



CONSOLIDATED FINANCIAL STATEMENTS
for the year
ended March 31, 2007

First Uranium Corporation
Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements have been prepared by management and are in accordance with Canadian generally accepted accounting principles and reflect informed judgments and estimates based on currently available information and with due consideration given to materiality. Management acknowledges its responsibility for the fairness, integrity and objectivity of all information in the consolidated financial statements.

As a means of fulfilling its responsibility, management relies on the Corporation's system of internal controls. This system has been established to ensure, within reasonable limits, that the assets are safeguarded, transactions are properly recorded and are executed in accordance with management's authorization and that the accounting records provide a solid foundation from which to prepare the consolidated financial statements.

The Board of Directors carries out its responsibility for the consolidated financial statements principally through its Audit Committee, consisting solely of non-management directors. The Audit Committee meets with management as well as the external auditors to ensure that management is properly fulfilling its financial reporting responsibilities to the Directors who approve the financial statements. The external auditors have full and unrestricted access to the Audit Committee to discuss the scope of the external audit, the adequacy of the system of internal controls and financial reporting issues.

The consolidated financial statements have been audited by PricewaterhouseCoopers LLP, Chartered Accountants. Their report outlines the scope of their examination and opinion on the consolidated financial statements.

"Gordon Miller" (signed)

Gordon Miller
Chief Executive Officer

June 13, 2007

"Emma Oosthuizen" (signed)

Emma Oosthuizen
Chief Financial Officer

June 13, 2007

Auditors' Report

To the Shareholders of First Uranium Corporation

We have audited the consolidated balance sheets of **First Uranium Corporation** as at March 31, 2007 and 2006 and the consolidated statements of expenditures and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2007 and 2006 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Accountants, Licensed Public Accountants

First Uranium Corporation
Consolidated Balance Sheets
as at March 31, 2007 and March 31, 2006
(in United States Dollars)

	Notes	2007 US\$'000	2006 US\$'000
ASSETS			
Current assets			
Cash and cash equivalents		138,914	560
Accounts receivable	3	1,713	143
Inventories	4	292	-
Amount receivable from related party	19	6,763	2,730
		147,682	3,433
Non-current assets			
Property, plant and equipment	5	30,954	-
Asset retirement fund	6	2,791	-
		33,745	-
Total assets		181,427	3,433
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	8	5,702	787
Amount payable to related party	19	-	5,300
		5,702	6,087
Non-current liabilities			
Asset retirement obligation	9	5,377	-
		5,377	-
SHAREHOLDERS' EQUITY			
Share capital	10	182,673	4,176
Contributed surplus	11	2,460	27
Accumulated deficit		(14,785)	(6,857)
		170,348	(2,654)
Total equity and liabilities		181,427	3,433

See accompanying notes to the Consolidated Financial Statements, including:

- Basis of preparation
- Contractual obligations
- Subsequent events

Approved on behalf of the Board of Directors

"Nigel R. G. Brunette" (signed)

Nigel R. G. Brunette
Non-executive Chairman

June 13, 2007

"Robert M. Franklin" (signed)

Robert M. Franklin
Non-executive Director

First Uranium Corporation
Consolidated Statements of Expenditures and Deficit
for the years ended March 31, 2007 and March 31, 2006
(in United States Dollars)

	Notes	2007 US\$'000	2006 US\$'000
Expenditures			
Consulting and management fees	19	2,224	1,494
General and administrative expenditure		1,024	261
Stock-based compensation	11	2,460	27
Pumping and feasibility costs		844	5,104
Amortization of property, plant and equipment	5	14	-
Operating loss			
Interest income	19	(6,566)	(6,886)
Interest expense	19	3,433	-
Foreign exchange (losses)/gains	19	(162)	-
	12	(4,612)	29
Loss before income taxes			
Provision for income taxes	13	(7,907)	(6,857)
		(21)	-
Net loss for the year			
Accumulated deficit at the beginning of the year		(7,928)	(6,857)
		(6,857)	-
Accumulated deficit at the end of the year			
		(14,785)	(6,857)
Basic and diluted loss per common share (US\$)	14	(0.08)	(0.08)
Weighted average number of basic and diluted common shares outstanding ('000)	14	97,522	84,172

See accompanying notes to the Consolidated Financial Statements

First Uranium Corporation
Consolidated Statements of Cash Flows
for the years ended March 31, 2007 and March 31, 2006
(in United States Dollars)

	Notes	2007 US\$'000	2006 US\$'000
Net loss for the year		(7,928)	(6,857)
Changes not affecting cash:			
- Interest income	15.2	(666)	-
- Interest expense		162	-
- Amortization		14	-
- Expenses in respect of asset retirement fund	6	80	-
- Accretion expense in respect of asset retirement obligation	9	244	-
- Stock-based compensation		2,460	27
Net loss after interest and non-cash items		(5,634)	(6,830)
Movement in working capital:			
- Increase in inventories		(292)	-
- Increase in accounts receivable		(1,570)	(143)
- (Increase)/decrease in net amounts receivable from related parties	15.1	(9,880)	2,570
- Increase in accounts payable and accrued liabilities		1,633	787
Cash flows from operating activities		(15,743)	(3,616)
Additions to property, plant and equipment	15.3	(24,270)	-
Increase in asset retirement fund	6	(103)	-
Cash flows from investing activities		(24,373)	-
Proceeds from shares issuance (net of issue costs)	10	178,470	4,176
Cash flows from financing activities		178,470	4,176
Net increase in cash and cash equivalents for the year		138,354	560
Cash and cash equivalents at beginning of the year		560	-
Cash and cash equivalents at end of the year		138,914	560

See accompanying notes to the Consolidated Financial Statements

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

The consolidated financial statements have been prepared by First Uranium Corporation (“First Uranium” or “the Corporation”) in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”). The preparation of the consolidated financial statements is based on accounting policies and practices consistent with those used in the prior year.

