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**HALF-YEAR FINANCIAL REPORT**  
31 DECEMBER 2017

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ABN 64 107 985 651

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Your directors submit the financial report of Meteoric Resources NL (the "Company" or "Meteoric") and its subsidiary (the "Group") for the half-year ended 31 December 2017.

**DIRECTORS**

The following persons were directors of the Company during the half-year and up to the date of this report:

- Mr Patrick Burke – Appointed 4.12.2017
- Ms Shastri Ramnath – Appointed 1.10.2017
- Dr Andrew Tunks – Appointed 10.1.2018
- Mr Graeme Clatworthy – Full period
- Mr Neville Bassett – Resigned 4.12.2017
- Mr George Sakalidis – Resigned 29.11.2017

**REVIEW OF OPERATIONS**

The total loss from continuing operations for the half-year ended 31 December 2017 was \$5,498,696 (2016: \$174,095).

This loss includes exploration and tenement acquisition expenses totalling \$4,532,200 - \$3,450,322 of this amount relates to the acquisition of exploration tenements and technical databases in Canada and includes a charge for non-cash share-based payments totalling \$960,000 which are required to be valued and brought to account in accordance with Australian accounting standards.

The Group's activities during the six-month period are summarised in this report which unless otherwise stated, should be read as if dated 31 December 2017.

**PROJECT REPORT**

During the period, the Company finalised the acquisition of its three 100% owned primary cobalt and Cu-Ni-PGE projects located in Quebec and Ontario, Canada, followed by the commencement of a high impact exploration program on all three projects. The Company also completed further acquisitions strategically increasing its foothold in two highly prospective territories.

**Acquisitions**

*Midrim:*

An additional 138 claims within the Baby segment of the Belleterre-Angliers Greenstone belt (BAG) were staked by the Group during the period, representing 82.53km<sup>2</sup> of highly prospective ground covering the northern extents of the greenstone belt. The acquired ground covers an additional 13 of the 36 EM targets historically identified by Falconbridge, which now gives the Group access to a total of 24 historical targets.

