

**UMC Energy Plc**  
**(“UMC” or the “Company”)**

**Interim Financial Results**  
**For the six months ending 30 June 2009**

**CHAIRMAN’S STATEMENT**

As I reported to you in the 2008 Annual Report, the Company’s 2008 field work was used as the basis for determining the boundaries of tenement retention in 2009. Approximately 50% of the Folakara tenement (~200sq kms) and 25% of the Makay tenements (~750 sq kms) are being retained for 2009 and beyond.

As has been widely reported in the press, Madagascar is presently experiencing a period of political upheaval and uncertainty. Although the Company has not, in any way, been negatively affected by these events, it has resolved to take a cautious approach to exploration and accordingly has not conducted exploration activities during the first-half of the current financial year and does not expect to undertake any material exploration activities in Madagascar whilst this period of uncertainty prevails.

C Kyriakou  
Chairman

21 September 2009

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## UNAUDITED CONSOLIDATED INCOME STATEMENT

*For the six months period ended 30 June 2009*

	Note	6 months period ended 30 June 2009 (Unaudited) £	6 months period ended 30 June 2008 (Unaudited) £	Year ended 31 December 2008 (Audited) £
Administrative expenses		(152,803)	(279,878)	(652,535)
Other operating income		-	-	8,829
<b>Loss from operations</b>		<b>(152,803)</b>	<b>(279,878)</b>	<b>(643,706)</b>
Investment income		-	1,966	1,966
Finance costs		(84,322)	(83,601)	(163,454)
<b>Loss before taxation</b>		<b>(237,125)</b>	<b>(361,513)</b>	<b>(805,194)</b>
Income tax expense	4	-	-	-
<b>Loss for the period</b>		<b>(237,125)</b>	<b>(361,513)</b>	<b>(805,194)</b>
<b>Attributable to:</b>				
<b>Equity holders of the parent</b>		<b>(210,300)</b>	<b>(392,234)</b>	<b>(726,309)</b>
<b>Minority interest</b>		<b>(26,825)</b>	<b>30,721</b>	<b>(78,885)</b>
		<b>(237,125)</b>	<b>(361,513)</b>	<b>(805,194)</b>
<b>Loss per share (pence)</b>	5	<b>(0.68)</b>	(1.27)	(2.36)
<b>Fully diluted loss per share (pence)</b>	5	<b>(0.65)</b>	(1.13)	(2.23)

The Group has no recognised gains or losses other than the results for the period as set out above.

## UNAUDITED CONSOLIDATED BALANCE SHEET

*30 June 2009*

	Note	As at 30 June 2009 (Unaudited) £	As at 30 June 2008 (Unaudited) £	As at 31 December 2008 (Audited) £
<b>ASSETS</b>				
<b>Non Current Assets</b>				
Intangible assets	6	4,510,126	4,332,005	4,924,326
Property, plant and equipment		15,616	25,543	30,357
Taxation receivable		247,239	239,551	290,243
<b>Total non current assets</b>		<b>4,772,981</b>	4,597,099	5,244,926
<b>Current Assets</b>				
Taxation receivable		1,541	7,468	6,936
Trade and other receivables		18,450	4,783	28,744
Cash and cash equivalents		58,550	53,964	23,971
<b>Total current assets</b>		<b>78,541</b>	66,215	59,651
<b>Total Assets</b>		<b>4,851,522</b>	4,663,314	5,304,577
<b>EQUITY AND LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade and other payables		156,723	94,315	158,353
Loans	8	1,338,516	569,076	1,035,626
<b>Total current liabilities</b>		<b>1,495,239</b>	663,391	1,193,979
<b>Non current liabilities</b>				
Long term provision		298,198	233,449	335,206
<b>Total Liabilities</b>		<b>1,793,437</b>	896,840	1,529,185
<b>Equity and Reserves</b>				
Called up share capital	7	154,033	1,540,333	154,033
Share premium		4,478,453	4,478,453	4,478,453
Share based payments reserve		385,270	1,069,680	385,270
Translation reserve		386,317	436,835	873,963
Retained loss		(2,939,601)	(4,476,925)	(2,729,301)
Equity attributable to equity holders of the parent		2,464,472	3,048,376	3,162,418
Minority interest		593,613	718,098	612,974
<b>Total Equity</b>		<b>3,058,085</b>	3,766,474	3,775,392
<b>Total equity and liabilities</b>		<b>4,851,522</b>	4,663,314	5,304,577

