METEORIC RESOURCES

NL

ANNUAL REPORT

FINANCIAL YEAR
ENDED 30 JUNE 2017

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CONTENTS

CORPORATE DIRECTORY

DIRECTORS

NEVILLE BASSETT
Non-Executive Chairman

GRAEME CLATWORTHY
Executive Director

GEORGE SAKALIDIS
Executive Technical Director

COMPANY SECRETARY
Rudolf Tieleman

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BANKERS
Bank of Western Australia Ltd
Hay Street, West Perth WA 6005

AUDITORS
Greenwich & Co Audit Pty Ltd
Chartered Accountants
Level 2, 35 Outram Street, West Perth WA 6005

STOCK EXCHANGE
Australian Securities Exchange (ASX)

COMPANY CODE
MEI (Fully paid shares)

ISSUED CAPITAL

461,227,190 fully paid ordinary shares

8,150,000 options to acquire fully paid shares exercisable at $0.02 by 30 June 2018

9,000,000 options to acquire fully paid shares exercisable at $0.012 by 9 September 2020

During the period, Meteoric Resources ("Meteoric" or the "Company") announced the agreement to acquire Cobalt Canada Pty Ltd which held the rights to purchase four highly prospective cobalt and polymetallic properties, Midrim, La Force, Mulligan and Iron Mask. All legal and technical due diligence has been successfully completed on the four project areas along with the granting of the Iron Mask mining claims by the Ministry of Northern development and Mines, Ontario.

Transaction terms:

The Company had entered into a binding sale and purchase agreement to acquire 100% of the issued capital of Cobalt Canada Pty Ltd (**Cobalt**) (**Acquisition**) which held the right to acquire 100% of the Midrim/Laforce, Iron Mask and Mulligan projects in Ontario, Canada (together the **Canadian Projects**) under 3 separate agreements. The consideration for the Acquisition of Cobalt was 60,000,000 Shares and $30,000 cash. Completion of the Acquisition was subject to satisfaction within three months of a number of conditions including, the Company obtaining shareholder approval of the Acquisition; the Company completing technical, financial and legal due diligence on Cobalt and its assets; and the Company receiving firm commitments for the amount of the Capital Raising (see below). The sellers of Cobalt had given warranties and representations in favour of the Company which are customary for a transaction of this nature.

Under the three agreements to acquire each of the Canadian Projects, the Company would also pay a total of CAD$155,000 in cash and issue CAD$200,000 worth of Shares (based on a 10-day volume weighted average price of Shares (**VWAP**) and the CAD:AUD exchange rate at the time of issue).

In connection with the Acquisition, the Company proposed to conduct a fully underwritten capital raising, to raise approximately AUD$1,386,000 (before costs) through a placement of up to 126,000,000 Shares to strategic and sophisticated investors, at a price of $0.011 per Share (**Capital Raising**). The Capital Raising was completed in two tranches. Tranche 1 comprising 63,200,000 shares was completed under the Company's available placement capacity under listing rules 7.1 and 7.1A. Tranche 2 comprising 62,800,000 Shares was issued with shareholder approval.

The Company also proposed to issue:

- 60,000,000 Options (each exercisable at $0.011 with a 3-year expiry date) to various advisors to the Company in relation to the Acquisition, half vesting on a 20-day VWAP of $0.04 and half vesting on a 20-day VWAP of $0.08, at an issue price of $0.0001 each; and
- 5,000,000 Performance Rights to new management of the Company following completion of the Acquisition (with appropriate milestones to be agreed).

Pursuant to the Acquisition, the Company assumes the obligations under various net smelter royalty agreements, ranging from 2% over the 3 Projects to 4% over selected Mining Claims.

The Company elected to proceed and shareholder approval was granted in a General Meeting of Members on 14th August 2017 for the acquisition of Cobalt Canada Pty Ltd, thus gaining a 100% interest in the Midrim, La Force, Mulligan and Iron Mask projects.

An outline of the projects acquired through the acquisition of Cobalt Canada Pty Ltd is given below:

MIDRIM COPPER NICKEL, COBALT, PGM PROPERTY

- 85 cells covering 38.28 km2 hosted within the Belleterre-Angliers Greenstone Belt, Quebec, Canada
- 32,000m of historical drilling, with the core in good condition and available for re-assay
- Over AU$4.5m in historical drilling value
- Underlying 4km x 1km material scale MEGATEM anomaly, the Geoffroy Anomaly, interpreted as a possible feeder to the mineralised gabbro sills present in the region
- Further investigation of the historical assays and reports has revealed significant platinum and palladium mineralisation associated with the Cu-Ni values within the Midrim polymetallic targets. The presence of high PGE values dramatically increases the economic potential viability of the targets
- An X-ray Fluorescence (XRF) and chemical assay verification program of historical drill core held at the Laverloche based core library has confirmed historical assay values
- Technical due diligence verified the locations of historical drill collars
- Significant drilling intercepts from the Midrim deposit include:

	From depth (m)	Length (m)	PGE/Au g/t	Cu %	Ni %
MR00-01	15.5	19.69	3.22	2.99	1.85
Including	21.4	11.94	3.36	3.64	2.27
MR01-29	17.6	17.85	2.53	2.16	1.55
MR01-30	10.9	1.1	5.15	5.41	1.7
MR00-11	23	1	4.41	4.74	2.66

LA FORCE COPPER NICKEL COBALT PGM PROPERTY

- Property hosted within the Belleterre-Angliers Greenstone Belt, Quebec, Canada
- Over AU$3.5m in historical drilling value
- 14,600m of historical drilling with 3,500m of stored core having not been previously assayed
- In excess of 20 identified Cu-Ni-Co-PGM polymetallic targets along a 4.6km strike length of gabbroic intrusions
- Large tonnage potential that includes numerous high-grade intercepts
- The company is reviewing consolidation opportunities within the Belleterre, Lac de Bois and Baby greenstone belts
- Significant drilling intercepts from the La Force deposit include:

	From depth (m)	Length (m)	Cu %	Ni %	Co %
LF07-07	39.00	40.00	0.46	0.82	0.02
LF07-10	52.88	21.32	0.66	0.90	0.02
LF06-04	3.00	103.00	0.38	0.77	0.02

MULLIGAN COBALT, SILVER PROPERTY

- 2 Claims, 30 km north of Cobalt Town, Ontario, Canada
- Extraction site of 8 tonne historical bulk sample which graded an average of 10% Cobalt located
- Property contains eight parallel polymetallic veins approximately 10m apart
- Historical drill logs identified which intersected a 119m width of mineralised gabbro starting from 8m depth
- Up to 0.6% Cobalt recorded in very limited assaying of historical drill logs
- Canadian department of Mines grab sample no. 23730 from 1952 yielded grades of up to **12.6% Co, 39.7 g/t Ag, 1.03% Ni, 29.8 g/t Au**

IRON MASK COBALT, BISMUTH PROPERTY

- Total of 14.08 km2 over 8 cells 45 km northwest of Sudbury, Ontario, Canada
- Located 500m along strike from historical Iron Mask Shaft from which a 6-tonne bulk sample of Cobalt was extracted with grades averaging 15% Cobalt and 255g/t Silver
- Mechanical trenching conducted in 1997 yielded a one metre chip sample grading 3.2% Co and 6.0 g Au/ton. Bedrock was intersected at a depth of 3.0m
- The mineralised structure as identified through historical exploration is noted to trend south west into the Iron Mask tenements

Competent Persons' Statements

The information in this report that relates to the Midrim, La Force, Mulligan and Iron Mask projects are based on information compiled and fairly represented by Mr Jonathan King, who is a Member of the Australian Institute of Geoscientists and a consultant to Meteoric Resources NL. Mr King, a fulltime employee of Collective Prosperity Pty Ltd, has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr King consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

ENGAGEMENT OF CANADIAN GEOLOGICAL FIRMS ORIX AND EXIRO

Meteoric Resources has engaged leading Canadian geological consulting firm, Orix Geoscience Inc, to conduct preliminary assessment and technical due diligence on the high-grade Mulligan, Midrim, La Force and Iron Mask cobalt projects. Orix Geoscience is a Canadian geological consulting firm that specializes in 2D and 3D compilation, interpretation and modelling services. The Company is led by Shastri Ramnath who has direct experience working on the Midrim project as a consulting geologist to Fieldex Exploration, this historical knowledge provides the necessary technical and regional expertise to access the full potential of the four projects to be acquired. UPCOMING WORK The company is currently completing a regional compilation of data covering the Temiscamingue area. The focus of this work is to further delineate structural controls on mineralisation as well as identifying additional targets and opportunities within the Belleterre-Angliers Greenstone belt

FURTHER ACQUISITION OF GROUND SURROUNDING THE MIDRIM PROJECT AREA

On 25th August 2017, the Company announced that it had secured an additional 82.53 km^2 of highly prospective ground through the staking of 138 claims within the Baby segment of the Belleterre-Angliers Greenstone belt (BAG). This increased the Company's total landholding over the BAG to 118 km^2 making it the largest individual landholder over the Baby segment of the BAG.

ACQUISITION OF EXTENSIVE GEOLOGICAL DATABASE

On 1st September 2017, the company announced the acquisition of an extensive geological database providing the company with all the available geophysical, geochemical and structural data covering the BAG. The acquisition of this data provides the company with a fast tracked, multi-year advancement in its technical program. The consideration of the acquisition was as follows:

- 7,200,000 fully paid ordinary shares payable within 5 business days of execution of the sale and purchase agreement
- CAD $165,500 payable within 5 business days of execution of the sale and purchase agreement

APPOINTMENT AND RESIGNATION OF KEY PERSONNEL

Subsequent to the end of financial year, the Company appointed Ms Shastri Ramnath as technical director effective 1 October 2017. Ms Ramnath has more than 20 years' experience in exploration and mining during which she gained direct experience working on the Midrim and La Force projects while employed by FNX Mining Ltd

The company has also announced the resignation of Mr George Sakalidis as a Director of the Company effective from the Company's 2017 Annual general meeting date. Mr Sakalidis will continue to assist the Company in the geophysical interpretation of recently acquired geological data and consult on the existing Warrego and Tennant Creek JV's.

Mr. Max Nind has been appointed as Exploration Manager to direct an aggressive work program over the Company's Canadian cobalt and polymetallic assets. Mr Nind has more than 30 years' experience in the mining and exploration industry including gaining extensive magmatic nickel sulphide experience from Western Mining Corporation's Kambalda nickel operations.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The company is currently completing the reprocessing and inversion of historical MEGATEM and aerial magnetic data. The aim of this program is to asses existing EM and magnetic targets and assist in the upcoming drilling campaign anticipated to commence in the coming months.