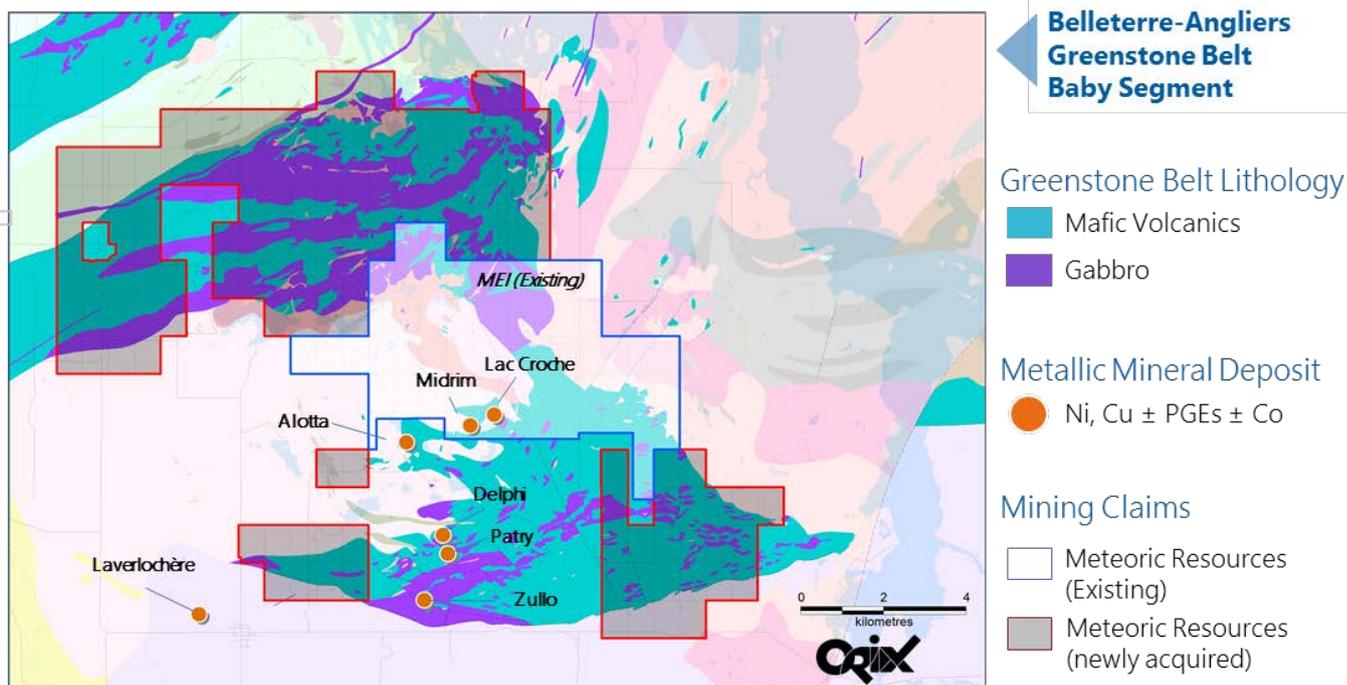


Figure 1 Expanded landholding acquired by Meteoric during the period

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**Technical database**

To complement the expanding landholding, during the period, the Company negotiated to acquire a comprehensive database of raw technical information as well as geological interpretations covering the entire Belleterre-Angliers Greenstone Belt, with a replacement value exceeding \$5 million. The negotiated purchase price and fair value in accordance with accounting standards was estimated to be approximately 8% of replacement value and included integral data such as regional Aerial EM and Magnetic surveys as well as a comprehensive database of drilling results.

The acquisition of the technical data enabled the Group to gain significant insight into the geological opportunities within the BAG and represents a multi-year advancement of the exploration program. Reprocessing and analysis of the technical data commenced during the period with results expected within Q4 2017.

Significant items included in the database:

- Airborne EM surveys – 4 channels
- Airborne magnetic survey
- Ground based EM surveys
- Ground inductive polarisation
- Soil/rock chip geochemistry
- Multi-element drill database

**Mulligan East**

During the quarter, the Group has staked additional ground prospective for cobalt approximately 5km east of the Mulligan Cobalt project, situated in Ontario's Cobalt Embayment, renowned for its historic production in excess of 28 million tonnes cobalt and 720 million ounces silver (ASX Release 26 May 2017).

The Group's new ground will form the Mulligan East Cobalt project consisting of 90 claims totalling 13.7km<sup>2</sup>, situated 50km north of the historic cobalt mining centre of Cobalt and approximately 5km east of the existing Mulligan claims; targeting high-grade silver-cobalt (Ag-Co) vein-style mineralisation similar to that mined at Cobalt.

Similar trending structures that hosted the historical high-grade cobalt production at Mulligan has been identified over the length of the Mulligan East project, see Figure 2 below