**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
*for the six months period 30 June 2009*

	Share Capital £	Share Premium £	Share Based Payments Reserve £	Accumulat ed loss £	Minority interest £	Trans- lation Reserve £	Total £
Balance at 1 January 2009	154,033	4,478,453	385,270	(2,729,301)	612,974	873,963	3,775,392
Loss for the period	-	-	-	(210,300)	(26,825)	-	(237,125)
Movement on currency reserve	-	-	-	-	7,464	(487,646)	(480,182)
<b>Balance at 30 June 2009</b>	<b>154,033</b>	<b>4,478,453</b>	<b>385,270</b>	<b>(2,939,601)</b>	<b>593,613</b>	<b>386,317</b>	<b>3,058,085</b>

	Share Capital £	Share Premium £	Share Based Payments Reserve £	Accumulat ed loss £	Minority interest £	Trans- lation Reserve £	Total £
Balance at 1 January 2008	1,540,333	4,478,453	1,156,591	(4,171,602)	684,623	155,301	3,843,699
(Loss) / profit for the period	-	-	-	(392,234)	30,721	-	(361,513)
Reserve transfer	-	-	(86,911)	86,911	-	-	-
Movement on currency reserve	-	-	-	-	2,754	281,534	284,288
<b>Balance at 30 June 2008</b>	<b>1,540,333</b>	<b>4,478,453</b>	<b>1,069,680</b>	<b>(4,476,925)</b>	<b>718,098</b>	<b>436,835</b>	<b>3,766,474</b>

	Share Capital £	Share Premium £	Share Based Payments Reserve £	Accumulat ed loss £	Minority interest £	Trans- lation Reserve £	Total £
Balance at 1 January 2008	1,540,333	4,478,453	1,156,591	(4,171,602)	684,623	155,301	3,843,699
Share capital reduction	(1,386,300)	-	-	1,386,300	-	-	-
Loss for the period	-	-	-	(726,309)	(78,885)	-	(805,194)
Share based payment	-	-	10,989	-	-	-	10,989
Reserve transfer	-	-	(782,310)	782,310	-	-	-
Movement on currency reserve	-	-	-	-	7,236	718,662	725,898
<b>Balance at 31 December 2008</b>	<b>154,033</b>	<b>4,478,453</b>	<b>385,270</b>	<b>(2,729,301)</b>	<b>612,974</b>	<b>873,963</b>	<b>3,775,392</b>

## UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

*for the six months period 30 June 2009*

	6 months period ended 30 June 2009 (Unaudited) £	6 months period ended 30 June 2008 (Unaudited) £	Year ended 31 December 2008 (Audited) £
<b>Cash flows from operating activities</b>			
Net loss from operations	(152,803)	(279,878)	(643,706)
Adjustments for :			
Share based payments	-	-	10,989
Translation and currency movements	(35,035)	22,579	192,736
Loss on disposal of assets	4,688	-	-
Depreciation	5,709	4,233	12,679
Operating cash flows before movements in working capital	(177,441)	(253,066)	(427,302)
Decrease / (increase) in trade & other receivables	58,693	4,857	(69,263)
Decrease in trade and other payables	(1,630)	(357,428)	(293,391)
Net cash flow from operating activities	(120,378)	(605,637)	(789,956)
<b>CASH FLOW STATEMENT</b>			
Net cash flows from operating activities	(120,378)	(605,637)	(789,956)
<b>Investing Activities</b>			
Investment income	-	1,966	1,966
Property, plant & equipment acquired	-	(6,399)	(15,463)
Intangibles assets additions	(44,686)	(126,040)	(301,340)
Net cash flow from investing activities	(44,686)	(130,473)	(314,837)
<b>Financing activities</b>			
Loans	273,230	569,076	978,019
Loan interest and charges	(73,587)	(34,648)	(104,901)
Decrease in bank overdraft	-	(3,630)	(3,630)
Net cash flow from financing activities	199,643	530,798	869,488
<b>Increase / (decrease) in cash &amp; cash equivalents</b>	<b>34,579</b>	<b>(205,312)</b>	<b>(235,305)</b>
Cash and cash equivalents brought forward	23,971	259,276	259,276
Cash and cash equivalents carried forward	58,550	53,964	23,971