First Uranium is a Canadian corporation with a primary listing on the Toronto Stock Exchange (“TSX”) and a secondary listing on the Johannesburg Stock Exchange (“JSE”). First Uranium is a resource company focused on the development of uranium and gold projects in South Africa, see Note 5 “Property, Plant and Equipment” for a description of the projects. First Uranium owns 100% of First Uranium Limited (“FUL”), which in turn holds 100% of First Uranium (Proprietary) Limited (“FUSA”) and 90% of Ezulwini Mining Company (Proprietary) Limited (“EMC”). As at March 31, 2007, Simmer and Jack Mines, Limited (“Simmer & Jack”) owned 67.2% of First Uranium’s common shares.

1.1 Investment in subsidiaries

Group financial statements

The acquisition by First Uranium of shareholdings in FUSA and EMC are accounted for under Canadian GAAP as a continuity of interests. Certain adjustments have been reflected in the financial statements to reflect the reorganization pursuant to which First Uranium acquired 100% of FUSA and 90% of EMC as if the share exchange had been effective for the period from inception to March 31, 2007.

Acquisition from entities under common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

The assets and liabilities acquired in a business combination under common control are recognized at the carrying amounts recognized previously in the Group’s controlling shareholder, Simmer & Jack’s, consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Canada.

2.2 Consolidation

The consolidated financial statements include the accounts of First Uranium and all of its subsidiaries. All significant inter-company balances and transactions are eliminated on consolidation.

2.2.1 Subsidiaries

A subsidiary is an entity which is controlled by the Corporation. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of First Uranium and its subsidiaries after eliminating inter-company balances and transactions. For partly owned subsidiaries, the net assets and net earnings attributable to minority shareholders are presented as minority interests on the consolidated balance sheet and consolidated statement of expenditures and deficit.

2.3 Use of estimates

The preparation of these consolidated financial statements in accordance with Canadian generally accepted accounting practice requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period.

Significant areas requiring the use of management estimates relate to the determination of impairment of capital assets, goodwill estimation of future site restoration costs and future income taxes, and classification of current portion of long term debt. Financial results as determined by actual events could differ from those estimated.

2.4 Foreign currency translation

Items included in the financial statements of each entity in the Corporation are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (“the functional currency”).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing 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 recognized in the statements of expenditures and deficit.

The Corporation considers the United States dollar (“US\$”) to be the functional and reporting currency. The translated amounts are of a foreign entity where its subsidiaries are accounted for as integrated foreign operations and as such, the translation to US dollar was made using the temporal method. Monetary assets and liabilities denominated in foreign currencies are translated in United States dollars at the year-end exchange rates, while non-monetary items are translated at the exchange rate in effect at the transaction date. Revenue and expense items are translated at the exchange rates in effect on the date of the transaction. Exchange gains and losses resulting from the translation of these amounts are included in the consolidated statements of operations.

2.5 Financial instruments

Financial assets and financial liabilities are recognized on the balance sheet when the Corporation has become party to the contractual provisions of the instruments.

Measurement

Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to initial recognition these instruments are measured as set out below:

Investments

Purchases and sales are recognized on the trade date, which is the date that the Corporation commits to purchase or sell the asset. After initial recognition, investments, which include the Corporation’s listed investments and which are designated as long term investments, are measured at the lesser of historic cost or net realizable value. Listed investments, which are designated as short term investments, are measured at fair value. Losses on long term investments and profits and losses on short term investments are recognized in the consolidated statement of expenditures and deficit.

Other long term investments that are intended to be held to maturity are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. For investments carried at amortized cost, gains and losses are recognized in the income statement when the investments are derecognized or impaired, as well as through the amortization process.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances, deposits held at call and certificate of deposits with a remaining maturity of three months or less. Bank and cash balances are reported separately from bank overdraft balances, which are included in accounts payable.

Accounts receivable

Accounts receivable are carried at original invoice amount unless a provision has been recorded for impairment of these receivables. A provision for impairment of accounts receivable is established when there is objective evidence that the Corporation will not be able to collect all amounts due according to the original terms of receivables.

Financial liabilities

After initial recognition, financial liabilities other than trading liabilities are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any transaction costs and any discount or premium on settlement.

Accounts payable

Liabilities for trade and other payables which are normally settled on 30 to 90 day terms are carried at cost.

Impairment and uncollectability of financial assets

An assessment is made at each balance sheet date to determine whether there is objective evidence that a financial asset or group of financial assets may be impaired. If such evidence exists, the estimated recoverable amount of the asset is determined and an impairment loss is recognized for the difference between the recoverable amount and the carrying amount as follows: The carrying amount of the asset is reduced to its discounted estimated recoverable amount, either directly or through the use of an allowance account and the resulting loss is recognized in the income statement for the period.

Offset

Where a legally enforceable right of offset exists for recognized financial assets and financial liabilities, and there is an intention to settle the liability and realize the asset simultaneously, or settle on a net basis, all related financial effects are offset.

Equity instruments

Equity instruments issued by the Corporation are recorded on the date the proceeds are received, net of direct issue costs.

The carrying amounts for cash and cash equivalents, short term investments, accounts receivable and accounts payable and accrued liabilities approximate fair value due to the short maturities of these instruments.

2.6 Property, plant and equipment

The cost of an item of property, plant and equipment is recognized as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Corporation; and
- the cost of the item can be measured reliably.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognized in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognized.