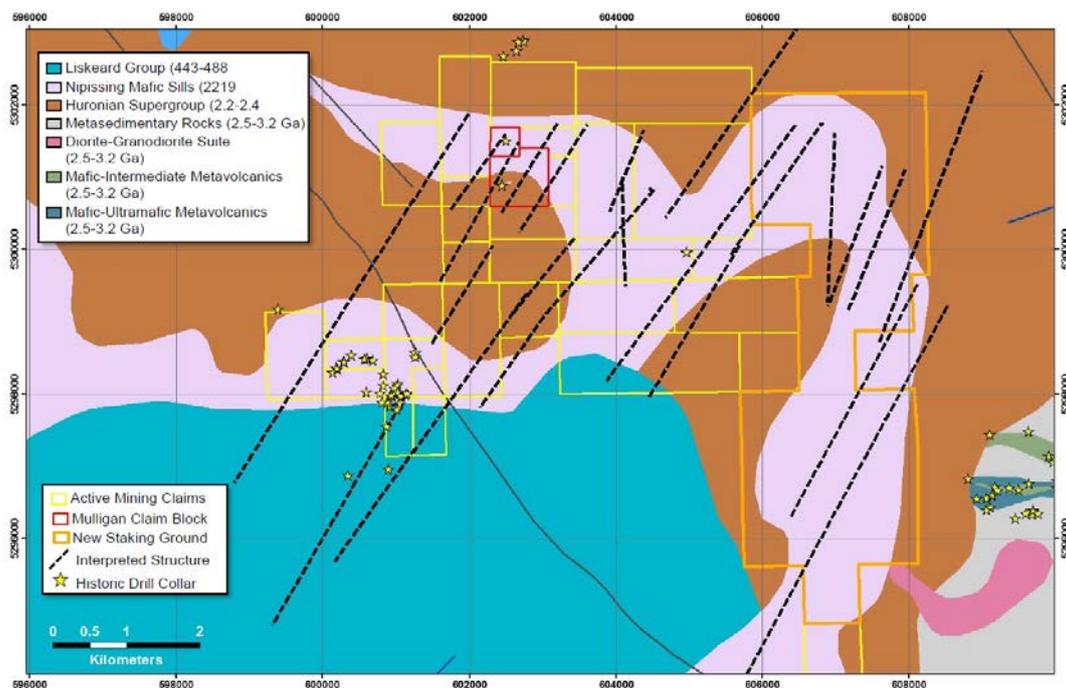


Figure 2 Regional geological setting for Mulligan and Mulligan East projects

Technical Programs

**Mulligan:**

*Commencement of cobalt exploration program targeting Mulligan*

Within the period, the Group initiated an exploration program it's Ontario based primary cobalt exploration projects. The Mulligan property was initially acquired due to the documented cobalt-rich polymetallic vein system which historically produced a bulk sample of 8 tonnes averaging 10% Co as well as historical high-grade rock samples collected by the Ontario Department of Mines in 1952, which yielded 12.6% cobalt, 1.03% nickel, 29.76 g/t gold and 39.69 g/t silver (Sample No. 23730) and Conwest Exploration, yielding 19% cobalt and 56.69 g/t gold.

The work conducted on the Mulligan Property included:

- geological mapping; rock chip sampling and identification of possible channel sampling locations
- collection of 300 soil samples and 7.3 line kms of IP surveying at 25m intervals along 100m spaced lines
- detailed ground magnetics continuously recorded along 100m spaced lines

*Confirmation of High-grade cobalt results at Mulligan*

Results from the rock chip and grab sampling survey covering the Mulligan project area produced visible cobalt bloom (erythrite) and cobaltite with samples assaying up to 9.71% cobalt and 14.3 g/t gold (Figure 3). Systematic mapping conducted over the prospective area revealed two vein sets hosted within Nipissing Diabase. It is apparent that historical mining occurred along the two vein systems.

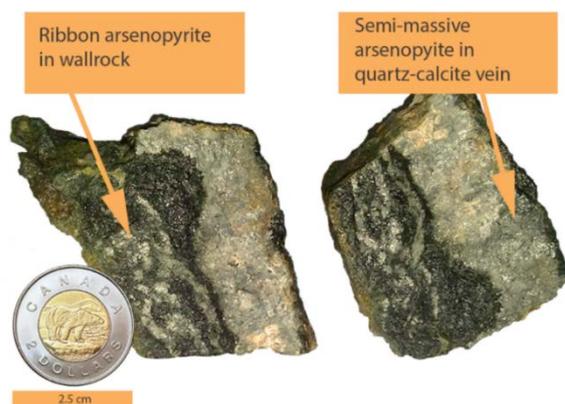


Figure 3 Sample 627674 returned results of 9.71% Co, 14.3 g/t Au, 16.5 g/t Ag

**Midrim Cu-Ni-PGE project:**

*Re-interpretation of historical EM and aeromagnetic surveys*

The company completed a re-interpretation program of the MegaTEM airborne electromagnetic and high-resolution aeromagnetic surveys which targeted the Baby segment of the Belleterre-Angliers Greenstone Belt. As a result of the re-interpretation program 19 previously untested targets has been identified including 7 high-priority targets and possible extensions to the Midrim Cu-Ni-PGE mineralisation. Targets are present as near surface responses interpreted to be shallow drilling targets. The dominant EM response at Midrim is oriented approximately east-west and is seen to extend over 500m.

*Re-assaying program:*

A verification program was conducted on 9 historical drill cores with a total of 188 samples taken. The purpose of the program was to verify the shallow high-grade intercepts previously reported. Highlight intercepts from the program are shown in Table 1 below.