**NOTES TO THE UNAUDITED INTERIM RESULTS**  
*For the six months period ended 30 June 2009*

**1. General information**

UMC Energy Plc is a company incorporated in England and Wales under the Companies Act 1985. The Company's registered office is 11 Albemarle Street, London, W1S 4HH.

The principal activity of the Group is the investment in and exploration and development of uranium mining projects, specifically in an uranium exploration project in Madagascar.

The Group's principal activity is carried out in US dollars. The interim results are presented in pounds sterling as this is the currency of the country (the UK) where the Company is incorporated and its ordinary shares admitted for trading.

**2. Accounting policies**

**Basis of accounting**

The interim results have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The interim results have been prepared on the historical cost basis except that certain financial instruments are accounted for at fair values. The principal accounting policies adopted are set out below.

**3. Segmental analysis**

The Group's operational activities are wholly focused in Madagascar. The Company's registered office is in London, UK.

The Group has not yet commenced commercial mining production and has no turnover in the year.

Segmental information on a geographical basis is set out below:

	<b>Period ended 30 June 2009</b>		
	<b>UK</b>	<b>Madagascar</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Loss for the period	(227,047)	(10,078)	(237,125)
Depreciation	951	4,758	5,709

Total assets	77,149	4,774,373	4,851,522
Total liabilities	1,400,001	393,436	1,793,437
Intangible assets – additions	-	44,866	44,866

Segmental information on a geographical basis is set out below:

	<b>Period ended 30 June 2008</b>		
	<b>UK</b>	<b>Madagascar</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Loss for the period	(239,361)	(122,152)	(361,513)
Depreciation	-	4,233	4,233
Total assets	61,179	4,602,135	4,663,314
Total liabilities	649,829	247,011	896,840
Intangible assets – additions	-	126,040	126,040
Tangible assets – additions	-	6,399	6,399

Segmental information on a geographical basis is set out below:

	<b>Year ended 31 December 2008</b>		
	<b>UK</b>	<b>Madagascar</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Loss for the year	(603,401)	(201,793)	(805,194)
Depreciation	317	12,362	12,679
Total assets	57,945	5,246,632	5,304,577

Total liabilities	1,086,043	443,142	1,529,185
Intangible assets – additions	-	301,340	301,340
Tangible assets – additions	1,903	13,560	15,463

#### 4. Taxation

No provision for corporation tax has been provided for, due to losses incurred in the current and previous periods.

#### 5. Loss per share

Loss per share has been calculated by dividing the loss for the period after taxation attributable to the equity holders of the parent company of £210,300 (30 June 2008: £392,234) (31 December 2008: £726,309) by the weighted average number of shares in issue at the period end of 30,806,668 (30 June 2008: 30,806,668) (31 December 2008: 30,806,668).

Diluted loss per share has been calculated using the weighted average number of shares in issue at the period end, diluted for the effect of share options and warrants in existence at the period end of 32,523,142 (30 June 2008: 34,530,076) (31 December 2008: 32,523,142).

#### 6. Intangible assets

	As at 30 June 2009 (Unaudited) £	As at 30 June 2008 (Unaudited) £	As at 31 December 2008 (Audited) £
<b>Development expenditure</b>			
<b>Cost</b>			
Balance brought forward	2,277,462	1,398,681	1,398,681
Additions	11,995	126,040	205,464
Exchange movement	(458,886)	256,296	673,317
	<b>1,830,571</b>	<b>1,781,017</b>	<b>2,277,462</b>
<b>Impairment</b>			
Balance brought forward	1,366,338	1,366,338	1,366,338
Balance carried forward	<b>1,336,338</b>	1,366,338	1,366,338
<b>Net book value</b>	<b>464,233</b>	414,679	911,124

## Exploration licences

Balance brought forward (at fair value)	4,013,202	3,917,326	3,917,326
Additions at cost	32,691	-	95,876
<b>Balance carried forward</b>	<b>4,045,893</b>	3,917,326	4,013,202
<b>Total</b>	<b>4,510,126</b>	4,332,005	4,924,326

The development expenditure relates to development of the uranium exploration project in the Morondava basin of Madagascar.