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

Depreciation is provided on all property, plant and equipment other than freehold land, to write down the cost, less residual value, on a straight- line basis over their useful lives as follows:

Item	Average useful life
Buildings	20 years
Plant and equipment	25 years
Office furniture and equipment	6 years
Motor vehicles	5 years
Computer equipment and software	3 years
Mining assets <ul style="list-style-type: none"> Mining assets are stated at cost less accumulated amortization and impairments. Cost includes pre-production expenditures incurred during the development of the mine. Cost also includes borrowing costs capitalized during the construction period where such costs are financed by borrowings. Amortization is first charged on new mining ventures from the date on which production reaches commercial quantities. 	Life of mine
Mine development costs <ul style="list-style-type: none"> Mine development costs include expenditures incurred to develop new ore bodies, to define further mineralization in existing ore bodies and to expand the capacity of a mine. Mine development costs are amortized using the units-of-production method based on estimated measured and indicated mineral resources. These resources are reassessed annually. 	Measured and indicated mineral resources
Mine infrastructure <ul style="list-style-type: none"> Plant, equipment and buildings are amortized using the units-of-production method based on estimated measured and indicated mineral resources 	Measured and indicated mineral resources
Mining rights <ul style="list-style-type: none"> The cost of acquiring mining rights are capitalized and amortized over the mining period awarded by the Department of Minerals and Energy ("DME") to the Corporation for the respective mining right. 	Mining period as per licence
Exploration <ul style="list-style-type: none"> Exploration costs incurred to the date of establishing that a property has mineral resources, which have the potential of being economically recoverable, are expensed; exploration and development expenses incurred subsequent to this date are capitalized. If the project becomes feasible, the costs are amortized over the life of the mine. If the project is stopped, the costs are written off immediately. 	Life of mine

The residual value and the useful life of each asset are reviewed at each financial year-end.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately.

The depreciation charge for each period is recognized in profit or loss unless it is included in the carrying amount of another asset.

2.7 Capitalization of interest

Net interest costs incurred during the development, construction and start up phase of major projects are capitalized.

2.8 Asset retirement obligations

The Corporation recognizes the fair value of a future asset retirement obligation as a liability in the year in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that results from the acquisition, construction, development, and/or normal use of the assets. The Corporation concurrently recognizes a corresponding increase in the carrying amount of the related long-lived asset that is depreciated over the life of the asset. The fair value of the asset retirement obligation is estimated using the expected cash flow approach that reflects a range of possible outcomes discounted at credit adjusted risk-free interest rate. Provision is made in full for the estimated future costs of pollution control and rehabilitation, in accordance with statutory requirements. The fair value of asset retirement obligations is recognized and provided for in the financial statements and capitalized to mining assets when incurred.

Subsequent to the initial measurement, the asset retirement obligation is adjusted at the end of each year to reflect the passage of time and changes in the estimated future cash flows underlying the obligation.

Changes in the obligation due to the passage of time are recognized in income as an operating expense using the interest method. Changes in the obligation due to changes in estimated cash flows are recognized as an adjustment of the carrying amount of the long-lived asset that is depreciated over the remaining life of the asset.

Annual increases in the provision are accreted into income and consist of financing costs relating to the change in present value of the provision and inflationary increases in the provision estimate. The present value of additional environmental disturbances created is capitalized to mining assets against an increase in rehabilitation provision.

2.9 Impairment of long-lived assets

Where impairment is identified, the carrying value of the related property, plant and equipment is written down to fair value. Recoverability of the long term assets of the Corporation, which includes development costs and undeveloped property costs, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable, based on future undiscounted cash flows. In preparing this evaluation, the Corporation compares the carrying amount of the asset to its fair value. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. To determine fair value, management makes its best estimates of the future cash inflows that will be obtained each year over the life of the asset and discounts the cash flows by a rate that is based on the time value of money, adjusted for the risk associated with the applicable asset.

Management's best estimate includes only those projections which it believes are reliable. These estimates are subject to risks and uncertainties including future metal prices. It is therefore reasonably possible that changes could occur which may affect the recoverability of the assets.

2.10 Future income and mining taxes

The Corporation utilizes the asset and liability method of accounting for income and mining taxes. Under the asset and liability method, future income and mining tax assets are recognized for the future tax consequences attributable to differences between the consolidated financial statements carrying amounts of existing assets and liabilities and their respective tax bases reduced by a valuation allowance to reflect the recoverability of any future income tax asset. Future income and mining tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future income and mining tax assets and liabilities of a change in tax rates is recognized in income in the year the enactment or substantive enactment occurs.

2.11 Stock-based compensation

The Corporation has a stock-based compensation plan which is described in note 11. The Corporation accounts for all stock-based payments under the fair value based method.

Under the fair value based method, compensation cost is measured at fair value at the grant date. Compensation cost is recognized in earnings on a straight-line basis over the relevant vesting period. The counterpart is recognized in contributed surplus. Upon the exercise of a stock option, share capital is recorded at the sum of the proceeds received and the related amount of contributed surplus. Any consideration paid upon the exercise of stock options, in addition to the fair value attributable to stock options granted, is credited to share capital. The fair value attributable to stock options that expire unexercised is credited to contributed surplus.

2.12 Interest recognition

Interest income is recognized on a time proportion basis, taking account of the principal outstanding and the effective rate over the period of maturity, when it is determined that such income will accrue to the Corporation.

2.13 Leased assets

Leases of property, plant and equipment where the Corporation has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the installment is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

2.14 Inventories

Inventories, which include in-circuit metals and consumable stores, are stated at the lower of cost or net realizable value. The related direct production costs associated with in-circuit metals are deferred and charged to costs as the contained gold is recovered. Consumable stores are valued on the weighted average cost basis. In-circuit metals are identified and measured from the ore stockpiles up to and including the on-site refining plant.

2.15 Earnings or loss per share

Basic earnings or loss per share is computed by dividing earnings or loss available to common shareholders by the weighted average number of common shares outstanding during the year. The treasury stock method is used to calculate diluted earnings or loss per share. Diluted earnings or loss per share is similar to basic earnings or loss per share, except that the denominator is increased to include the number of additional common shares that would have been outstanding assuming that options with an average market price for the year greater than their exercise price are exercised and the proceeds used to repurchase common shares. As a result of the loss for each of the reporting years, the potential effect of exercising stock options has not been included in the calculation of diluted loss per share as to do so would be anti-dilutive.