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Hole No.	From (m)	To (m)	Interval (m)	Cu% Copper	Ni% Nickel	Pt g/t Platinum	Pd g/t Palladium
MR00-11	38.05	52.10	<b>14.05</b>	1.17	0.52	0.37	1.02
MR01-17	10.20	20.35	<b>10.15</b>	3.45	1.65	1.20	2.83
MR01-25	49.98	57.00	<b>7.02</b>	1.77	1.16	0.66	1.87
MR01-25	64.27	77.27	<b>13.00</b>	2.74	1.57	0.87	2.43
MR01-29	17.60	36.45	<b>18.85</b>	2.64	1.72	0.58	1.89
MR01-37	49.00	52.60	<b>3.60</b>	5.00	3.32	1.22	6.6
MR01-38	41.40	54.00	<b>12.60</b>	2.81	1.39	0.74	2.36
MR01-46	121.00	141.00	<b>20.00</b>	0.97	0.66	0.33	0.94
MR01-46	124.00	135.00	<b>11.00</b>	1.30	0.90	0.45	1.31
MR01-52	23.00	44.00	<b>21.00</b>	0.99	0.59	0.32	0.96
MR01-53	109.00	117.70	<b>8.70</b>	0.90	0.58	0.31	1.02

Table 1 Mineralised intercepts identified from the verification program

*Completion of maiden drilling campaign*

Within the period, the Group completed 2,600m of drilling targeting the Midrim deposit. Within this campaign the exploration team completed the following:

- Drilled 15 NQ diamond core holes
- Reopened four historical holes for geophysical survey;
- Down hole electromagnetic (DHEM) surveying of 21 holes;
- 5.6 km of surface EM surveying on eight lines over the Midrim; Midrim West and North Gabbro prospects; and
- 900 line-metres of surface EM over the Midrim North geophysical target

Significant zones of massive sulphide were intersected within the program (Figure 4), with assay results expected within Q1 2018.



Figure 4 Copper & nickel bearing massive sulphides (56.60 - 60.34m down hole) in drill hole MR-17-01. Disseminated sulphides (20 - 50%) occur higher in the hole

## DIRECTORS' REPORT



### Capital Raising:

During the period, the Company raised capital including \$3.10 million raised from institutional and professional investors through the issuance of 50 million fully paid ordinary shares at a price of \$0.062 and an oversubscribed Share Purchase plan offered to existing shareholders raising \$1.24 million before costs. The funds raised will be used to:

- Expedite further exploration at the Iron Mask and Mulligan primary cobalt properties including:
  - o Detailed airborne geophysical surveys
  - o Ground based exploration including geophysical and geochemical surveys
  - o 2018 drilling campaigns
- 2018 funding of exploration programmes on all properties including the further progression of the Midrim Cu-Ni-Co-PGE project pending maiden drilling results
- Identification and pursuit of relevant additional opportunities
- General working capital

### Appointment and resignations of directors

During the period, the following changes were made to the board of directors and key personnel:

- Ms Shastri Ramnath was appointed Technical Director
- Mr Nind was appointed Exploration Manager
- Mr Patrick Burke was appointed Non-Executive Chairman
- Mr Andrew Tunks was appointed Managing Director (subsequent to the end of period)
- Mr Tony Cormack was appointed Cobalt Project Manager (subsequent to the end of period)
- Mr Neville Bassett resigned Chairman of the Board
- Mr George Sakilidis resigned as a Director of the Company

### INDEPENDENCE DECLARATION BY AUDITOR

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 8 for the half-year ended 31 December 2017.

This report has been signed in accordance with a resolution of directors.

For and on behalf of the Directors

A handwritten signature in black ink, appearing to read 'P. Burke'.