The licences relate to uranium exploration licences in the Morondava basin of Madagascar.

The project has yet to reach a stage of development where a determination of the technical feasibility or commercial viability can be assessed. In addition, as Madagascar is presently experiencing a period of political upheaval and uncertainty, the Company has resolved to take a cautious approach to exploration and accordingly has not conducted exploration activities during the first-half of the current financial year and does not expect to undertake any material exploration activities in Madagascar whilst this period of uncertainty prevails. In these circumstances, whether there is any indication that the asset has been impaired is a matter of judgement, as is the determination of the quantum of any required impairment adjustment. The directors have used their experience to conclude that no impairment adjustment is required in the current period (30 June 2008: £nil) (31 December 2008:£nil).

## 7. Called up share capital

	As at 30 June 2009 (Unaudited)	As at 30 June 2008 (Unaudited)	As at 31 December 2008 (Audited)
<b>Share capital</b>			
<b>Authorised</b>	No.	No.	No.
	£0.005 each	£0.05 each	£0.005 each
Ordinary shares	1,722,739,998	200,000,000	1,722,739,998
	£	£	£
Ordinary shares	8,613,670	10,000,000	8,613,670
<b>Issued</b>	No.	No.	No.
Ordinary shares	30,806,668	30,806,668	30,806,668
Ordinary shares	154,033	1,540,333	154,033

## **8. Material related party transactions**

R Cleary, C Kyriakou and J Reynolds are directors of Natasa Mining Limited (formerly Investika Limited), an Australian company and a shareholder in UMC Energy Plc.

In February 2008 the Company secured an A\$0.5 million loan facility from Natasa Mining Limited. The loan bears interest at 15% per annum on funds drawn, is unsecured and was repayable in August 2008 or immediately upon UMC Energy Plc raising further debt or equity funding. The facility bears a facility fee of A\$15,000. The loan was not repaid in August 2008 and with the forbearance of Natasa Mining Limited is repayable under the same terms as the March 2008 loan.

In March 2008 the Company secured a further loan facility from Natasa Mining Limited for an unspecified amount to be used in meeting the Company's working capital requirements, including funds to be expended on the Morondava uranium project. The loan bears interest at 15% per annum on funds drawn, is secured by a negative pledge over the Company's equity interest in Uramad UK Limited and is repayable within 60 days following a demand by Natasa Mining Limited. The facility bears a draw down fee of 3% of funds drawn.

As at 30 June 2009 the Company had borrowed A\$2,748,437 (30 June 2008: A\$1,182,214) (31 December 2008: A\$2,170,033) under these facilities. These amounts include interest of A\$333,771 (30 June 2008: A\$39,797) (31 December 2008: A\$230,116).

At present, the Company is entirely dependent on funding from Natasa Mining Limited for its continuing operation.

During the period the Company made additional advances to its subsidiary Uramad SA of US\$74,890 (30 June 2008: US\$964,182) (31 December 2008: US\$1,159,530) and at the period end Uramad SA owed the Company US\$4,926,199 (30 June 2008: US\$4,655,962) (31 December 2008: US\$4,851,309).

Bernard Furth was a director of Uramad SA and a shareholder in the following companies: Assistance Et Logistique Miniere (ALM Sarl) and Forex Sarl. During the period Uramad SA was charged £nil (30 June 2008: £43,133) (31 December 2008:£53,914) by ALM Sarl for services rendered. During the period Uramad SA was charged £nil (30 June 2008:£nil) (31 December 2008: £1,375) by Forex Sarl for services rendered.

## **9. Post balance sheet events**

Since 1 July 2009, the Company has advanced a further US\$3,300 to Uramad SA.

Since 1 July 2009, the Company has borrowed a further A\$42,000 from Natasa Mining Ltd, for working capital.