A preliminary metallurgical test program is also underway on the Midrim deposit.

Full current details of the Company's operations can be located on its website, www.meteoric.com.au

WARREGO NORTH PROJECT – Subject to Farm-out and Joint Venture – Chalice Gold Mines Ltd (Chalice)

The Warrego North Project is approximately 20km north-west of the historical high-grade Warrego copper-gold mine in the western part of the Tennant Creek Mineral Field in the Northern Territory, Australia (Figure 1). Warrego was the largest deposit mined in the area with historical production of 1.3Moz of gold and 90,000t of copper from 5 million tonnes of ore at 8g/t gold and 2% copper in a classic iron oxide copper gold ("IOCG") geological setting. Chalice can earn up to a 70% interest in the project from Meteoric Resources NL by sole funding $800,000 of exploration.

The first of two diamond drill holes drilled during the Year at Warrego North, WND17-001, targeted a coincidental magnetic-gravity and IP chargeability anomaly (Figure 2) and intersected chalcopyrite in magnetite ironstones grading **8m @ 1.74% copper and 0.42g/t gold** between 249-257m down-hole depth. Pervasive chlorite-sericite alteration indicates the potential for an extensive hydrothermal system, which is a characteristic of IOCG deposits.

The Company is encouraged by the results of the drilling program, and Chalice has recently commenced a detailed 3D IP survey subsequent to year end. The results from this survey will be used to assist in planning immediate follow-up drilling for extensions to the mineralisation discovered in hole WND17-001 and a second, stronger, chargeability anomaly located about 300m north of WND17-001 (Figure 2), which remains untested and could indicate potential for additional sulphide mineralisation in that area.

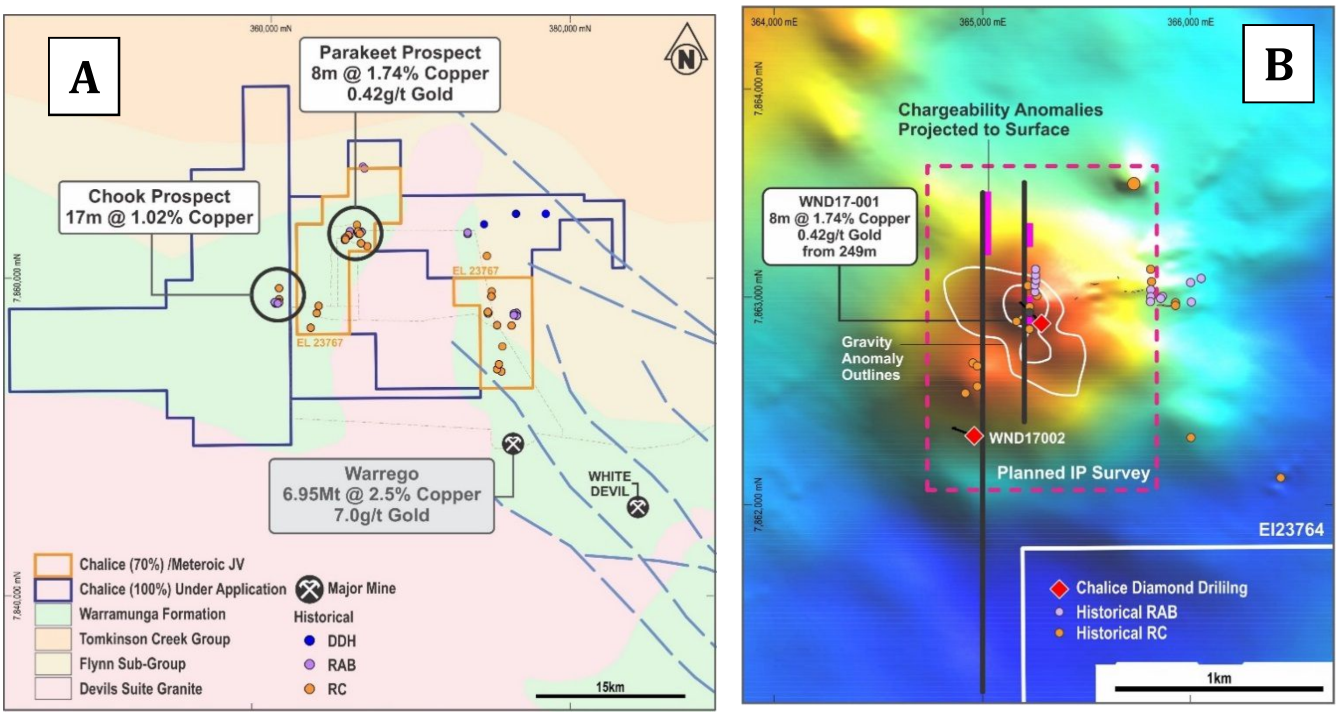

Figure 1. Warrego North Project Location, Northern Territory, Australia (A) and Parakeet aeromagnetic image with superimposed gravity, IP and drill collars (B)

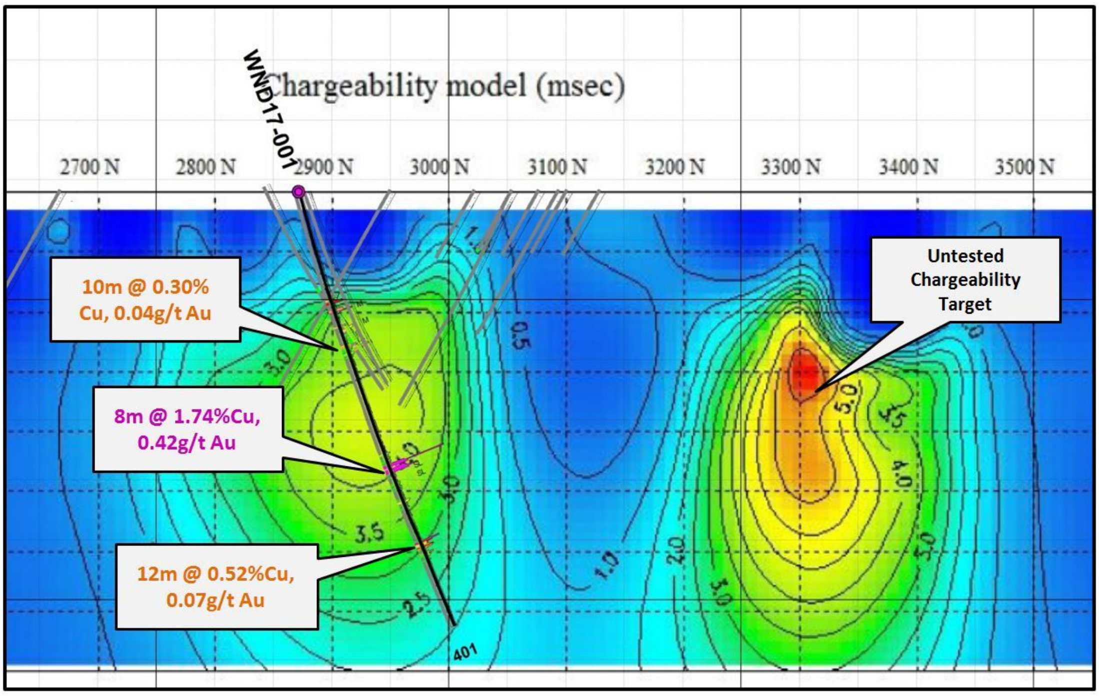

Figure 2. IP chargeability section showing WND17-001 intersection and untested chargeability anomaly located 300m N of WND17-001

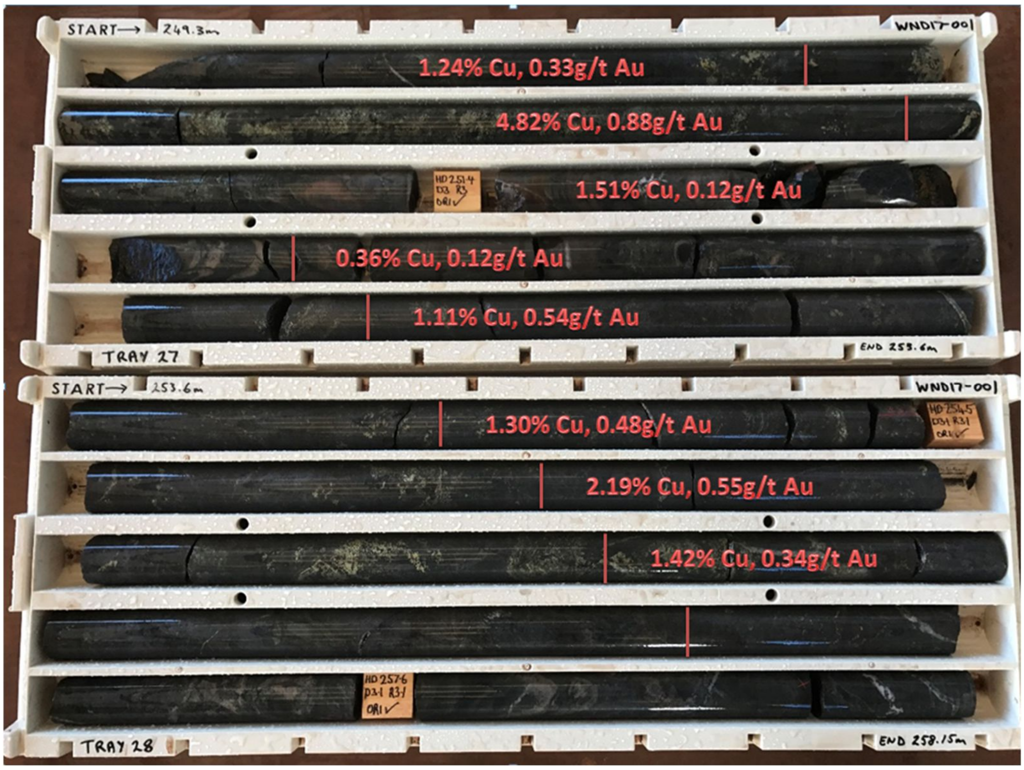

Figure 3. Diamond Hole WND17-001 – 249.3-258.15m showing copper and gold assays.

WARREGO NORTH PROJECT - BACKGROUND

Meteoric holds a granted exploration licence (EL23764, 74.5sq km) over magnetic and gravity anomalies near the old Warrego copper-gold mine (1.3M ozs gold, 91,000t copper), the largest mine in the Tennant Creek mineral field. Previous exploration results have identified several large high magnetic susceptibility targets some with pronounced coincident gravity anomalies similar in character to quartz- magnetite-chlorite ironstones associated with high-grade copper-gold-bismuth mineralisation elsewhere in the mineral field. The target areas are situated north and northwest of the Warrego mine as shown in Figure 4. The largest of these targets is Parakeet, situated 15km NW of Warrego.