3. ACCOUNTS RECEIVABLE

	2007 US\$'000	2006 US\$'000
Trade receivables	99	-
Value Added Tax and General Sales Tax	1,463	13
Prepayments and advances	144	130
Deposits and guarantees	7	-
	1,713	143

4. INVENTORIES

	2007 US\$'000	2006 US\$'000
Spares and consumables	292	-

5. PROPERTY, PLANT AND EQUIPMENT

2007	Cost US\$'000	Accumulated amortization US\$'000	Net carrying amount US\$'000
Owned assets			
Land and buildings	863	-	863
Mine infrastructure	3,710	-	3,710
Mining assets	16,942	-	16,942
Mining rights	13	-	13
Plant and equipment	9,000	-	9,000
Motor vehicles	179	(8)	171
Office furniture and equipment	56	(1)	55
Computer equipment and software	205	(5)	200
Total net carrying amount	30,968	(14)	30,954

Included in the above are mining related assets with a net carrying value of US\$29 million related to the Ezulwini Mine and US\$0.8 million related to the Buffelsfontein Tailings Recovery Project.

First Uranium had no property, plant or equipment in the year ending March 31, 2006.

Ezulwini Mine

The Ezulwini Mine involves the recommissioning of an underground uranium and gold mining operation located on the outskirts of the town of Westonaria in Gauteng Province, South Africa. The mine, previously on care and maintenance, is being readied for production. The mine was constructed in the 1960s. In 2001, mine production at Ezulwini was ceased primarily as a result of capital constraints compounded by a weak gold and uranium market environment. The geology of the Ezulwini property includes a number of reef packages, with the Upper Elsburg and Middle Elsburg reefs being the primary focus of First Uranium's mine reopening plans at the Ezulwini Mine. First Uranium's plans for the development of the Ezulwini Mine include the rehabilitation and re-engineering of the main mine shaft through the installation of a floating steel tower, de-stressing the area where the shaft pillar intersects the shaft barrel, and the construction of uranium and gold processing facilities.

On December 8, 2006 the Ezulwini mining right was registered to Simmer & Jack. On December 20, 2006, EMC and Simmer & Jack entered into an agreement (the "Ezulwini Mining Right Agreement") pursuant to which Simmer & Jack agreed to take all necessary steps to obtain all ministerial approval in order to effect the ceding of the Ezulwini mining right from Simmer & Jack to EMC.

On October 19, 2006, EMC entered into an agreement with Randfontein Estates Limited ("REL"), a wholly-owned subsidiary of Harmony Gold Mining Company Limited ("Harmony"), in respect of the purchase of certain surface and underground assets relating to the Ezulwini Mine, including two shaft headgears and four winders, fans, compressors, generators and underground equipment as well as the necessary surface freehold required to operate the mine. A total consideration of US\$7.8 million was paid to REL. The effective date of the transaction was December 22, 2006.

As part of the Ezulwini acquisition, the related environmental rehabilitation trust fund amounting to US\$2.7 million (see Note 6) was transferred into the Ezulwini trust fund and EMC took over the related environmental rehabilitation provision of US\$5.1 million (see Note 9) as determined by the DME. The difference of US\$2.4 million between the environmental rehabilitation trust fund and the environmental rehabilitation provision has been capitalised as part of mining infrastructure.

Buffelsfontein Tailings Recovery Project

The Buffelsfontein Tailings Recovery Project is a uranium and gold tailings recovery operation located in the western portion of the Witwatersrand Basin. First Uranium will conduct hydraulic mining of thirteen tailings dumps on the Buffelsfontein property and two dams on the property of MWS (as defined below) using high pressure water cannons to slurry the tailings which will then be pumped to processing plants for the recovery of uranium and gold.

In October 2005, Simmer & Jack purchased Buffelsfontein Gold Mines Limited (“BGM”), consisting of the Buffelsfontein and Hartebeesfontein underground gold mines and mill (the “BGM Underground Mine”), out of provisional liquidation (the “Buffelsfontein Liquidation Acquisition”).

BGM holds an old order mining right in respect of mining gold at the BGM Underground Mine but not for the recovery of the gold and uranium in the tailings dams at Buffelsfontein. On June 4, 2007 the DME granted to BGM a prospecting right with respect to uranium and other minerals in the Buffelsfontein property and tailings dams subject to certain conditions which are expected to be satisfied in due course. BGM has also filed with the DME an application to convert its old order mining right for BGM into a new order mining right. If and when this conversion application is approved, BGM intends to file with the DME one or more applications (which, together with the foregoing conversion application, are collectively referred to herein as the “Buffelsfontein Conversion Application”) to: (i) amend, with effect from the date of conversion, the new order mining right to include the authority to mine for uranium underground and for gold, uranium and other minerals in respect of the tailings; (ii) divide the new order mining right, if granted, into two separate new order mining rights — one in respect of the mining for gold, uranium and other minerals at the BGM Underground Mine and the other, the Buffelsfontein Tailings Mining Right, in respect of the mining of the gold, uranium and other minerals in the Buffelsfontein tailings dams; and (iii) cede the Buffelsfontein Tailings Mining Right, if granted, to FUSA. The recognition of the BGM transaction will only take effect when the above stated conditions precedent are met.

On December 20, 2006, FUSA, BGM and Simmer & Jack entered into an agreement (the “Buffelsfontein Tailings and Rights Agreement”) pursuant to which, among other things:

- (i) BGM agreed to take all necessary steps to obtain all ministerial approvals required for the items requested in the Buffelsfontein Conversion Application in order to effect the transfer of the Buffelsfontein Tailings Mining Right to FUSA as soon as possible;
- (ii) BGM agreed to sell to FUSA upon FUSA’s receipt of the Buffelsfontein Tailings Mining Right, the Buffelsfontein tailings dams as well as certain property required for construction of the proposed processing plants, and grant to FUSA a right to the tailings arising from BGM’s ongoing mining operations at its underground Buffelsfontein mine; and
- (iii) BGM agreed to grant a servitude to FUSA for access and egress to BGM’s property to enable FUSA, its employees, consultants, agents and subcontractors access for purposes of constructing, servicing and operating the uranium and gold processing plants and tailings pipelines to be built by FUSA.