**Patrick Burke**  
Chairperson  
13 March 2018



**Auditor's Independence Declaration**

To those charged with the governance of Meteoric Resources NL

As auditor for the review of Meteoric Resources NL for the half-year ended 31 December 2017, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

*Greenwich & Co Audit Pty Ltd*  
Greenwich & Co Audit Pty Ltd

**Andrew May**  
Audit Director

13 March 2018  
Perth

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**



	Notes	Half-Year Ended 31 Dec 2017 (\$)	Half-Year Ended 31 Dec 2016 (\$)
<b>Revenue:</b>			
Interest income		9,888	199
Other income		-	21,039
<b>Expenses:</b>			
Depreciation expense		(1,586)	(181)
Exploration, evaluation and tenement expenses	3	(4,532,200)	(17,237)
Share-based payments expense	5	(270,000)	-
Advertising and promotion expenses		(127,408)	-
Other expenses		<u>(577,390)</u>	<u>(177,915)</u>
<b>(Loss) before income tax expense</b>		<b>(5,498,696)</b>	<b>(174,095)</b>
Income tax expense		<u>-</u>	<u>-</u>
<b>(Loss) from continuing operations</b>		<b><u>(5,498,696)</u></b>	<b><u>(174,095)</u></b>
<b>Other comprehensive income:</b>			
Changes in the fair value of available-for-sale financial assets		<u>10,067</u>	<u>-</u>
<b>Other comprehensive income for the period, net of tax</b>		<b><u>10,067</u></b>	<b><u>-</u></b>
<b>Total Comprehensive income for the period attributable to members of the Company</b>		<b><u>(5,488,629)</u></b>	<b><u>(174,095)</u></b>
Basic (loss) per share (cents per share)		(1.2744)	(0.0856)
Diluted (loss) per share (cents per share)		<u>(1.2744)</u>	<u>(0.0856)</u>

*The accompanying notes form part of these financial statements.*

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017**



	Notes	31 Dec 2017 (\$)	30 June 2017 (\$)
<b>Current Assets</b>			
Cash and cash equivalents		4,852,341	1,090,846
Trade and other receivables		76,186	19,286
Other assets		18,338	1,335
<b>Total Current Assets</b>		<b>4,946,865</b>	<b>1,111,467</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		-	-
Other financial assets		29,051	18,984
<b>Total Non-Current Assets</b>		<b>29,051</b>	<b>18,984</b>
<b>TOTAL ASSETS</b>		<b>4,975,916</b>	<b>1,130,451</b>
<b>Current Liabilities</b>			
Trade and other payables		672,577	203,322
<b>Total Current Liabilities</b>		<b>672,577</b>	<b>203,322</b>
<b>TOTAL LIABILITIES</b>		<b>672,577</b>	<b>203,322</b>
<b>NET ASSETS</b>		<b>4,303,339</b>	<b>927,129</b>
<b>Equity</b>			
Contributed equity	4	21,723,038	13,727,199
Reserves	4	915,744	36,677
Accumulated losses		(18,335,443)	(12,836,747)
<b>TOTAL EQUITY</b>		<b>4,303,339</b>	<b>927,129</b>

*The accompanying notes form part of these financial statements.*

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**



	Contributed Equity (Net of Costs) (\$)	Available for Sale Financial Assets Reserve Capital (\$)	Share-Based Payments Reserve (\$)	Accumulated Losses (\$)	Total (\$)
Balance at 1.7.2016	12,629,694	2,644	270,510	(12,624,513)	278,335
<b>Comprehensive Income</b>					
Operating (loss) for the period	-	-	-	(174,095)	(174,095)
<b>Total comprehensive income for the period</b>	-	-	-	(174,095)	(174,095)
<b>Transactions with owners, in their capacity as owner, and other transfers</b>					
Cancellation of expired options	-	-	(150,960)	150,960	-
<b>Total transactions with owners and other transfers</b>	-	-	(150,960)	150,960	-
<b>Balance at 31.12.2016</b>	<b>12,629,694</b>	<b>2,644</b>	<b>119,550</b>	<b>(12,647,648)</b>	<b>104,240</b>
<b>Balance at 1.7.2017</b>	<b>13,727,199</b>	<b>3,377</b>	<b>33,300</b>	<b>(12,836,747)</b>	<b>927,129</b>
<b>Comprehensive Income</b>					
Operating (loss) for the period	-	-	-	(5,498,696)	(5,498,696)
Increase in Available for Sale Financial Assets Reserve	-	10,067	-	-	10,067
<b>Total comprehensive income for the period</b>	-	<b>10,067</b>	-	<b>(5,498,696)</b>	<b>(5,488,629)</b>
<b>Transactions with owners, in their capacity as owner, and other transfers</b>					
Shares issued for cash during the period	5,030,800	-	-	-	5,030,800
Shares issued for tenements and exploration data acquired during the period	2,295,822	-	-	-	2,295,822
Shares issued for services utilised during the period	203,600	-	-	-	203,600
Share based payments	6,000	-	1,230,000	-	1,236,000
Options exercised during the period	763,000	-	(361,000)	-	402,000
Share issue costs	(303,383)	-	-	-	(303,383)
<b>Total transactions with owners and other transfers</b>	<b>7,995,839</b>	-	<b>869,000</b>	-	<b>8,864,839</b>
<b>Balance at 31.12.2017</b>	<b>21,723,038</b>	<b>13,444</b>	<b>902,300</b>	<b>(18,335,443)</b>	<b>4,303,339</b>