Meteoric has carried out processing and interpretation of ground magnetic, gravity and induced polarisation (IP) data at Parakeet. The processing includes 3D forward and inversion modelling of the ground magnetic and gravity data as well as 2D modelling of the IP. The Parakeet prospect is associated with two strong magnetic anomalies comparable in intensity with magnetic anomalies associated with copper gold ore bodies in the mineral field.

Historical drilling to depths of up to 200m at Parakeet has demonstrated anomalous copper, gold and bismuth values and ironstone alteration characteristic of Tennant Creek style iron oxide-copper-gold mineralisation. In more detail, the ground magnetic anomalies and associated gravity anomalies highlight three specific targets at Parakeet. All three targets have recorded historical drill intercepts with anomalous copper, gold or bismuth values. 3D inversion modelling of the ground magnetic data has identified a further three bodies bringing to six the total number of modelled bodies at Parakeet with magnetic susceptibility values greater than 0.4 SI units, characteristic of ironstone bodies at Tennant Creek.

Significantly, modelling of the ground magnetics, together with results of down hole magnetic surveys, indicate that the source of the magnetic anomalies at Parakeet has not been tested by the previous drilling, which appears to have intersected what could be the copper halo over a large copper-gold system at depth. It should be noted that these targets are interpretive at this stage and there has been insufficient exploration to estimate a mineral resource and it is uncertain whether further exploration will result in the estimation of a mineral resource.

Interpretation of aeromagnetic data suggests the presence of a strong NW-trending structure through Parakeet which could be a parallel structure to, or the extension of, the Navigator Fault, a major structure associated with the Warrego deposit, indicating a favourable structural setting for Parakeet. Additional magnetic and gravity targets which have not been fully tested on EL23764 include Bustard, south of Parakeet and Cuddihy and Pipeline east of the Warrego granite.

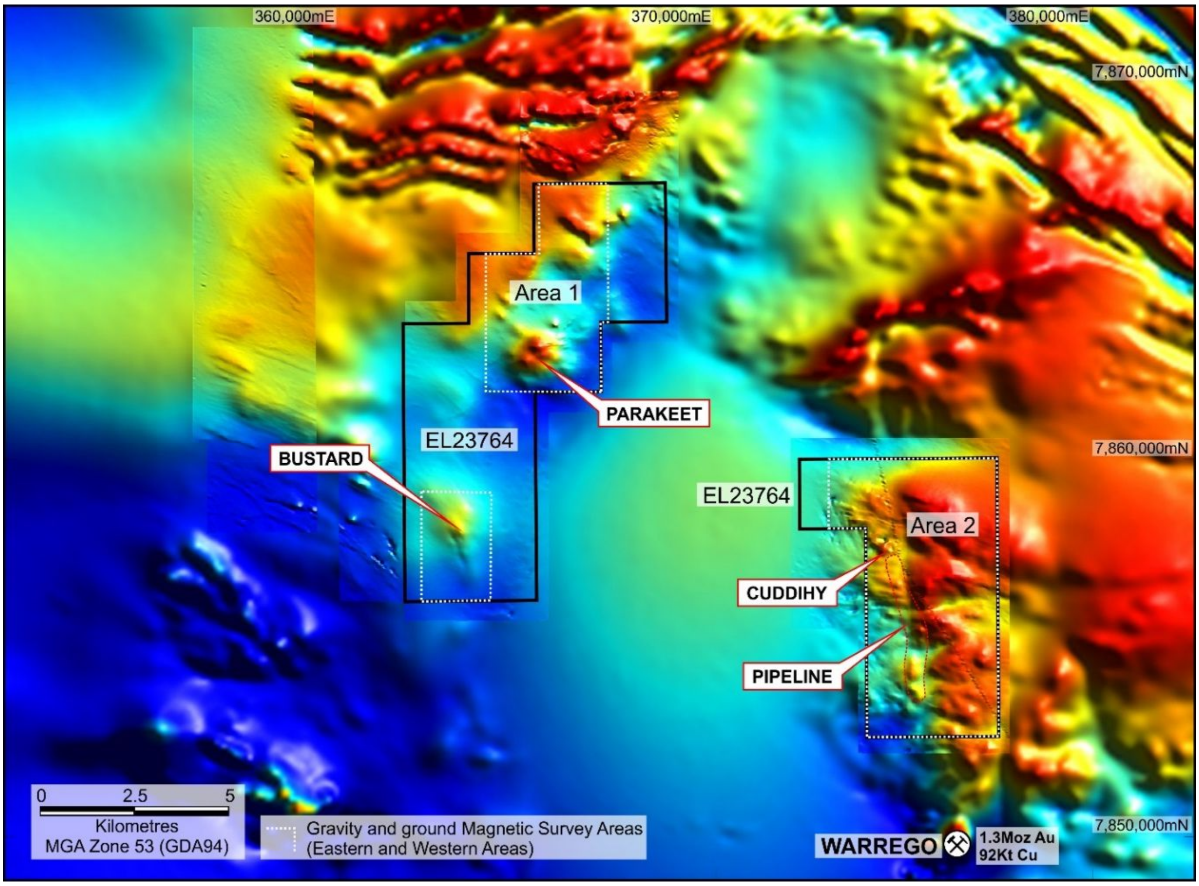

Figure 4. Warrego North Aeromagnetic Targets

Competent Persons' Statements

The information in this report that relates to other Exploration Results is based on information compiled or reviewed by Roger Thomson BSc (Hons), ARSM, a Competent Person, who is a Member of the Australian Institute of Geoscientists and a Fellow of the Australasian Institute of Mining and Metallurgy. Roger Thomson is a self-employed consultant to Meteoric Resources. Roger Thomson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Roger Thomson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

WEBB DIAMOND JOINT VENTURE (Meteoric 19.5% and right to acquire 13.5% of E80/4506).

The Webb Diamond Joint Venture with GeoCrystal Ltd (**GeoCrystal**) is focussed on the evaluation of a large kimberlite field comprising some 280 bulls-eye magnetic targets of which 23% have been drill tested and with 51 kimberlite bodies identified. Successive surface loam sampling programs has resulted in the recovery of 24 microdiamonds and the interpretation of a broad surface microdiamond dispersion anomaly in the northern portion of the kimberlite field (Figure 5).

While the significance of this broad microdiamond anomaly which encompasses an area of approximately 150km^2 is speculative, the company is highly encouraged by the persistence of the anomaly in repeated loam sampling programs and the presence of larger microdiamonds. There are 42 untested kimberlite targets within this broad microdiamond anomaly that are prioritized for future drill testing.

During the year mineral chemistry analyses were received for indicator minerals previously recovered from 14 individual drill spoil samples and 42 loam samples. A total 520 mineral grains were analysed comprising both chromite and picro-ilmenite grains. These routine analyses are being completed on all recovered indicator mineral grains. Interpretation of the results is currently being undertaken.

Targets have been prioritized for drill testing with the focus being on the interpreted larger near surface bodies associated with the large microdiamond anomaly in the northern portion of the Webb kimberlite field. Selected kimberlite targets in other parts of the kimberlite field, based on the size and intensity of their magnetic signatures, are also being targeted.

It is anticipated that this work will be undertaken in the 2017 field season.

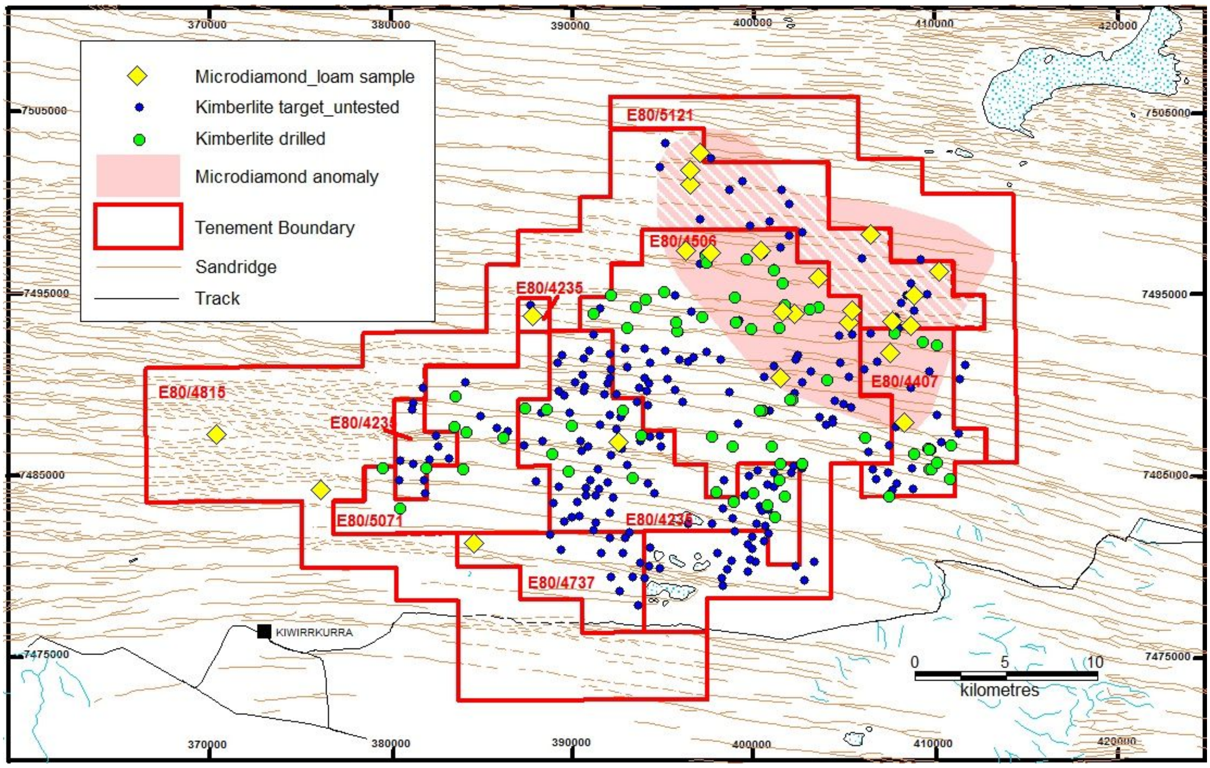

Figure 5. Webb Diamond Joint Venture- Location map of Micro Diamonds Recovered

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Tom Reddicliffe BSc (Hons), MSc. Tom Reddicliffe, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Tom Reddicliffe is a self-employed consultant to the Meteoric Resources NL - GeoCrystal Limited joint venture and a director of GeoCrystal Limited. Tom Reddicliffe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Tom Reddicliffe consents to the inclusion in this report of his information in the form and context in which it appears.