The underground mines that were purchased by Simmer & Jack pursuant to the Buffelsfontein Liquidation Acquisition will not form part of First Uranium’s assets at the Buffelsfontein Tailings Recovery Project.

The Corporation plans to acquire from BGM three additional tailings dams (Harties - Flanagan, Harties - Ellaton and Harties - NKGE).

The Corporation, through its wholly-owned subsidiary FUSA, also acquired Mine Waste Solutions (Proprietary) Limited (“MWS”) and its subsidiary Chemwes (Proprietary) Limited on April 1, 2007 (“the MWS Acquisition”). The MWS Acquisition closed on June 6, 2007, at which point First Uranium assumed management control of MWS. For accounting purposes, any net income from MWS operations for the period from April 1, 2007 to June 6, 2007 will be applied to reduce the cost of the MWS Acquisition. MWS owns and operates an existing gold mine tailings and re-processing facility adjacent to First Uranium’s Buffelsfontein Tailings Recovery Project in South Africa. See Note 18.

6. ASSET RETIREMENT FUND

	2007 US\$'000	2006 US\$'000
Investment in Environmental Trust Fund		
- Trust fund obtained on acquisition of mine	2,686	-
- Investment income	82	-
- Contributions in respect of guarantee	103	-
- Costs incurred	(80)	-
	2,791	-

The environmental rehabilitation trust fund is under the Corporation's control and is to be used to fund the rehabilitation liabilities. Funds in the trust consist of primarily cash held in interest bearing accounts, together with investments in South African equities. An accredited South African financial institution manages the trust funds under the direction of the trustees. The trust deed limits trustees to make investments to institutions and investment vehicles as referred to in section 37A of the South African Income Tax Act.

7. GUARANTEES

The following guarantees have been issued:

To	Regarding	Guarantee value US\$'000
DME	Ezulwini environmental rehabilitation provision	5,162
Murray and Robberts Cementation (Pty) Ltd	Ezulwini shaft rehabilitation project	1,374
Eskom Holdings Ltd	Electricity accounts	1,168

The funds in the Ezulwini rehabilitation trust fund have been pledged as security against the guarantees.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2007 US\$'000	2006 US\$'000
Trade payables	5,302	408
Accruals	400	379
	5,702	787

9. ASSET RETIREMENT OBLIGATION

	2007 US\$'000	2006 US\$'000
Provision taken over with acquisition of the Ezulwini Mine	5,133	-
Accretion expense	244	-
Total obligation	5,377	-

The following are the key assumptions used during 2007:

	2007 US\$'000	2006 US\$'000
Undiscounted and uninflated amount of estimated cash flows	23,206	-
Currency payable	ZAR	-
Payable in years	19	-
Risk-free interest rate – South African rate	8%	-

The environmental rehabilitation provision taken over by EMC as part of the acquisition of the Ezulwini assets was determined by the DME as at November 2006. During March 2007 an independent review was performed by Johan Fourie & Associates on the Ezulwini assets relating to environmental rehabilitation provision.

An environmental rehabilitation trust fund (see Note 6) has been set up as sinking funds for the purposes of funding the environmental rehabilitation and closure costs. The trust deed prohibits use of the funds for any other purpose. In addition, the Corporation raised financial guarantees with Lombards Insurance in favour of the DME to top-up the difference between the environmental rehabilitation trust fund and the environmental rehabilitation provision (see Note 7). The fair value of the Ezulwini Mine's restricted assets at year end is US\$29.0 million (2006: US\$nil). See Note 5.

10. SHARE CAPITAL

	Number of shares		Value of shares	
	2007 '000	2006 '000	2007 US\$'000	2006 US\$'000
Ordinary shares				
Opening balance of shares in issue and share capital	87,536	-	4,176	-
Shares issued relating to share-split	-	938	-	-
Shares issued in public or private offering	33,350	86,598	201,795	4,176
Exercise of stock options	800	-	728	-
Contributed surplus relating to stock options exercised	-	-	27	-
	121,686	87,536	206,726	4,176
Less: Share issue costs	-	-	(24,053)	-
Closing balance of shares in issue and share capital	121,686	87,536	182,673	4,176

Authorized

The authorized capital of First Uranium consists of an unlimited number of common shares.

Issued and outstanding

In December 2005 and January 2006 First Uranium raised a total of US\$4.2 million through the private placement issues of 4,875,000 shares at Cdn\$1 per share. US\$3 million of the capital raised was used to acquire the 20% interest in FUSA. There were share issue costs of US\$218,749 for the period.

On June 1, 2006, 800,000 stock options were exercised for proceeds of US\$728,480.

As part of the First Uranium reorganization (the "Reorganization") and initial public offering (the "Offering") in December 2006:

- the 5,675,001 issued and outstanding shares of First Uranium were split resulting in an increase in the issued and outstanding shares to 6,613,394. This split was determined based on the initial public offering issue price of Cdn\$7 per share and the agreed valuation of the assets, which was supported by a valuation assessment provided by an independent valuator;
- First Uranium issued to Simmer & Jack 26,416,295 shares valued at US\$187,495,878 for 1,196 FUL shares relating to the 80% FUSA shares previously owned by Simmer & Jack;
- First Uranium issued to Simmer & Jack 55,306,358 shares valued at US\$391,732,461 for 2,504 FUL shares relating to the 90% EMC shares previously owned by Simmer & Jack;
- First Uranium issued 29 million shares to the public at Cdn\$7 per share for gross proceeds of US\$175.5 million;
- First Uranium issued an additional 4.35 million shares at Cdn\$7 per share pursuant to the exercise of an over-allotment option granted for gross proceeds of US\$26.3 million.

