

UREX ENERGY CORP.
Form 10-Q
November 14, 2008
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

[(Mark One)]

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **September 30, 2008**

or

[] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number **000-50191**

UREX ENERGY CORP.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

98-0201259

(IRS Employer Identification No.)

10580 N. McCarran Blvd., Building 115 208, Reno, Nevada 89503

(Address of principal executive offices) (zip code)

775.747.0667

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [] Accelerated filer []
Non-accelerated filer [] (Do not check if a smaller reporting company) Smaller reporting company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes [] No [X]

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

84,425,600 common shares issued and outstanding as of November 5, 2008

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

It is the opinion of management that the interim consolidated financial statements for the quarter ended September 30, 2008, include all adjustments necessary in order to ensure that the interim consolidated financial statements are not misleading.

The interim consolidated financial statements are stated in United States dollars and are prepared in accordance with United States generally accepted accounting principles.

UREX ENERGY CORP
An Exploration Stage Company)
CONSOLIDATED BALANCE SHEETS

	September 30, 2008 (unaudited)	March 31, 2008 (audited)
ASSETS		
Current Assets		
Cash	\$ 26,530	\$ 394,432
Funds held in trust	-	460,014
Accounts receivable	80,274	22,347
Prepaid expenses	1,530	1,195
Security deposit	10,000	10,000
Total current assets	118,334	887,988
Fixed Assets, net	2,323	-
Total Assets	\$ 120,657	\$ 887,988
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 154,149	\$ 368,600
Due to related party	-	219
Line of credit	20,037	-
Note payable to related party	22,500	22,500
Notes payable	325,550	305,550
Total current liabilities	522,236	696,869
Long term debt	100,000	-
Stockholders' Deficit		
Common stock, \$.001 par value 300,000,000 shares authorized		
84,425,600 shares issued and outstanding	84,426	84,426
Additional paid-in capital	8,057,574	8,057,574
Deficit accumulated during the exploration stage	(8,639,384)	(7,950,369)
Cumulative transaction gain (loss)	(4,195)	(512)
Total stockholders' deficit	(501,579)	191,119
Total Liabilities and Stockholders' Deficit	\$ 120,657	\$ 887,988

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

UREX ENERGY CORP
 (An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF OPERATIONS
 For the six months ended September 30, 2008 and 2007 and
 For the period from February 6, 2002 (Date of Inception) to September 30, 2008
 (unaudited)

	For the three months ended September 30,		For the six months ended September 30,		For the Period from February 6, 2002 (inception) to September 30, 2008
	2008	2007	2008	2007	
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
OPERATING EXPENSES					
Depreciation	232	-	464	-	464
Management fees	36,686	32,964	72,152	65,970	397,312
Professional fees	22,532	14,628	44,107	28,198	290,982
Consulting fees	-	-	-	-	302,981
Exploration costs	109,743	24,721	501,458	150,465	1,223,717
Interest on loans	4,476	4,710	8,285	9,407	49,084
Investor relation fees	-	31,198	-	85,001	362,572
Travel	-	-	-	-	64,881
General and administrative	40,519	8,576	62,773	17,685	221,764
Impairment of intangible asset	-	-	-	-	5,735,753
Total operating expenses	214,188	116,797	689,239	356,726	8,649,510
Operating loss	(214,188)	(116,797)	(689,239)	(356,726)	(8,649,510)
OTHER INCOME					
Interest income	6	1,894	224	3,341	10,126
Total other income	6	1,894	224	3,341	10,126
Net loss	\$ (214,182)	\$ (114,903)	\$ (689,015)	\$ (353,385)	\$ (8,639,384)
Weighted average common shares outstanding - Basic and diluted	84,426,000	84,426,000	84,426,000	84,426,000	
Net loss per share basic and diluted	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)	

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

Edgar Filing: UREX ENERGY CORP. - Form 10-Q

UREX ENERGY CORP.
 (An Exploration Stage Company)
 CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
 For the period February 6, 2002 (Date of Inception) to September 30, 2008