*The accompanying notes form part of these financial statements.*

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**



	Half-Year Ended 31 Dec 2017 (\$)	Half-Year Ended 31 Dec 2016 (\$)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from office rent recoveries	-	21,039
Cash payments to suppliers and contractors	(800,718)	(205,962)
Interest received	9,888	199
<b>Net cash (used in) operating activities</b>	<b>(790,830)</b>	<b>(184,724)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for exploration and evaluation	(328,918)	(77,963)
Payments for new exploration and evaluation prospects	(412,188)	-
Purchase of fixed assets	(1,586)	-
Recoupment of exploration costs	-	17,271
<b>Net cash from (used in)/provided by investing activities</b>	<b>(742,692)</b>	<b>(60,692)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from new issue of shares and options	5,438,800	-
Share issue costs	(143,783)	-
<b>Net cash from financing activities</b>	<b>5,295,017</b>	<b>-</b>
<b>Net (decrease) increase in cash held</b>	<b>3,761,495</b>	<b>(245,416)</b>
Cash and cash equivalents at the beginning of the financial period	1,090,846	348,156
Cash and cash equivalents at the end of the financial period	<b>4,852,341</b>	<b>102,740</b>

*The accompanying notes form part of these financial statements.*

**NOTE 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES**

**Basis of Preparation**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2017 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard 134: *Interim Financial Reporting*.

These financial statements were approved by the Board of Directors on the date of the Directors Declaration.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Meteoric Resources NL (the "Company") and its subsidiary (together, the "Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the year ended 30 June 2017, together with any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

These financial statements have been prepared on an accruals and historical cost basis, except where indicated.

These financial statements have been prepared on the going concern basis that contemplates normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

**Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new, revised or amending Accounting Standards of Interpretations that are not yet mandatory have not been adopted early. These standards are unlikely to significantly impact on the financial performance or position of the Group.

**NOTE 2 OPERATING SEGMENTS**

**Segment Information**

**Identification of reportable segments**

The Group has identified that it operates in only one segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group's principal activity is mineral exploration.

**Assets by geographical region**

The Group's mineral assets, which are not capitalised, are located within Australia and Canada.

**Major customers**

Due to the nature of its current operations, the Group does not provide products and services.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**



Half-Year  
Ended  
31 Dec 2017  
(\$)

**NOTE 3 EXPLORATION, EVALUATION AND TENEMENT EXPENSES**

\$

**Exploration and tenement expenses includes:**

Acquisition of technical database

- Cash	165,500
- 7,200,000 shares (Note 4)	295,200

Acquisition of cobalt and Cu-Ni-PGE projects – Canada (a) 2,789,000

Acquisition of other tenements – Shares (Note 4) 200,622

Other exploration and evaluation costs 1,081,878

4,532,200

(i) In August 2017 the Company acquired Cobalt Canada Pty Ltd. The acquisition of Cobalt Canada Pty Ltd was assessed by the directors and it was determined that the acquisition was an acquisition of tenements rather than a business combination as Cobalt Canada Pty Ltd was not considered to meet the definition of a “business” under AASB 3 *Business Combinations*. The Group’s accounting policy is to expense all exploration and evaluation expenses, which includes acquisition costs of rights to explore. Thus, the costs have been expensed to the consolidated statement of profit or loss and other comprehensive income during the period.