Under the continuity of interests, the shares issued to Simmer & Jack for EMC and FUSA are deemed to have always been outstanding.

The share issue costs include fees payable to Investec Bank Limited of South Africa, in respect of various advisory and regulatory services provided in connection with the Offering, as well as advisory fees payable to a number of technical consultants.

11. CONTRIBUTED SURPLUS – STOCK-BASED COMPENSATION

The stock-option plan (the "Option Plan") is for employees, officers, directors and consultants that provide ongoing support to First Uranium and its subsidiaries. Under the Option Plan, options typically are granted for a period of up to ten years following the date of grant. The amounts granted usually reflect the level of responsibility of the particular optionee and his or her contributions to First Uranium.

The Board of Directors has the complete discretion to set the terms of any vesting schedule of each option granted. Except in specified circumstances, options are not assignable and non-transferable, and terminate upon the optionee ceasing to be employed or associated with First Uranium.

The terms of the Option Plan further provide that the price at which shares may be issued under the Option Plan shall not be less than the volume weighted average trading price of the shares on the TSX for the five trading days immediately preceding the day the option is granted.

The following table details the movements of contributed surplus during the year:

	2007 US\$'000	2006 US\$'000
Balance, beginning of year	27	-
Transfer to share capital surplus relating to stock options exercised	(27)	-
Stock options granted during the period	2,460	27
Balance, end of year	2,460	27

Assumptions

The fair value of shares used to calculate the compensation expense was determined as the share price on the grant date adjusted by the probability of the recipients remaining employed or associated with the Corporation until the vesting date.

For purposes of stock-based compensation, the fair values of these stock options were estimated using the Black-Scholes option pricing model with the assumptions used for the grants as follows:

	2007	2006
Expected dividend yield	0%	0%
Expected volatility of the Corporation's share price	85%	0%
Risk free interest rate – Canadian rates	3.9%	4.1%
Expected life	3 years	1 year

Due to the short history of First Uranium trading on the TSX, changes in the subjective input assumptions can materially affect the fair value estimate, and therefore, the existing model does not necessarily provide a reliable measure of the fair value of First Uranium's stock options.

During the 2006 year, 800,000 stock options were granted to directors, officers, and consultants of First Uranium with an exercise price of Cdn\$1 per share. The options fully vested on the date of grant. On June 1, 2006, the total 800,000 stock options were exercised for proceeds of US\$728,480.

During the 2007 year, 1,223,001 stock options were granted for a period of 10 years following the date of the grant and are subject to vesting within 2 years from the date of grant.

The following table is a summary of the Corporation's options granted under its stock-based compensation plan:

	Number of options		Weighted average exercise price (Cdn\$)	
	2007	2006	2007	2006
Outstanding options at beginning of year	800,000	-	1.00	-
Granted during the year	1,223,001	800,000	7.30	1.00
Exercised during the year	(800,000)	-	1.00	-
Outstanding options at end of year	1,223,001	800,000	7.30	1.00

The stock-based compensation expense recognised in the statements of expenditure and deficit is US\$2,459,569 (2006: US\$26,620). As at March 31, 2007, the aggregate unexpensed fair value of unvested stock options granted amounted to US\$2,858,354 (2006: US\$nil).

The following table summarizes information about the First Uranium's outstanding stock options at March 31, 2007:

Exercise price ranges Cdn\$	Options outstanding			Options exercisable		
	Number outstanding at Mar 31, 2007	Weighted average remaining life (years)	Weighted average exercise price (Cdn\$)	Number outstanding at Mar 31, 2007	Weighted average remaining life (years)	Weighted average exercise price (Cdn\$)
7.00 to 8.99	1,127,144	9.73	7.04	339,051	9.73	7.04
9.00 to 11.99	95,857	9.93	10.37	31,952	9.93	10.37
	1,223,001	9.74	7.30	371,003	9.74	7.33

12. FOREIGN EXCHANGE (LOSSES)/GAINS

	2007 US\$'000	2006 US\$'000
Foreign exchange (losses)/gains	(4,612)	29

The foreign exchange losses incurred in the year ending March 31, 2007, are mainly the result of the foreign currency conversion of the net proceeds from the Offering placed by the Corporation into a South African bank account at year-end.

Pursuant to the terms of the approval granted by the South African Reserve Bank ("SARB") of the Reorganization, the Corporation was required to convert the net proceeds of the Offering into South African Rand and transfer such amount to a South African bank account within 30 days from the date of closing the Offering. Subsequent to the conversion of the funds from the Offering into South African Rand, the South African Rand weakened against the US dollar resulting in the foreign exchange loss at year-end.

13. INCOME TAXES

Provision for income taxes

The reconciliation of income taxes attributable to operations computed at the statutory tax rates to income tax recovery, using a statutory tax rate of 36.12% is as follows:

	2007 US\$'000	2006 US\$'000
Net loss/(income) before taxation	7,928	6,857
Income tax payable at statutory rate	2,864	2,477
Difference between Canadian rates and foreign jurisdiction	(130)	(2,304)
Change in valuation allowance	(3,536)	(74)
Adjustment for future tax rate difference	612	-
Permanent differences	211	(99)
Normal taxation – current	21	-

Future income taxes

	2007 US\$'000	2006 US\$'000
Non-capital loss carry-forwards	1,602	-
Share issue costs	6,629	46
Foreign resource expenses	1,099	-
Foreign exchange	850	95
	10,180	141
Less: Valuation allowance	(10,180)	(141)
	-	-

As at March 31, 2007, the Corporation had non-capital losses of approximately US\$4.9 million that may be applied against earnings in future years. These losses are expected to expire US\$0.5 million in 2025 and US\$4.4 million in 2027.

The Corporation has provided a full valuation allowance against future tax assets as at March 31, 2007 due to uncertainties in the Corporation's ability to utilize its net operating losses.