	Common Stock 300,000,000 shares authorized			Additional Paid-in Capital	Accumulated Deficit	Currency Translation	Total Shareholders' Equity
	Shares Issued	Par Value \$.001 per share					
BALANCE, FEBRUARY 2, 2002 (INCEPTION)	-	\$ -	-	\$ -	\$ -	\$ -	
Shares issued at \$0.001	33,420,000	33,420	(31,920)	-	-	1,500	
Shares issued at \$0.01	34,534,000	34,534	(19,034)	-	-	15,500	
Net loss	-	-	-	-	-	-	
BALANCE, MARCH 31, 2002	67,954,000	67,954	(50,954)	\$ -	\$ -	\$ 17,000	
Shares issued at \$0.05	5,458,600	5,459	6,791	-	-	12,250	
Net loss	-	-	-	(25,559)	-	(25,559)	
BALANCE, MARCH 31, 2003	73,412,600	73,413	(44,163)	\$ (25,559)	\$ -	\$ 3,691	
Shares issued at \$0.05	5,681,400	5,681	7,069	-	-	12,750	
Net loss	-	-	-	(3,076)	-	(3,076)	
BALANCE, MARCH 31, 2004	79,094,000	79,094	(37,094)	\$ (28,635)	\$ -	\$ 13,365	
Cancellation of shares	(668,400)	(668)	668	-	-	-	
Net loss	-	-	-	(35,689)	-	(35,689)	
BALANCE, MARCH 31, 2005	78,425,600	78,426	(36,426)	\$ (64,324)	\$ -	\$ (22,324)	
Net loss	-	-	-	(155,183)	-	(155,183)	
BALANCE, MARCH 31, 2006	78,425,600	78,426	(36,426)	\$ (219,507)	\$ -	\$ (177,507)	
Shares issued for acquisition	16,000,000	16,000	5,584,000	-	-	5,600,000	
Shares issued at \$0.25	10,000,000	10,000	2,490,000	-	-	2,500,000	
Cancellation of shares	(20,000,000)	(20,000)	20,000	-	-	-	
Net loss for the period	-	-	-	(6,546,554)	-	(6,546,554)	
Net change in foreign currency translation	-	-	-	-	(16,838)	(16,838)	
BALANCE, MARCH 31, 2007	84,425,600	84,426	8,057,574	\$ (6,766,061)	\$ (16,838)	\$ 1,359,101	
Net loss	-	-	-	(1,184,308)	-	(1,184,308)	
Net change in foreign currency translation	-	-	-	-	16,326	16,326	
BALANCE, MARCH 31, 2008	84,425,600	84,426	8,057,574	\$ (7,950,369)	\$ (512)	\$ 191,119	
Net loss	-	-	-	(689,015)	-	(689,015)	
Net change in foreign currency translation	-	-	-	-	(3,683)	(3,683)	
BALANCE, SEPTEMBER 30, 2008	84,425,600	84,426	8,057,574	\$ (8,639,384)	(4,195)	(501,579)	

The accompanying notes are an integral part of these financial statements

UREX ENERGY CORP.
 (An Exploration Stage Company)
 CONSOLIDATED STATEMENTS OF CASH FLOWS
 For the six months ended September 30, 2008 and 2007, and
 For the period February 6, 2002 (Date of Inception) to September 30, 2008
 (unaudited)

	2008	For the six months ended September 30, 2007	For the Period from February 6, 2002 (inception) to September 30, 2008
Cash Flows From Operating Activities			
Net loss	\$ (689,015)	\$ (353,385)	\$ (8,639,384)
Depreciation	464	-	2,964
Impairment of goodwill	-	-	5,735,753
Changes in current assets and current liabilities:			
(Increase) decrease in accounts receivable	(57,927)	(2,435)	(85,707)
(Increase) decrease in prepaid expense	(335)	-	(1,530)
Security deposit	-	-	(10,000)
Increase (decrease) in accounts payable	(214,669)	(12,442)	17,073
Net cash used in operating activities	(961,482)	(368,262)	(2,980,831)
Cash Flows From Investing Activities			
Purchase of equipment	(2,787)	-	(2,787)
Option agreement	-	-	(2,500)
Assignment agreement advance	-	-	(50,000)
Net cash used in investing activities	(2,787)	-	(55,287)
Cash Flows From Financing Activities:			
Proceeds from the issuance of common stock			