**Consideration for the acquisition** \$

Ordinary shares (Note 4) 1,800,000

Cash 30,000

Class A options issued to advisors in relation to the acquisition (Note 5) 570,000

Class B options issued to advisors in relation to the acquisition (Note 5) 390,000

2,790,000

**Fair value of net assets acquired at the date of acquisition**

Cash 1,000

Tenements (expensed, as outlined above) 2,789,000

2,790,000

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**



**NOTE 4 EQUITY**

**Contributed Equity - Ordinary Shares and Options**

	31 Dec 2017	
	Number	\$
Balance at the beginning of the period	317,318,395	13,727,199
Shares issued for cash at \$0.011 each	62,800,000	690,800
Shares issued for acquisition of shares in Cobalt Canada Pty Ltd at \$0.03 each	60,000,000	1,800,000
Shares issue to acquire tenements at \$0.0316 each	6,348,795	200,622
Shares issued to advisors in lieu of fees at \$0.01 each	7,560,000	75,600
Shares issued to acquire technical database at \$0.041 each	7,200,000	295,200
Options exercised at 0.02 each	8,150,000	163,000
Options exercised at \$0.012 each	2,500,000	30,000
Shares issued as part consideration for services rendered at \$0.07 each	628,571	44,000
Shares issued for cash at \$0.062 each	70,000,000	4,340,000
Advisor Class A and Class B Options issued at \$0.0001 each – see detail below	-	6,000
Advisor Class A Options exercised at \$0.011 each	19,000,000	209,000
Transfer from share-based payment reserve on exercise of Class A options	-	361,000
Shares issued for underwriting services at \$0.07 each	1,200,000	84,000
Share issue costs	-	(303,383)
Balance at the end of the period	<u>562,705,761</u>	<u>21,723,038</u>

**Reserves**

	\$
Available for Sale Financial Assets reserve	13,444
Share-Based Payments reserve (if)	902,300
Closing balance	<u>915,744</u>

**(i) Share-Based Payment Reserve**

	\$
Balance at the beginning of the period	33,300
Class A options (Note 5)	570,000
Class B options (Note 5)	390,000
Performance shares (Note 5)	270,000
Exercise of Class A options	(361,000)
Balance at end of the period	<u>902,300</u>

**Options**

The Company had the following options over un-issued fully paid ordinary shares at the end of the period:

	Number	\$
Options to acquire fully paid ordinary shares, each exercisable at \$0.012 on or before 9.9.2020	6,500,000	33,300
Advisor Class A Options to acquire fully paid ordinary shares, issued at \$0.0001 each, to vest when the volume weighted average price of the Company's share trading on the ASX over 20 consecutive trading days achieves at least \$0.04, exercisable at \$0.011 on or before 25.10.2020	11,000,000	209,000
Advisor Class B Options to acquire fully paid ordinary shares, issued at \$0.0001 each, to vest when the volume weighted average price of the Company's share trading on the ASX over 20 consecutive trading days achieves at least \$0.08, exercisable at \$0.011 on or before 25.10.2020	30,000,000	390,000
Total Options	<u>47,500,000</u>	<u>632,300</u>

**Performance Rights**

The Company had the following performance rights at the end of the period:

Performance Rights, each to vest on the date on which the volume weighted average price of the Company's shares trading on the ASX over 20 consecutive trading days is at least \$0.08, exercisable for no consideration on or before 25.10.2020	9,000,000	270,000
Total Performance Rights	<u>9,000,000</u>	<u>270,000</u>

**Total (\$)**

902,300

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017



### NOTE 5 EQUITY-SETTLED SHARE-BASED PAYMENTS

On 25 October 2017, 30,000,000 Advisor Class A Options (**Class A Options**) were granted to advisors in relation to the acquisition outlined in Note 3. The Class A Options vest on the date on which the volume weighted average price of the Company's shares trading on the ASX over 20 consecutive trading days is at least \$0.04, are not listed and are exercisable at a price of \$0.011 each on or before 25.10.2020.