Your directors present their report on the Company for the year ended 30 June 2017.

DIRECTORS

The following persons were directors of Meteoric Resources NL ("**Meteoric**") during the full year ended 30 June 2017 and up to the date of this report:

Neville Bassett
Graeme Clatworthy
George Sakalidis

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were to explore and/or review mineral tenement holdings in Western Australia, Northern Territory and Spain.

RESULTS FROM OPERATIONS

During the year the Company recorded an operating loss of $449,444 (2016: $940,457).

The operating loss recorded during the year ended 30 June 2016 included $524,100 in respect of "equity-settled share based payments". This was not a cash outlay and was brought to account by virtue of a requirement at law. Net of this figure, the operating loss for that year was $416,357.

DIVIDENDS

No amounts have been paid or declared by way of dividend by the Company since the end of the previous financial year and the Directors do not recommend the payment of any dividend.

REVIEW OF OPERATIONS

A review of operations is covered elsewhere in this Annual Report.

EARNINGS PER SHARE

Basic and diluted loss per share for the financial period was 0.20 cents (2016: 0.54 cents).

FINANCIAL POSITION

The Company's cash position as at 30 June 2017 was $1,090,846, an increase from the 30 June 2016 cash balance which was $348,156.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the year the Company entered into a Corporate Advisory and Broker Mandate agreement with CPS Capital Group Pty Ltd for a one year term wherein a monthly fee, a broker fee on funds raised (payable wholly in fully paid ordinary shares at the placement price of $0.011 each) and 60,000,000 Options exercisable at $0.011 with a 3 year expiry (half with a vesting condition of a 20 day volume weighted average share price of $0.04 and half with a 20 day volume weighted average share price of $0.08) was to be paid/issued, subject to commercial terms and conditions.

The Company also entered into a Corporate Advisory, Marketing and Investor Relations Strategy Agreement with Advantage Management Pty Ltd having a monthly retainer fee and a cancellation notification period of 60 days.

As a consequence of the association with both companies, Meteoric was successful in raising $1,150,200 (before costs with a further $690,800 being raised after balance date) and entering into an agreement to acquire all of the share capital in Cobalt Canada Pty Ltd together with its constituent tenements. Details of this transaction have been included in the Review of Operations.

Other than as noted above, there were no significant changes in the state of affairs of the Company during the financial period.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to the end of the financial reporting period:

- The Company has proceeded with the acquisition of Cobalt Canada Pty Ltd and its constituent projects, legal and technical due diligence has been finalised, registration of tenement claims over the Iron Mask Project has been granted;
- A General Meeting of Members was held on 14 August 2017 and all resolutions considered at that meeting were passed;
- 62,800,000 fully paid ordinary shares were issued on 22 August 2017 as subscribed placements to qualified investors at an issue price of $0.011 each;
- 60,000,000 fully paid ordinary shares were issued as part consideration for all of the share capital in Cobalt Canada Pty Ltd;
- 63,48,795 fully paid ordinary shares were issued as part consideration for the acquisition of all interests in the constituent Canadian tenements;
- 7,560,000 fully paid ordinary shares were issued to settle broker's placement fees on both the 24 May 2017 and 22 August 2017 capital raisings;
- Meteoric secured additional polymetallic claims within the Baby segment of the Belleterre-Angliers Greenstone Belt in Canada;
- All of an extensive geological database was acquired in exchange for 7,200,000 fully paid ordinary shares and $165,500 cash payment, both of which were settled;

Other than what has been noted above or reported to ASX, no material matters have occurred subsequent to the end of the financial year which requires reporting.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The company is currently completing the reprocessing and inversion of historical MEGATEM and aerial magnetic data. The aim of this program is to asses existing EM and magnetic targets and assist in the upcoming drilling campaign anticipated to commence in the coming months.

A preliminary metallurgical test program is also underway on the Midrim deposit.

Full current details of the Company's operations can be located on its website, www.meteoric.com.au

Other than as detailed above, likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the Company.

ENVIRONMENTAL ISSUES

The Company carries out exploration operations in Australia (and now Canada) which are subject to environmental regulations under both Commonwealth and State legislation. The Company's exploration manager is responsible for ensuring compliance with those regulations. During or since the financial period there have been no known significant breaches of these regulations.

INFORMATION ON DIRECTORS AND COMPANY SECRETARIES

Neville Bassett
Non-Executive Chairman

Mr Bassett is a Chartered Accountant operating his own corporate consulting business, specialising in the area of corporate, financial and management advisory services. Mr Bassett has been involved with numerous public company listings and capital raisings. His involvement in the corporate arena has also taken in mergers and acquisitions, and includes significant knowledge and exposure to the Australian financial markets. Mr Bassett has experience in matters pertaining to the Corporations Act, ASX listing requirements, corporate taxation and finance. He is a director or company secretary of a number of public and private companies.

He is a non-executive chairman of this company, Meteoric Resources NL (appointed 29 November 2012), non-executive chairman of Longford Resources Ltd (appointed 22 March 2004), non-executive director of Vector Resources Ltd (appointed 22 April 2010), non-executive director of Laconia Resources Ltd (appointed 8 May 2015) and non-executive director of Pointerra Ltd (appointed 30 June 2016), each of which is ASX listed. During the past three years Mr Bassett has held the following ASX listed company directorships; The Gruden Group Ltd (previously Exoma Energy Limited) (20 August 2014 to 13 May 2016) and Quantify Technology Holdings Ltd (previously WHL Energy Ltd (5 February 2016 to 1 March 2017).

Mr Bassett has a relevant interest in 2,850,000 ordinary fully paid shares and 2,500,000 options to acquire fully paid shares.

Graeme Clatworthy
Executive Director

Mr Clatworthy holds a Bachelor of Business Degree majoring in Accounting. He accumulated over 28 years of experience in the stockbroking industry and has gained a vast understanding of the Australian Capital Markets. He is Executive Director of this company, Meteoric Resources NL (appointed 29 November 2012) and a consultant of Rift Valley Resources Ltd, each of which is ASX listed.

Mr Clatworthy has a relevant interest in 3,275,000 ordinary fully paid shares and 3,000,000 options to acquire fully paid shares.

George Sakalidis
Executive Technical Director

Mr Sakalidis is an exploration geophysicist with over 30 years' industry experience, during which time his career has included extensive gold, diamond, base metals and mineral sands exploration. Mr Sakalidis has been involved in a number of significant mineral discoveries, including the Three Rivers and Blackman gold deposits and the Dongara Mineral Sand Deposits and the Boonanarring-Gingin South-Helene Mineral Sand Deposits in Western Australia and he was involved in the tenement applications over the Silver Swan nickel deposit. He was also involved with the tenement application of the recently discovered Monty Cu mineralisation adjacent to the Degrussa Cu deposit. He is executive technical director of this company, Meteoric Resources NL (since the company was incorporated 13 February 2004), Image Resources NL (since incorporation on 4 July 1992) and Magnetic Resources NL (reappointed 29 January 2016) each of which is ASX listed. He resigned from being a founding director of ASX listed companies Emu NL on 8 November 2013 and Potash West NL on 26 November 2014.

Mr Sakalidis has a relevant interest in 7,471,413 ordinary fully paid shares and 2,500,000 options to acquire fully paid shares.

Rudolf Tieleman
Company Secretary

Mr Tieleman is an accountant with over 25 years' experience in public practice. He has extensive knowledge in matters relating to the operation and administration of listed mining companies in Australia.

AUDIT COMMITTEE

At the date of this report the Company does not have a separately constituted Audit Committee as all matters normally considered by an audit committee are dealt with by the full Board.

REMUNERATION COMMITTEE

At the date of this report, the Company does not have a separately constituted Remuneration Committee and as such, no separate committee meetings were held during the year. All resolutions made in respect of remuneration matters were dealt with by the full Board.

MEETINGS OF DIRECTORS

During the financial year ended 30 June 2017, the following director meetings were held:

	Eligible to Attend	Attended
Neville Bassett	3	3
Graeme Clatworthy	3	3
George Sakalidis	3	3

REMUNERATION REPORT (Audited)

Names of and positions held by key management personnel (defined by the Australian Accounting Standards as being "*those people having authority and responsibility for planning, directing, and controlling the activities of an entity, either directly or indirectly. This includes an entity's directors*") in office at any time during the financial year are:

Key Management Person	Position
Neville Bassett	Non-Executive Chairman
Graeme Clatworthy	Executive Director
George Sakalidis	Executive Technical Director
Rudolf Tieleman	Company Secretary

The Company's policy for determining the nature and amounts of emoluments of key management personnel is set out below:

Key Management Personnel Remuneration and Incentive Policies

At the date of this report, the Company does not have a separately constituted Remuneration Committee ("**Committee**") as all matters normally considered by such a Committee are dealt with by the full Board. When constituted, its mandate will be to make recommendations to the Board with respect to appropriate and competitive remuneration and incentive policies (including basis for paying and the quantum of any bonuses), for key management personnel and others as considered appropriate to be singled out for special attention, which:

- motivates them to contribute to the growth and success of the Company within an appropriate control framework;
- aligns the interests of key leadership with the interests of the Company's shareholders;
- are paid within any limits imposed by the Constitution and make recommendations to the Board with respect to the need for increases to any such amount at the Company's annual general meeting; and
- in the case of directors, only permits participation in equity-based remuneration schemes after appropriate disclosure to, due consideration by and with the approval of the Company's shareholders.

Non-Executive Directors

- Non-executive directors are not provided with retirement benefits other than statutory superannuation entitlements.
- To the extent that the Company adopts a remuneration structure for its non-executive directors other than in the form of cash and superannuation, disclosure shall be made to stakeholders and approvals obtained as required by law and the ASX listing rules.

Incentive Plans and Benefits Programs

The Board, acting in its capacity as a Remuneration Committee, is to:

- review and make recommendations concerning long-term incentive compensation plans, including the use of equity-based plans, administer equity-based and employee benefit plans and discharge any responsibilities under those plans, including making and authorising grants, in accordance with the terms of those plans;
- ensure that, where practicable, incentive plans are designed around appropriate and realistic performance targets that measure relative performance and provide remuneration when they are achieved; and
- review and, if necessary, improve any existing benefit programs established for employees.

