jurisdictions where it operates or develops mining properties.

Effective 13 July 2012, the Company became resident in Canada, and is subject to income taxes at a combined federal and provincial statutory tax rate of 26.5% (2014 - 26.5%).

Income tax expense from the amount that would be computed by applying the Canadian federal and provincial statutory income tax rates to the loss for the year is as follows:

	2015	2014
Loss for the year before taxes	$ (1,129)	$ (388)
Statutory tax rate	26.5%	26.5%
Expected income tax recovery	(299)	(103)
Non-deductible/non-taxable items	26	(54)
Benefit of losses not recognized	273	157
	-	-

No deferred tax asset has been recognised because there is insufficient evidence of the timing of suitable future profitsagainst which it can be recovered. No deferred tax liability has been recognised as a result of the losses in the periods to date.

(Expressed in United States Dollars Except As Otherwise Indicated)

19. Income tax expense and deferred taxation (continued)

The significant components of the Company's unrecognized deductible temporary differences as at March 31, 2015 and 2014 are as follows:

	2015	2014
Loss carry-forward	$ 9,098	$ 8,220
Share issuance costs	25	-
Subtotal	$ 9,123	$ 8,220

The group has non-capital losses in Canada of USD 878,000 expiring in 2035, USD 575,000 expiring in 2034 and USD 7,645,000 expiring in 2033.

20. Segmented information

(a) Reportable segments

The Group has two reportable segments, as described below, which are the Group's strategic business units. Both are determined by the CEO, the Group's chief operating decision-maker, and have not changed year-over-year. The strategic business units offer different services, and are managed separately because they require different strategies.

The following summary describes the operations in each of the Group's reportable segments:

Exploration	Includes obtaining licenses and exploring these license areas.
Corporate office	Includes all Group administration and procurement

There are no other operations that meet any of the quantitative thresholds for determining reportable segments in 2015 or 2014.

There are varying levels of integration between the Exploration and Corporate Office reportable segments. This integration includes shared administration and procurement services. The accounting policies of the reportable segments are the same as described in Notes 3 and 4.

20. Segmented information (continued)

Information regarding the results of each reportable segment is included below. Performance is measured based on segmented results. Any inter-segment transactions would be determined on an arm's length basis. Inter-segment pricing for 2015 and 2014 consisted of funding advanced from Corporate Office to Exploration.

(b) Operating segments

	Exploration		Corporate office		Total	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
Depreciation	$ 7	$ 2	$ 1	$ 5	$ 8	$ 7
Reportable segment profit (loss) before tax for:						
continuing operations	$ (139)	$ -	$ (990)	$ (388)	$ (1,129)	$ (388)
discontinued operations	$ -	$ (183)	$ -	$ -	$ -	$ (183)
Material non-cash items in segment loss before tax:						
Share-based payments expenses	-	$ -	$ 98	$ 18	$ 98	$ 18
Reportable segment assets	$ 4,049	$ 3,468	$ 566	$ 324	$ 4,615	$ 3,792
Capital expenditures	$ -	$ 20	$ -	$ -	$ -	$ 20
Additions to mineral properties	$ 116	$ 1,909	$ -	$ -	$ 116	$ 1,909
Reportable segment liabilities	$ (144)	$ (15)	$ (377)	$ (446)	$ (521)	$ (461)

(c) Geographical segments

During the year ended March 31, 2015, business activities took place in Sweden, Canada and South Africa and during the year ended March 31, 2014, business activities took place in Sweden, Canada, South Africa and Niger.

In presenting information based on the geographical segments, segment assets are based on the geographical location of the assets.

The following table presents segmented information on the Company's operations and net loss for the year ended March 31, 2015 and assets and liabilities as at March 31, 2015:

(In thousands of United States Dollars)

	Canada	Sweden	South Africa	Total
Net loss	$ 1,162	$ (33)	$ -	**$ 1,129**
Depreciation	$ 8	$ -	$ -	**$ 8**
Share-based payments	$ 98	$ -	$ -	**$ 98**
Total assets	$ 566	$ 1,106	$ 2,943	**$ 4,615**
Non-current assets	$ -	$ 1,084	$ 2,955	**$ 4,039**
Liabilities	$ (377)	$ (144)	$ -	**$ (521)**

20. Segmented information (continued)

The following table presents segmented information on the Company's operations and net loss for the year ended March 31, 2014 and assets and liabilities as at March 31, 2014:

(In thousands of United States Dollars)

	Canada	Sweden	South Africa	Niger	Total
Net loss	$ 388	$ -	$ -	$ 183	**$ 571**
Depreciation	$ 6	$ -	$ -	$ 1	**$ 7**
Share-based payments	$ 18	$ -	$ -	$ -	**$ 18**
Total assets	$ 423	$ 1,426	$ 1,942	$ 1	**$ 3,792**
Non-current assets	$ 195	$ 1,438	$ 1,802	$ -	**$ 3,435**
Liabilities	$ (446)	$ -	$ -	$ (15)	**$ (461)**

21. Commitment

In February 2014, the Company signed a lease agreement with its majority shareholder, NWT, based on the square footage it uses in NWT's office space. The monthly rent is CAD1,850 through to March 31, 2015 and will be settled from time to time with NWT as URU's finances permit.