14. BASIC LOSS PER SHARE AND DILUTED LOSS PER SHARE

	2007	2006
Basic and diluted loss per share of (US\$)	(0.08)	(0.08)
is calculated based on net loss for the period of (US\$'000)	(7,928)	(6,857)
and a weighted average number of shares outstanding of ('000)	97,522	84,172

For the years ended March 31, 2007 and 2006, the impact of outstanding share options was excluded from the diluted share calculation because it was anti-dilutive for earnings per share purposes.

15. NOTES TO THE CASH FLOW STATEMENT

15.1 (Increase)/decrease in net amounts receivable from related parties

	2007	2006
	US\$'000	US\$'000
Increase in amounts receivable from related parties	(4,033)	(2,730)
(Decrease)/increase in amounts payable to related parties	(5,300)	5,300
Add back:		
- Interest income accrued on amounts receivable	583	-
- Interest expense accrued on amounts payable	(1,130)	-
	(9,880)	2,570

15.2 Non-cash interest income

	2007	2006
	US\$'000	US\$'000
Total interest income	3,433	-
Add back: Cash interest income	(2,767)	-
	666	-

15.3 Additions to property, plant and equipment

	2007	2006
	US\$'000	US\$'000
Total additions to property, plant and equipment	(30,968)	-
Add back:		
- Capitalized mining infrastructure	2,447	-
- Capitalized interest	969	-
- Accrued capital expenditure	3,282	-
	(24,270)	-

The capitalized mining infrastructure is the difference between the environmental rehabilitation trust fund and the environmental rehabilitation provision that were taken over from REL with the acquisition of the Ezulwini assets. See Notes 5, 6 and 9.

16. CONTRACTUAL OBLIGATIONS

	2007	2006
	US\$'000	US\$'000
Capital commitments	14,836	-
Total contractual obligations	14,836	-

The capital commitments relate to capital expenditure on the Ezulwini Mine and are payable within one year.

17. FINANCIAL INSTRUMENTS

Financial risk factors

The Corporation's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Corporation's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse

effects on the financial performance of the Corporation. The Corporation does not hedge its exposure to foreign currency exchange risk.

Risk management carried out by the Corporation is approved by the Board of Directors.

(i) Foreign exchange and commodity price risk

The Corporation does not hedge its exposure to foreign currency exchange risk nor does it hedge its exposure to commodity price fluctuation risk.

(ii) Interest rate risk

The Corporation does not hedge its exposure to interest rate risk. Deposits attract interest at rates that vary with prime. The Corporation's policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on the statement of operations and deficit.

(iii) Credit risk

The Corporation has no significant concentrations of credit risk. The Corporation has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. The Corporation has policies that limit the amount of credit exposure to any one financial institution.

(iv) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Corporation manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilized borrowing facilities are monitored.

Fair value estimation

The fair value of publicly traded derivatives and trading securities is based on quoted market prices at the balance sheet date.

In assessing the fair value of other financial instruments, the Corporation uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Option pricing models and estimated discounted value of future cash flows, are used to determine fair value for the remaining financial instruments.

The face value less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Corporation for similar financial instruments.

The actual disclosed values of the financial instruments all approximate the fair values of these instruments.

18. SUBSEQUENT EVENTS

Mine Waste Solutions

The Corporation, through its wholly-owned subsidiary FUSA, acquired MWS and its subsidiary Chemwes (Proprietary) Limited on June 6, 2007, with an April 1, 2007 effective date ("the MWS Acquisition") for the equivalent of ZAR200 million (approximately \$27.5 million) to be satisfied in exchange for 3,093,980 First Uranium common shares. MWS owns and operates an existing gold mine tailings and re-processing facility adjacent to First Uranium's Buffelsfontein Tailings Recovery Project in South Africa. The MWS Acquisition closed on June 6, 2007, at which point First Uranium assumed management control of MWS. For accounting purposes, any net income from MWS operations for the period from April 1, 2007 to June 6, 2007 will be applied to reduce the cost of the MWS Acquisition.

Convertible debentures

On May 3, 2007, First Uranium completed a private placement of Cdn\$150 million aggregate principal amount of senior unsecured convertible debentures (the "Debentures") due June 30, 2012. The Debentures bear interest at a rate of 4.25% per annum payable semi-annually and are convertible into common shares of the Corporation at Cdn\$16.42 per share.

The Corporation may redeem all or a portion of the Debentures for cash at any time on or after June 30, 2010 at a redemption price equal to the principal amount of the Debentures plus accrued and unpaid interest provided that the weighted average trading price of the common shares of the Corporation on the TSX for the 20 consecutive days prior to the notice of redemption is 130% of the conversion price.

The Corporation at its option, and subject to regulatory approval, may satisfy its obligations to repay the Debentures upon redemption or maturity by issuing freely tradeable common shares at a price per share equal to 95% of the weighted average trading price of the common shares of the Corporation on the TSX for the 20 consecutive days ending five trading days before the date fixed for redemption or maturity, as the case may be.

Holders of the Debentures may require the Corporation to repurchase the Debentures if there is an acquisition of voting control or direction of at least 50.1% of the aggregate voting rights attached to the common shares outstanding at the relevant time by any person or group of persons acting jointly or in concert at par plus accrued and unpaid dividends. If such an event occurs and it results from a transaction in respect of which the consideration for the common shares is or can be received partially in cash, holders of the Debentures may, prior to completion of the offer to purchase for all Debentures, elect to convert their Debentures and receive, in addition to the number of common shares they otherwise would have been entitled to receive on conversion, an additional number of common shares which will vary depending upon the effective date and the share price.

The proceeds from the sale of the Debentures, net of underwriters' fees and other expenses of \$136.6 million, are held in Canadian dollars. The approval of the SARB to the sale of the Debentures included a condition that the Corporation transfer the Debentures net proceeds and convert the funds to South African Rand by May 3, 2008.