Retirement and Superannuation Payments

Prescribed benefits were provided by the Company to all directors by way of superannuation contributions to externally managed complying superannuation funds during the year. These benefits were paid as superannuation contributions to satisfy (at least) the requirements of the Superannuation Contribution Guarantee Act and in satisfaction of any salary sacrifice requests. All contributions were made to accumulation type funds selected by the director and accordingly actuarial assessments were not required.

METEORIC RESOURCES

Relationship between Company Performance and Remuneration

There is no relationship between the financial performance of the Company for the current or previous financial year and the remuneration of the key management personnel. Remuneration is set having regard to market conditions and encourage the continued services of key management personnel.

Use of Remuneration Consultants

The Company did not employ the services of any remuneration consultant during the financial year ended 30 June 2017.

Key Management Personnel Remuneration

Year ended 30 June 2017					
Key Management Person	**Short-term benefits Fees & contractual payments ($)**	**Post-employment Statutory superannuation ($)**	**Total cash and cash equivalent benefits ($)**	**Equity-settled share based payments ($)**	**Total ($)**
Neville Bassett	40,000	3,800	43,800	-	43,800
Graeme Clatworthy	70,000	6,650	76,650	-	76,650
George Sakalidis	40,000	3,800	43,800	-	43,800
Rudolf Tieleman	36,630	-	36,630	-	36,630
Total	**186,630**	**14,250**	**200,880**	**-**	**200,880**

Year ended 30 June 2016					
Key Management Person	**Short-term benefits Fees & contractual payments ($)**	**Post-employment Statutory superannuation ($)**	**Total cash and cash equivalent benefits ($)**	**Equity-settled share based payments ($)**	**Total ($)**
Neville Bassett	40,000	3,800	43,800	6,250	50,050
Graeme Clatworthy	73,000	6,935	79,935	7,500	87,435
George Sakalidis	40,000	3,800	43,800	6,250	50,050
Rudolf Tieleman	49,830	-	49,830	2,500	52,330
Total	**202,830**	**14,535**	**217,365**	**22,500**	**239,865**

Consultant Agreements

A consulting agreement has been executed between the Company and Mr Sakalidis' nominated associated entity under which Mr Sakalidis delivers consulting services to the Company. Either party may, in its sole and absolute discretion, terminate the engagement by providing 30 days written notice. The Company may, at its option, elect to pay the consultant the equivalent remuneration for the period of the notice and dispense with the notice period. There are no provisions for the payment of any other termination payments.

No payments of any description were made during the year ended 30 June 2017.

Other major provisions of those agreements are set out as follows:

Contracted entity	Term of agreement	Rate	Review period	Increase
Leeman Pty Ltd (G Sakalidis)	No set term	$155.00 per hour	Annually on 1 July	Discretionary by Board

Messrs Bassett, Clatworthy and Tieleman do not have employment contracts with the Company save to the extent that the Company's constating documents comprise the same.

Guaranteed Rate Increases

There are no guaranteed rate increases fixed in the contracts of any of the key management personnel.

DIRECTORS' INTERESTS

Shares held by Key Management Personnel

The number of shares and partly-paid contributing shares (called, forfeited and cancelled during the year) in the Company held at the beginning and end of the year and net movements **during the financial year** by key management personnel and/or their related entities are set out below:

30 June 2017:

Name	Balance at the start of the year	Share movements	Balance at the end of the year
Neville Bassett – Ordinary shares	850,000	-	850,000
Graeme Clatworthy - Ordinary shares	1,475,000	-	1,475,000
George Sakalidis - Ordinary shares	6,471,413	-	6,471,413
Total Ordinary shares	**8,796,413**	**-**	**8,796,413**

30 June 2016:

Name	Balance at the start of the year	Share movements	Balance at the end of the year
Neville Bassett – Ordinary shares	850,000	-	850,000
Neville Bassett – Contributing shares	550,000	(550,000)	-
Graeme Clatworthy - Ordinary shares	1,475,000	-	1,475,000
Graeme Clatworthy - Contributing shares	-	-	-
George Sakalidis - Ordinary shares	6,471,413	-	6,471,413
George Sakalidis - Contributing shares	2,688,462	(2,688,462)	-
Rudolf Tieleman - Contributing shares	500,000	(500,000)	-
Total Ordinary shares	**8,796,413**	**-**	**8,796,413**
Total Contributing shares	**3,738,462**	**(3,738,462)**	**-**

Options held by Key Management Personnel

The number of options over fully paid ordinary shares in the Company held at the beginning and end of the year and net movements **during the financial year** by key management personnel and/or their related entities are set out below:

30 June 2017:

Name	Balance at the start of the year	Granted during the year as remuneration	Lapsed during the year	Other changes during the year	Balance at the end of the year	Vested & exercisable at the end of the year
Neville Bassett	2,500,000	-	-	-	2,500,000	2,500,000
Graeme Clatworthy	3,000,000	-	-	-	3,000,000	3,000,000
George Sakalidis	3,250,000	-	(750,000)	-	2,500,000	2,500,000
Rudolf Tieleman	-	-	-	-	-	-
Total	**8,750,000**	**-**	**(750,000)**	**-**	**8,000,000**	**8,000,000**

Options held by Key Management Personnel (Continued)

The details of the options are stated below:

Options over Fully Paid Ordinary Shares Entitlement is to acquire one fully paid ordinary share for each option held- Granted on 9.9.2015 for nil cash consideration Valued at $0.0025 each at grant date -Exercisable at $0.012 each - Expire 9.9.2020	
Neville Bassett	2,500,000
Graeme Clatworthy	3,000,000
George Sakalidis	2,500,000
Total	**8,000,000**

End of Remuneration Report.

EMPLOYEES

At 30 June 2017, aside from directors who are for tax purposes treated as employees, the Company's only other employees were part-time or casual staff. The same position prevailed at 30 June 2016.

CORPORATE STRUCTURE

Meteoric is a no liability company incorporated and domiciled in Australia.

ACCESS TO INDEPENDENT ADVICE

Each director has the right, so long as he is acting reasonably in the interests of the Company and in the discharge of his duties as a director, to seek independent professional advice and recover the reasonable costs thereof from the Company.

The advice shall only be sought after consultation about the matter with the chairman (where it is reasonable that the chairman be consulted) or, if it is the chairman that wishes to seek the advice or it is unreasonable that he be consulted, another director (if that be reasonable).

The advice is to be made immediately available to all Board members other than to a director against whom privilege is claimed.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has entered into agreements indemnifying, to the extent permitted by law, all the directors and officers of the Company against all losses or liabilities incurred by each director and officer in their capacity as directors and officers of the Company. During the year an amount of $6,013 (2016: $6,013) was incurred in insurance premiums for this purpose.

OPTIONS

As at the date of this report there are the following unquoted options over unissued ordinary shares in the Company:

(a) 8,150,000 exercisable at $0.02 per option on or before 30 June 2018 to acquire a fully paid share.

(d) 9,000,000 exercisable at $0.012 per option on or before 9 September 2020 to acquire a fully paid share.

Option holders do not have any rights to participate in any issues of shares or other interest of the Company.

For details of options issued to directors and executives, refer to the Remuneration Report above.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out in this annual report.

Signed in accordance with a resolution of the directors

GRAEME CLATWORTHY
EXECUTIVE DIRECTOR
Perth
29 September 2017

AUDITOR'S INDEPENDENCE DECLARATION

Greenwich & Co Audit Pty Ltd | ABN 51 609 542 458
Level 2, 35 Outram Street, West Perth WA 6005
PO Box 983, West Perth WA 6872
T 08 6555 9500 | F 08 6555 9555
www.greenwichco.com

To those charged with the governance of Meteoric Resources NL

As auditor for the audit of Meteoric Resources NL for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

a) No contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) No contraventions of any applicable code of professional conduct in relation to the audit.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Andrew May

Audit Director

Perth

29 September 2017

CORPORATE GOVERNANCE STATEMENT

This statement is provided in compliance with the ASX Corporate Governance Council's (the **Council**) Corporate Governance Principles and Recommendations Third Edition ("**Principles and Recommendations**").

The Company has resolved that for so long as it is admitted to the official lists of the ASX, it shall abide by the Principles and Recommendations, subject however to instances where the Board of Directors that a Council recommendation is not appropriate to its particular circumstances.

The Board encourages all key management personnel, other employees, contractors and other stakeholders to monitor compliance with this Corporate Governance manual and periodically, by liaising with the Board, management and staff, especially in relation to observable departures from the intent of these policies and with any ideas or suggestions for improvement. Suggestions for improvements or amendments can be made at any time by providing a written note to the chairman.

Website Disclosures

In order to streamline the content of this Annual Report and pursuant to the disclosure options mandated by the Council, the Company has elected to publish its Corporate Governance Statement in compliance with ASX Listing Rule 4.10.3 on its website at www.meteoric.com.au under the "**Corporate Governance**" tab.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2017

	Notes	2017 ($)	2016 ($)
Revenue:			
Interest income		577	1,372
Profit on sale of non-current assets	10	-	6,638
Other income		24,546	16,215
Expenses:			
Depreciation expense	10	(235)	(3,195)
Exploration and tenement expenses		(42,729)	(8,623)
Share based payments expense		-	(524,100)
Other expenses	3	(431,603)	(428,764)
(Loss) before income tax expense		(449,444)	(940,457)
Income tax expense	4	-	-
(Loss) from continuing operations		(449,444)	(940,457)
Other comprehensive income:			
Changes in the fair value of available-for-sale financial assets		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(449,444)	(940,457)
Total comprehensive income for year attributable to members of the Company		(449,444)	(940,457)
Basic (loss) per share (cents per share)	6	(0.20)	(0.54)
Diluted (loss) per share (cents per share)	6	(0.20)	(0.54)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 30 June 2017

	Notes	2017 ($)	2016 ($)
Current Assets			
Cash and cash equivalents	7	1,090,846	348,156
Trade and other receivables	8	19,286	23,869
Other assets	9	1,335	5,350
Total Current Assets		1,111,467	377,375
Non-Current Assets			
Property, plant and equipment	10	-	235
Other financial assets	11	18,984	39,044
Total Non-Current Assets		18,984	39,279
TOTAL ASSETS		1,130,451	416,654
Current Liabilities			
Trade and other payables	12	203,322	138,319
Total Current Liabilities		203,322	138,319
TOTAL LIABILITIES		203,322	138,319
NET ASSETS		927,129	278,335
Equity			
Contributed equity	13	13,727,199	12,629,694
Reserves	13	36,677	273,154
Accumulated losses		(12,836,747)	(12,624,513)
TOTAL EQUITY		927,129	278,335