The value of the Class A Options was calculated by an independent valuer using a number of closed form and open form models and benchmarked against the IFRS recommended binomial algorithm. Each Class A Option was ascribed a fair value of \$0.019 at the date of issue using the following factors:

Exercise price:	\$0.011 each
Exercise period:	3 years from the date of grant
Expected share price volatility:	Between 44% and 128%
Risk-free interest rate:	2.27%
Vesting condition:	VWAP of Company's share price > \$0.04 over 20 consecutive trading days
Expected dividend yield:	Nil

The resulting "fair value" of \$570,000 has been shown as an expense in the Statement of Profit or Loss and Other Comprehensive Income.

On 25 October 2017, 30,000,000 Advisor Class B Options (**Class B Options**) were granted to advisors in relation to the acquisition outlined in Note 3. The Class B Options vest on the date on which the volume weighted average price of the Company's shares trading on the ASX over 20 consecutive trading days is at least \$0.08, are not listed and are exercisable at a price of \$0.011 each on or before 25.10.2020.

The value of the Class B Options was calculated by an independent valuer using a number of closed form and open form models and benchmarked against the IFRS recommended binomial algorithm. Each Class B Option was ascribed a fair value of \$0.013 at the date of issue using the following factors:

Exercise price:	\$0.011 each
Exercise period:	3 years from the date of grant
Expected share price volatility:	Between 44% and 128%
Risk-free interest rate:	2.27%
Vesting condition:	VWAP of Company's share price > \$0.08 over 20 consecutive trading days
Expected dividend yield:	Nil

The resulting "fair value" of \$390,000 has been shown as an expense in the Statement of Profit or Loss and Other Comprehensive Income.

On 25 October 2017, 9,000,000 Performance Rights (**Rights**) were granted to directors and employees to take up ordinary shares. The Rights vest on the date on which the volume weighted average price of the Company's shares trading on the ASX over 20 consecutive trading days is at least \$0.08, are not listed and are exercisable for no consideration on or before 25.10.2020.

The value of the Rights was calculated by an independent valuer using a number of closed form and open form models and benchmarked against the IFRS recommended Hull-White binomial algorithm. Each Right was ascribed a fair value of \$0.03 at the date of issue using the following factors:

Exercise price:	\$Nil
Exercise period:	3 years from the date of grant
Expected share price volatility:	Between 44% and 128%
Risk-free interest rate:	2.27%
Vesting condition:	VWAP of Company's share price > \$0.08 over 20 consecutive trading days
Expected dividend yield:	Nil

The resulting "fair value" of \$270,000 has been shown as an expense in the Statement of Profit or Loss and Other Comprehensive Income.

### NOTE 6 EVENTS SUBSEQUENT TO REPORTING DATE

Since the end of the reporting period, Dr Andrew Tunks has been appointed Managing Director. Dr Tunks has held numerous senior executive positions in a range of small to large resource companies and has the necessary technical and corporate expertise to direct the Group's upcoming exploration activities.

Other than as noted above, there have been no matters or circumstances that have arisen since 31 December 2017 which have significantly affected or may significantly affect:

- the Company's operations in future years; or
- the results of those operations in future years; or
- the Company's state of affairs in future years.

### NOTE 7 CONTINGENT LIABILITIES

There have been no changes in contingent liabilities since the last annual reporting period.

## DIRECTORS' DECLARATION



The directors of the Company declare that:

1. the accompanying financial statements and notes:
  - (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*; and
  - (b) give a true and fair view of the financial position of the Company as at 31 December 2017 and its performance for the half-year ended on that date.
2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:

Signed at Perth:

A handwritten signature in black ink, appearing to be "P. Burke", written over a faint watermark.

**Patrick Burke**  
Chairperson

Dated this 13th day of March 2018



## Independent Auditor's Review Report

To the members of Meteoric Resources NL

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Meteoric Resources NL, which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and comprehensive income, statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### *Directors' Responsibility for the Half-Year Financial Report*

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

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Meteoric Resources NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

#### *Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

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

- (i) giving a true and fair view of Meteoric Resources NL's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd



Andrew May  
Audit Director

13 March 2018  
Perth