19. RELATED PARTY TRANSACTIONS AND COMMITMENTS

	2007 US\$'000	2006 US\$'000
Related party balances		
FUSA receivable from Simmer & Jack	5,079	2,730
First Uranium advance to Simmer & Jack	1,684	-
EMC payable to Simmer & Jack	-	(5,300)
	6,763	(2,570)
Related party transactions		
Management fees paid to Simmer & Jack	(2,639)	(798)
Fees paid to empowerment company	(53)	-
Interest paid to Simmer & Jack by EMC	(1,130)	-
Interest received from Simmer & Jack by FUSA	583	-

Prior to December 2006, the Corporation shared its premises with other companies, including Simmer & Jack, which had common management and directors and reimbursed the related companies for its proportional share of expenses or was reimbursed by the related companies for their proportional expenses. During the year ended March 31, 2007, the Corporation was charged \$575,665 (2006: \$368,599) for consulting services provided by related directors, officers and consultants of the Corporation.

The inter-company receivable between Simmer & Jack and FUSA and payable between Simmer & Jack and EMC bears interest at South African prime rate. The inter-company advance to Simmer & Jack by FUC bears no interest. All the inter-company receivables, payables and advances are due by June 30, 2007.

Subsequent to the Reorganization and the Offering in December 2006, Simmer & Jack had a 67.2% shareholding in First Uranium. Prior to the Reorganization, Simmer & Jack held directly 70% in FUSA and 90% in EMC.

On December 20, 2006 First Uranium and Simmer & Jack entered into a corporate opportunity agreement (the "Corporate Opportunity Agreement"), a maintenance agreement (the "Maintenance Agreement") and a shared services agreement (the "Shared Services Agreement").

Pursuant to the terms of the Shared Services Agreement, First Uranium may retain certain services to be provided by Simmer & Jack, including project management and technical services, cash management and investment services, accounting, treasury and financial services, corporate secretarial services and human resources and staffing services, including payroll and benefits administration, and such other services as may be required by First Uranium and which Simmer & Jack is able and willing to provide. The 2007 expense relates to such services received, together with those provided prior to December 2006. Fees paid to Simmer & Jack in the amount of \$2

million were capitalized in 2007, representing services provided in respect of technical services for the Ezulwini Mine and the Buffelsfontein Tailings Recovery Project.

In addition, First Uranium has agreed to reimburse Simmer & Jack with respect to 50% of fees (to a maximum of ZAR125,000 per month) that Simmer & Jack is required to pay to an empowerment company for consulting services regarding transformation, human resources and occupational health and safety. BJ Njenje, AX Sisulu and SLB Mapisa, shareholders of the empowerment company, are also directors of Simmer & Jack.

Waterpan Mining Consortium ("Waterpan") currently holds a 10% shareholding in EMC. On December 20, 2006, Waterpan, FUL and the Corporation entered into a purchase agreement (the "Waterpan Purchase Agreement") pursuant to which Waterpan agreed to sell its shares in EMC to FUL and as consideration for such sale, First Uranium will issue 6,141,009 common shares of First Uranium to Waterpan (the "Waterpan Shares"). The closing of the transaction is subject to approval of the South African Reserve Bank. Pursuant to the Waterpan Purchase Agreement, Waterpan has agreed not to sell or transfer 90% of the Waterpan Shares for a period of two years from the date of issuance and 100% of the Waterpan shares will be subject to a lock-up until June 18, 2007. One shareholder of Waterpan is a director of EMC, two other shareholders of Waterpan are officers and/or employees of First Uranium and EMC.

20. SEGMENTED INFORMATION

Segmented information is presented in respect of the Corporation's business and geographical segments. The primary format business segments, is based on the Corporation's management and internal reporting structure.

Inter-segment reporting is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income earning assets and revenue, interest-bearing loans, borrowing and expenses, and corporate assets and expenses. Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

	South Africa		Canada	Total US\$'000
	Ezulwini Mine US\$'000	Buffelsfontein Tailings Recovery Project US\$'000	Corporate US\$'000	
For the year ended March 31, 2007	US\$'000	US\$'000	US\$'000	US\$'000
Expenditure				
Consulting and management fees	287	709	1,228	2,224
General and administrative expenditure	374	-	650	1,024
Stock-based compensation	-	-	2,460	2,460
Pumping and feasibility costs	844	-	-	844
Amortization	14	-	-	14
Operating loss	(1,519)	(709)	(4,338)	(6,566)
Interest income	98	583	2,752	3,433
Interest expense	(162)	-	-	(162)
Foreign exchange gains/(losses)	1,072	(993)	(4,691)	(4,612)
Loss before income taxes	(511)	(1,119)	(6,277)	(7,907)
Provision for income taxes	(21)	-	-	(21)
Net loss for the year	(532)	(1,119)	(6,277)	(7,928)
Total assets	33,953	6,051	141,423	181,427
Total liabilities	(9,718)	(238)	(1,123)	(11,079)
Capital expenditure	(23,656)	(579)	(35)	(24,270)

	South Africa		Canada	Total
	Ezulwini Mine	Buffelsfontein Tailings Recovery Project	Corporate	
For the year ended March 31, 2006	US\$'000	US\$'000	US\$'000	US\$'000
Expenditure				
Consulting and management fees	544	260	690	1,494
General and administrative expenditure	-	-	261	261
Stock-based compensation	-	-	27	27
Pumping and feasibility costs	4,987	117	-	5,104
Operating loss	(5,531)	(377)	(978)	(6,886)
Foreign exchange gains/(losses)	(54)	81	2	29
Loss before income taxes	(5,585)	(296)	(976)	(6,857)
Provision for income taxes	-	-	-	-
Net loss for the year	(5,585)	(296)	(976)	(6,857)
Total assets	132	2,730	571	3,433
Total liabilities	(5,717)	(1)	(369)	(6,087)
Capital expenditure	-	-	-	-