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2017

	Contributed Equity (Net of Costs) ($)	Available for Sale Financial Assets Reserve Capital ($)	Share Based Payments Reserve ($)	Accumulated Losses ($)	Total ($)
Balance at 1.7.2015	11,775,615	3,622	237,210	(11,684,056)	332,391
Comprehensive income for the year					
Operating (loss) for the year	-	-	-	(940,457)	(940,457)
Decrease in Available For Sale Financial Assets Reserve	-	(978)	-	-	(978)
	11,775,615	2,644	237,210	(12,624,513)	(609,044)
Transactions with owners in their capacity as owners, and their transfers					
Shares issued for cash during the year	384,000	-	-	-	384,000
Contributing shares paid up during the year	2,943	-	-	-	2,943
Share issue costs	(34,464)	-	10,800	-	(23,664)
Share based payments expense	501,600	-	22,500	-	524,100
	854,079	-	33,300	-	887,379
Balance at 30.6.2016	12,629,694	2,644	270,510	(12,624,513)	278,335
Balance at 1.7.2016	12,629,694	2,644	270,510	(12,624,513)	278,335
Comprehensive income for the year					
Operating (loss) for the year	-	-	-	(449,444)	(449,444)
Decrease in Available For Sale Financial Assets Reserve	-	733	-	-	733
	12,629,694	3,377	270,510	(13,073,957)	(170,376)
Transactions with owners in their capacity as owners, and their transfers					
Shares issued for cash during the year	1,150,200	-	-	-	1,150,200
Options exercised during the year	17,000	-	-	-	17,000
Options expired during the year		-	(237,210)	237,210	-
Share issue costs	(69,695)	-		-	(69,695)
	1,097,505	-	(237,210)	237,210	1,097,505
Balance at 30.6.2017	13,727,199	3,377	33,300	(12,836,747)	927,129

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
For the year ended 30 June 2017

	Notes	2017 ($)	2016 ($)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		11,858	-
Cash payments to suppliers and contractors		(351,104)	(408,615)
Interest received		577	1,372
Net cash (used in) operating activities	14	(338,669)	(407,243)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation		(95,922)	(59,828)
Decrease / (increase) in security deposits		20,793	(52)
Receipts from sale of tenements, net of costs		17,271	286,463
Proceeds from sale of fixed assets		-	14,545
Net cash provided by / (used in) investing activities		(57,858)	241,128
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from new issues of shares		1,167,200	386,943
Share issue costs		(27,983)	(23,664)
Net cash provided by financing activities		1,139,217	363,279
Net increase in cash held		742,690	197,164
Cash and cash equivalents at the beginning of the financial year		348,156	150,992
Cash and cash equivalents at the end of the financial year	7	1,090,846	348,156

The accompanying notes form part of these financial statements.

This financial report includes the financial statements and notes of the Company.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial statements were authorised for issue on 29 September 2017.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Going Concern

The 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.

Cash and cash equivalents on hand as at the date of this report was approximately $1,033,000.

Accounting Policies

(a) Revenue

Interest revenue is recognised on a proportional basis taking into account interest rates applicable to the financial asset. All revenue is stated net of the amount of goods and services tax (GST).

(b) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by non-casual employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. There is no liability for annual or long service leave entitlements.

(c) Exploration and Evaluation Expenditure

All exploration and evaluation expenditure is expensed to Statement of Profit or Loss and Other Comprehensive Income as incurred. The effect of this is to increase the loss incurred from continuing operations as disclosed in the Statement of Profit or Loss and Other Comprehensive Income and to decrease the carrying values of total assets in the Statement of Financial Position. That the carrying value of mineral assets, as a result of the operation of this policy, is zero does not necessarily reflect the Board's view as to the market value of that asset.

(d) Acquisition of Assets

The cost method is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of assets given up at the date of acquisition plus costs incidental to the acquisition.

Costs relating to the acquisition of new areas of interest are classified as either exploration and evaluation expenditure or mine properties based on the stage of development reached at the date of acquisition.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(f) Income Tax

The income tax expense for the year comprises current income tax expense and deferred tax expense.

Current income tax expense charged to the Statement of Profit or Loss and Other Comprehensive Income is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities and assets are therefore measured at the amounts expected to be paid to or recovered from the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses, if any in fact are brought to account.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(h) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and Other Comprehensive Income. This policy has no application where paragraph (c) (Exploration and Evaluation Expenditure) applies.

(i) Earnings per Share

(i) *Basic Earnings per Share* – Basic earnings per share is determined by dividing the loss from continuing operations after related income tax expense by the weighted average number of ordinary shares outstanding during the financial period.

(ii) *Diluted Earnings per Share* – Options that are considered to be dilutive are taken into consideration when calculating the diluted earnings per share.

(j) Property, plant and equipment

Each class of plant, equipment and motor vehicles is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant, equipment and motor vehicles are measured on the cost basis.

The carrying amounts of plant, equipment and motor vehicles are reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all plant, equipment and motor vehicles are depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for the class of plant, equipment and motor vehicle depreciable assets range between 20% and 100%.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit or Loss and Other Comprehensive Income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(k) Financial Instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit and loss, in which case transaction costs are expensed to profit and loss immediately.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

the amount at which the financial asset or financial liability is measured at initial recognition;

less principal repayments;

plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and

less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit and loss.

The Company does not designate any interests in joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains and losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit and loss.

Available-for-sale financial assets are included in current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as non-current assets.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models. The expression "fair value" – and derivatives thereof – wherever used in this report bears the meaning ascribed to that expression by the Australian Accounting Standards Board.

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the profit or loss.

Financial Guarantees

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition.

The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using a probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(l) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(m) Leases

Lease payments for operating leases (where substantially all the risks and benefits remain with the lessor) are charged as an expense in the periods in which they are incurred.

Lease incentives under operating leases, if any, are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(n) Contributed Equity

Ordinary share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(o) Share-based Payments and Value Attribution to Equity Remuneration/Benefits

Share-based compensation benefits provided to directors from time to time are approved in general meeting by members. Share-based benefits provided to non-directors are approved by the Board of Directors and form part of that employee's remuneration package.

The International Financial Reporting Standards specifies that a valuation technique must be applied in determining the fair value of employees' or directors' stock options as at their grant date. No particular model is specified.

In respect of share options granted to company officers, the (theoretical) fair value is recognised upon vesting as an employee benefit expense with a corresponding increase in equity. The theoretical fair value of the option is independently calculated at the date of request for approval by the shareholders taking into account the terms and conditions upon which the options were granted, the effects of non-transferability, exercise restrictions and behavioural considerations. Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital.

In respect of share options granted to non-company officers, the (theoretical) fair value is recognised upon vesting as an expense with a corresponding increase in equity. The theoretical fair value of the option is calculated at the date of grant taking into account the terms and conditions upon which the options were granted, the effects of non-transferability, exercise restrictions and behavioural considerations using the Black-Scholes Option Pricing Model, an industry accepted method of valuing equity instruments. Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital.

(p) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(q) Segment Reporting

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision makers which have been identified by the company as the Board of Directors.

(r) Critical Accounting Estimates, Assumptions, and Judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and from within the Company.

Taxation

Balances disclosed in the financial statements and the notes thereto related to taxation are based on best estimates by directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income tax legislation and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current tax position represents the directors' best estimate pending an assessment being received from the Australian Taxation Office.

Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation and the directors understanding thereof. At the current stage of the Company's development and its current environmental impact, the directors believe such treatment is reasonable and appropriate.

Share based payments

Share-based payment transactions made from time to time, in the form of options to acquire ordinary shares, are ascribed a fair value using the Black-Scholes Option Pricing Model. This model uses assumptions and estimates as inputs.

(s) New Accounting Standards for Application in Future Periods

There are a number of new Accounting standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Company and have not been applied in preparing these financial statements. The Company does not plan to adopt these standards early.

These standards are not expected to have a material impact on the Company in the current or future reporting periods.

NOTE 2 OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Company 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 Company's principal activity is mineral exploration.

Revenue and assets by geographical region

The Company's revenue is received from sources and assets which are located wholly within Australia.

Major customers

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

NOTE 3 EXPENDITURE

	2017 ($)	2016 ($)
Other Expenses		
Occupancy costs	45,364	58,303
Filing and ASX Fees	26,076	25,416
Corporate and management	206,880	237,365
Other expenses from continuing operations	153,283	107,680
	431,603	428,764

NOTE 4 INCOME TAX EXPENSE

	2017 ($)	2016 ($)
The components of tax expense comprise:		
Current tax	-	-
Deferred tax asset/liability	-	-
	-	-

	2017 ($)	2016 ($)
The prima facie tax on loss from ordinary activities before income tax is reconciled to income tax as follows:		
Loss from continuing operations before income tax	449,444	940,457
Prima facie tax benefit attributable to loss from continuing operations before income tax at 27.5% (2016: 28.5%)	123,597	268,030
Tax effect of Non-allowable items		
• Other	(13,073)	(142,743)
Deferred tax benefit on tax losses not brought to account	(110,524)	(125,287)
Income tax attributable to operating loss	-	-

Unrecognised temporary differences

	2017 ($)	2016 ($)
Net deferred tax assets (calculated at 27.5% - 2016: 28.5%) have not been recognised in respect of the following items:		
Prepayments	(367)	(1,525)
Provisions	18,758	6,697
Unrecognised deferred tax assets relating to the above temporary differences	18,391	5,172

Unrecognised deferred tax assets

The Company has accumulated tax losses of $12,323,931 (2016: $11,922,027).

The potential deferred tax benefit of these losses at the current corporate tax rate ($3,389,081) will only be recognised if:

(i) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the losses and deductions to be released;

(ii) the Company continues to comply with the conditions for deductibility imposed by the law; and

(iii) no changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the losses.

NOTE 5 AUDITORS REMUNERATION	2017 ($)	2016 ($)
Amounts received or due and receivable by the auditors of the Company for:		
Auditing and reviewing the financial report	25,610	25,800
Other	-	-
	25,610	25,800

NOTE 6 EARNINGS PER SHARE	2017 ($)	2016 ($)
The following reflects the earnings and share data used in the calculation of basic and diluted earnings per share		
Loss for the year	(449,444)	(940,457)
Earnings used in calculating basic and diluted earnings per share	(449,444)	(940,457)
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	227,980,313	172,960,333

The Company had 17,150,000 options (2016 – 25,550,000) over fully paid ordinary shares on issue at balance date. Options are considered to be potential ordinary shares. However, they are not considered to be dilutive in this period and accordingly have not been included in the determination of diluted earnings per share.

NOTE 7 CASH AND CASH EQUIVALENTS	2017 ($)	2016 ($)
Cash at bank	1,090,846	348,156
	1,090,846	348,156

NOTE 8 TRADE AND OTHER RECEIVABLES	2017 ($)	2016 ($)
Trade receivables	19,286	23,869
	19,286	23,869

NOTE 9 OTHER ASSETS	2017 ($)	2016 ($)
Prepayments	1,335	5,350

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

	2017 ($)	2016 ($)
Plant, equipment and motor vehicles	11,457	11,457
Less: Accumulated depreciation	(11,457)	(11,222)
	-	235

Reconciliations of the carrying amounts of plant and equipment from the beginning to the end of the financial year.

	2017 ($)	2016 ($)
Plant and equipment		
Carrying amount at beginning of year	235	11,337
Disposals	-	(14,545)
Profit on disposals	-	6,638
Depreciation expense	(235)	(3,195)
Total plant, equipment and motor vehicles at end of year	-	235

NOTE 11 OTHER FINANCIAL ASSETS

	2017 ($)	2016 ($)
Non-Current		
Available-for-sale financial assets – shares in listed corporations	3,377	2,644
Security deposits	15,607	36,400
	18,984	39,044

NOTE 12 TRADE AND OTHER PAYABLES

	2017 ($)	2016 ($)
Trade creditors and accruals	180,027	116,258
GST and tax withholdings payable	23,295	22,061
	203,322	138,319

NOTE 13 ISSUED CAPITAL

	2017		2016	
	No.	$	No.	$
Contributed Equity – Ordinary Shares				
At the beginning of the year	203,268,395	12,629,694	129,253,682	11,705,907
Conversion of partly-paid shares into fully paid shares during the year	-	-	14,713	2,943
Transfer of calls paid on partly-paid shares in previous years	-	-	-	69,708
Placement of shares at $0.008 each	-	-	48,000,000	384,000
Placement of shares at $0.0091 each	50,000,000	455,000	-	-
Placement of shares at $0.011	63,200,000	695,200	-	-
Exercise of options at $0.02 each	850,000	17,000	-	-
Issue of shares to corporate consultant in accordance with contractual arrangements (Tranche 1)	-	-	15,000,000	214,500
Issue of shares to corporate consultant in accordance with contractual arrangements (Tranche 2)	-	-	11,000,000	287,100
Share issuance costs	-	(69,695)	-	(34,464)
Closing balance:	317,318,395	13,727,199	203,268,395	12,629,694
Contributed Equity – Contributing Shares – Partly-paid				
At the beginning of the year	-	-	27,504,727	69,708
Partly-paid shares converted into fully paid shares	-	-	(14,713)	-
Balance of partly-paid shares with unpaid calls forfeited, auctioned and cancelled	-	-	(27,490,014)	(69,708)
Closing balance:	-	-	-	-
Reserves				
Available-for sale financial assets reserve		3,377		2,644
Share Based Payments reserve (i)		33,300		270,510
Closing balance		36,677		273,154

(i) The reserve is used to recognise the fair value of options issued.

	2017 No.		2016 No.	
Options				
The Company had the following options over un-issued fully paid ordinary shares at the end of the year:				
Options exercisable at $0.0915 on or before 27.12.2016 to acquire fully paid ordinary shares (Lapsed 27.12.2016)	-		2,550,000	
Options exercisable at $0.045 on or before 31.1.2017 to acquire fully paid ordinary shares (Lapsed 31.1.2017)	-		5,000,000	
Options exercisable at $0.02 on or before 30.6.2018 to acquire fully paid ordinary shares	8,150,000		9,000,000	
Options exercisable at $0.012 on or before 9.9.2020 to acquire fully paid ordinary shares	9,000,000		9,000,000	
Total Options	17,150,000		25,550,000	

Terms and condition of contributed equity

Ordinary Fully Paid Shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held, regardless of the amount paid up thereon.

On a show of hands, every holder of fully paid ordinary shares present at a meeting in person or by proxy, is entitled to one vote and upon a poll, each member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each fully paid ordinary share.

Contributing Shares

Contributing shares required a further payment of $0.20 to become fully paid. A first and final call was made in the previous year. Unpaid calls were forfeited and auctioned. As no bids were received in respect of these forfeited shares, the shares were cancelled.

NOTE 14 CASH FLOW INFORMATION

	2017 ($)	2016 ($)
Reconciliation of operating loss after income tax with funds used in operating activities:		
Operating (loss) after income tax	(449,444)	(940,457)
Depreciation and amortisation	235	3,195
Exploration expenditure (Net of recoupments)	42,728	8,623
Profit on Sale of Non-Current Assets	-	(6,638)
Share based payments – Company officers	-	22,500
Share based payments – Corporate consultants	-	501,600
Changes in operating assets and liabilities:		
(Increase) / Decrease in trade and other receivables relating to operating activities	(12,687)	(1,398)
Decrease / (Increase) in prepayments	4,015	(5,113)
Increase in trade and other payables in relation to operating activities	76,484	10,445
Cash flow from operations	(338,669)	(407,243)

NOTE 15 TENEMENT EXPENDITURES CONDITIONS AND OTHER COMMITTMENTS

The Company has certain obligations to perform minimum exploration work on the tenements in which it has an interest. These obligations may in some circumstances, be varied or deferred. Tenement rentals and minimum expenditure obligations which may be varied or deferred on application are expected to be met in the normal course of business. The minimum statutory expenditure requirement on the granted tenements for the next twelve months amounts to $545,000. Of this amount, $465,000 is expected to be met by JV participants as a result of various negotiated joint ventures. The Company has the ability to diminish its exposure under these commitments through the application of a variety of techniques including applying for exemptions from the regulatory expenditure obligations, surrendering tenements, relinquishing portions of tenements or entering into farm-out agreements whereby third parties bear the burdens of such obligation in whole or in part.

During the year the Company entered into a Corporate Advisory and Broker Mandate agreement with CPS Capital Group Pty Ltd for a one year term wherein a monthly fee, a broker fee on funds raised (payable wholly in fully paid ordinary shares at the placement price of $0.011 each) and 60,000,000 Options exercisable at $0.011 with a 3 year expiry (half with a vesting condition of a 20 day volume weighted average share price of $0.04 and half with a 20 day volume weighted average share price of $0.08) was to be paid/issued, subject to commercial terms and conditions. At the end of the financial year, subject to the conditions of the agreement being met, an amount of $30,000 in respect of the advisory fee, the issue of 7,560,000 fully paid ordinary shares (subsequently issued on 22.8.2017) and the issue of 60,000,000 Options noted above remained as commitments.

The Company also entered into a Corporate Advisory, Marketing and Investor Relations Strategy Agreement with Advantage Management Pty Ltd having a monthly retainer fee and a cancellation notification period of 60 days. At the end of the financial year an amount of $16,000 remained as a commitment under that agreement.

NOTE 16 JOINT VENTURES

The Company is or has been party to a number of unincorporated exploration joint ventures which involves the "farming out" (diluting) of its interest in selected tenements. The following is a list of unincorporated exploration joint ventures under which the Company has diluted and may yet dilute its original interest:

Name of Joint Venture and Project	% Interest
Geocrystal JV – Webb Diamond Project	19.5% with one tenement held as to 13.5%
Blaze JV – Barkly Project	30%, potential dilution to 20%
Emmerson/Santexco JV – Perseverance Project	68.43%
Chalice Gold JV - Warrego North Project	100%, diluting

NOTE 17 TENEMENT ACCESS

Native Title and Freehold

All or some of the tenements in which the Company has an interest are or may be affected by native title.

The Company is not in a position to assess the likely effect of any native title impacting the Company.

The existence of native title and heritage issues represent, as a general proposition, a serious threat to explorers and miners, not only in terms of delaying the grant of tenements and the progression of exploration development and mining operations, but also in terms of costs arising consequent upon dealing with aboriginal interest groups, claims for native title and the like.

As a general proposition, a tenement holder must obtain the consent of the owner of freehold before conducting operations on the freehold land. Unless it already has secured such rights, there can be no assurance that the Company will secure rights to access those portions (if any) of the Tenements encroaching freehold land but, importantly, native title is extinguished by the grant of freehold so if and whenever the Tenements encroach freehold the Company is in the position of not having to abide by the Native Title Act in respect of the area of encroachment albeit aboriginal heritage matters still be of concern.

NOTE 18 EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the end of the financial reporting period:

- The Company has proceeded with the acquisition of Cobalt Canada Pty Ltd and its constituent projects, legal and technical due diligence has been finalised, registration of tenement claims over the Iron Mask Project has been granted;
- A General Meeting of Members was held on 14 August 2017 and all resolutions considered at that meeting were passed;
- 62,800,000 fully paid ordinary shares were issued on 22 August 2017 as subscribed placements to qualified investors at an issue price of $0.011 each;
- 60,000,000 fully paid ordinary shares were issued as part consideration for all of the share capital in Cobalt Canada Pty Ltd;
- 63,48,795 fully paid ordinary shares were issued as part consideration for the acquisition of all interests in the constituent Canadian tenements;
- 7,560,000 fully paid ordinary shares were issued to settle broker's placement fees on both the 24 May 2017 and 22 August 2017 capital raisings;
- On 25 August 2017, the Company announced that it had secured an additional 82.53 km^2 of highly prospective ground through the staking of 138 claims within the Baby segment of the Belleterre-Angliers Greenstone belt (BAG). This increased the Company's total landholding over the BAG to 118 km^2 making it the largest individual landholder over the Baby segment of the BAG.
- On 1 September 2017, the company announced the acquisition of an extensive geological database providing the company with all the available geophysical, geochemical and structural data covering the BAG. The acquisition of this data provides the company with a fast tracked, multi-year advancement in its technical program. The consideration of the acquisition was as follows:
    - 7,200,000 fully paid ordinary shares payable within 5 business days of execution of the sale and purchase agreement
    - $165,500 payable within 5 business days of execution of the sale and purchase agreement
- The Company appointed Ms Shastri Ramnath as technical director effective 1 October 2017. Ms Ramnath has more than 20 years' experience in exploration and mining during which she gained direct experience working on the Midrim and La Force projects while employed by FNX Mining Ltd;
- The company has also announced the resignation of Mr George Sakalidis as a Director of the Company effective from the Company's 2017 Annual General Meeting date. Mr Sakalidis will continue to assist the Company in the geophysical interpretation of recently acquired geological data and consult on the existing Warrego and Tennant Creek JV's; and
- Mr. Max Nind has been appointed as Exploration Manager to direct an aggressive work program over the Company's Canadian cobalt and polymetallic assets. Mr Nind has more than 30 years' experience in the mining and exploration industry including gaining extensive magmatic nickel sulphide experience from Western Mining Corporation's Kambalda nickel operations.

Other than what has been noted above or reported to ASX, no material matters have occurred subsequent to the end of the financial year which requires reporting.

NOTE 19 RELATED PARTY AND RELATED ENTITY TRANSACTIONS

During the year the following related party transactions were entered into by the company:

Name of the related entity	Total amount invoiced	Description of services
Magnetic Resources NL	$54,750 (2016: $62,981)	Office/storage rent sharing and office facilities
Rift Valley Resources NL	$18,000 (2016: $13,890)	Registered and serviced office facilities

Particulars of contractual arrangements and financial benefits provided to the key management personnel are detailed in the directors' report. The total amount owing to directors and/or director-related parties (including GST) at 30 June 2017 was $22,827 (2016: $28,484).

NOTE 20 CONTINGENT LIABILITIES

Native Title

Tenements are commonly (but not invariably) affected by native title.

The Company is not in a position to assess the likely effect of any native title impacting the Company.

The existence of native title and heritage issues represent, as a general proposition, a serious threat to explorers and miners, not only in terms of delaying the grant of tenements and the progression of exploration development and mining operations, but also in terms of costs arising consequent upon dealing with aboriginal interest groups, claims for native title and the like.

NOTE 21 FINANCIAL INSTRUMENTS DISCLOSURE

(a) **Financial Risk Management Policies**

The Company's financial instruments consist of deposits with banks, receivables, available-for-sale financial assets and payables.

Risk management policies are approved and reviewed by the Board. The use of hedging derivative instruments is not contemplated at this stage of the Company's development.

Specific Financial Risk Exposure and Management

The main risks the Company is exposed to through its financial instruments, are interest rate and liquidity risks.

Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

Liquidity Risk

The Company manages liquidity risk by monitoring forecast cash flows, cash reserves, liquid investments, receivables and payables.

Capital Risk

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Company's activities being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raising as required.

The working capital position of the Company at 30 June 2017 and 30 June 2016 was as follows:

	2017 ($)	2016 ($)
Cash and cash equivalents	1,090,846	348,156
Trade and other receivables	19,286	23,869
Trade and other payables	(203,322)	(138,319)
Working capital position	906,810	233,706

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

There are no material amounts of collateral held as security at balance date.

The following table provides information regarding the credit risk relating to cash and cash equivalents based on credit ratings:

	2017 ($)	2016 ($)
AAA rated	-	-
AA rated	-	-
A rated	1,090,846	348,156

The credit risk for counterparties included in trade and other receivables at balance date is detailed below.

Trade and other receivables	2017 ($)	2016 ($)
Trade receivables	19,286	23,869
	19,286	23,869

(b) **Financial Instruments**

The Company holds no derivative instruments, forward exchange contracts or interest rate swaps.

Financial Instrument composition and maturity analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments.

2017	Weighted Average Effective Interest Rate %	Floating Interest Rate ($)	Non-Interest Bearing ($)	Total ($)
Financial Assets:				
Cash and cash equivalents		1,090,846	-	1,090,846
Trade and other receivables		-	19,286	19,286
Available-for-sale financial assets		-	18,984	18,984
Total Financial Assets	2.032%	1,090,846	38,270	1,129,116
Financial Liabilities:				
Trade and other payables		-	(203,322)	(203,322)
Net Financial Assets		1,090,846	(165,052)	925,794

	2017 ($)
Trade and other payables are expected to be paid as follows:	
Less than 6 months	(203,322)
	(203,322)

2016	Weighted Average Effective Interest Rate %	Floating Interest Rate ($)	Non-Interest Bearing ($)	Total ($)
Financial Assets:				
Cash and cash equivalents		348,156	-	348,156
Trade and other receivables		-	23,869	23,869
Available-for-sale financial assets		20,793	18,251	39,044
Total Financial Assets	0.34%	368,949	42,120	411,069
Financial Liabilities:				
Trade and other payables		-	(138,319)	(138,319)
Net Financial Assets		368,949	(96,199)	272,750

	2016 ($)
Trade and other payables are expected to be paid as follows:	
Less than 6 months	(138,319)
	(138,319)

(c) **Financial Instruments Measured at Fair Value**

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

Quoted prices in active markets for identical assets or liabilities (Level 1);

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and

Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2017	**Level 1** $	**Level 2** $	**Level 3** $	**Total** $
Financial Assets:				
Financial assets at fair value through profit or loss:				
Available-for-sale financial assets:				
- Listed investments	3,377	-	-	3,377
	3,377	-	-	3,377

2016	**Level 1** $	**Level 2** $	**Level 3** $	**Total** $
Financial Assets:				
Financial assets at fair value through profit or loss:				
Available-for-sale financial assets:				
- Listed investments	2,644	-	-	2,644
	2,644	-	-	2,644

(d) **Sensitivity Analysis – Interest rate risk**

The Company has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. The sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

As at balance date, the effect on loss and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2017 $	**2016** $
Change in loss – increase/(decrease):		
- Increase in interest rate by 2%	(21,817)	(7,379)
- Decrease in interest rate by 2%	21,817	7,379
Change in equity – increase/(decrease):		
- Increase in interest rate by 2%	21,817	7,379
- Decrease in interest rate by 2%	(21,817)	(7,379)

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards and the Corporations Act 2001;

   (b) give a true and fair view of the financial position as at 30 June 2017 and performance for the year ended on that date of the Company; and

   (c) the audited remuneration disclosures set out in the Remuneration Report section of the Directors' Report for the year ended 30 June 2017 complies with section 300A of the Corporations Act 2001;

2. the Chief Financial Officer has declared pursuant to section 295A(2) of the Corporations Act 2001 that:

   (a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

   (b) the financial statements and the notes for the financial year comply with Accounting Standards; and

   (c) the financial statements and notes for the financial year give a true and fair view;

3. 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;

4. the directors have included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

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

Graeme Clatworthy
Executive Director
Perth
29 September 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF METEORIC RESOURCES NL

Greenwich & Co

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Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Meteoric Resources NL (the "Company"), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the period then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Expenditure</u>

Refer to the accounting policy Note 1(c) and Note 3 (other expenses)

Key Audit Matter	How our audit addressed the matter
Expenditure is a substantial figure in the financial statements of the Company, representing the majority of shareholder funds spent during the financial year. Given this represents a significant volume of transactions, we considered it necessary to assess	Our audit work included, but was not restricted to, the following: • We completed walkthrough testing on the Company's expenses system and assessed related controls. • We selected a systematic sample of expenses using the dollar unit

whether the Company's expenses had been accurately recorded, whether the services provided had been delivered in the appropriate period, and whether all expenses related to activities undertaken by Meteoric Resources NL.

sampling method, and vouched each item selected to invoices and other supporting documentation.

- We tested a random sample of cash payments throughout the year to supporting documentation, to ensure no expenses had been paid but not recognised.
- We reviewed post year end payments and invoices to ensure that all goods and services provided during the financial year were recognised in expenses for the same period.

Other Information

The directors are responsible for the other information. The other information obtained at the date if this auditor's report is included in the annual report, (but does not include the financial report and our auditor's report thereon).

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 15 of the directors' report for the period ended 30 June 2017. The directors of the Meteoric Resources NL are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Meteoric Resources NL for the period ended 30 June 2017 complies with section 300A of the *Corporations Act 2001*.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Andrew May
Audit Director

29 September 2017

TENEMENT DETAILS

Tenement	Nature of Interest	Project	Equity (%)
E80/4235	Granted	ELIZABETH HILLS (Webb JV)	19.5%
E80/4407	Granted	ANGAS HILL (Webb JV)	19.5%
E80/4506	Granted	WEBB DIAMONDS (Webb JV)	Rights to 13.5%
E80/4737	Granted	WEBB DIAMONDS (Webb JV)	19.5%
EL30057	Application	WEBB DIAMONDS (Webb JV)	19.5%
E80/4815	Granted	LAKE MACKAY (Webb JV)	19.5%
E80/5071	Application	LAKE MACKAY (Webb JV)	19.5%
E80/5011	Application	WEBB DIAMONDS (Webb JV)	19.5%
EL23764	Granted	WARREGO NORTH (Chalice JV)	100%, Subject to Farmout
EL30701	Application	R29 BABBLER	100%
MLC217	Granted	PERSEVERANCE	68.43%
MLC218	Granted	PERSEVERANCE	68.43%
MLC219	Granted	PERSEVERANCE	68.43%
MLC220	Granted	PERSEVERANCE	68.43%
MLC221	Granted	PERSEVERANCE	68.43%
MLC222	Granted	PERSEVERANCE	68.43%
MLC223	Granted	PERSEVERANCE	68.43%
MLC224	Granted	PERSEVERANCE	68.43%
MLC57	Granted	PERSEVERANCE	68.43%
EL28620	Granted	BARKLY (Blaze JV)	30% Diluting
Canadian Tenement Claim Titles 1131335 to 1131345 inclusive	Claim	MIDRIM/LAFORCE	100%
Canadian Tenement Claim Titles 2402370 to 2402386 inclusive	Claim	MIDRIM/LAFORCE	100%
Canadian Tenement Claim Titles 2412147 to 2412207 inclusive	Claim	MIDRIM/LAFORCE	100%
Canadian Tenement Claim Titles 2499867 to 2501095 inclusive	Claim	MIDRIM/LAFORCE	100%
Canadian Tenement Claim Titles 4284365 to 4284371 inclusive	Claim	IRON MASK	100%
Canadian Tenement Claim Titles 4278666 and 4280538	Claim	MULLIGAN	100%

ANNUAL ASX REPORTING REQUIREMENTS

In compliance with Chapter 5 of the ASX Listing Rules, the directors consider that the Company no longer has any ore reserves and mineral resources on which to conduct a review.

OTHER INFORMATION

The following information was applicable as at 26 September 2017.

Share and Option holdings

Category (Size of Holding)	Fully Paid Ordinary Shares	Options 30.6.2018	Options 9.9.2020
1 to 1,000	63		
1,001 to 5,000	47		
5,001 to 10,000	37		
10,001 to 100,000	419		
100,001 and over	370	3	4
Total	**936**	**3**	**4**

The number of shareholdings held in less than marketable parcels is 162 fully paid ordinary shares.

There are no listed options.

Substantial shareholders:

The names of the substantial shareholders listed in the Company's register as at 26 September 2017.

Shareholder Name	Number of Shares	% of Issued Share Capital
SISU International PL	23,300,000	5.05
Total	**23,300,000**	**5.05**

Twenty largest shareholders – Quoted fully paid ordinary shares:

	Shareholder Name	Number of Shares	% of Issued Share Capital
1.	SISU International Pty Ltd	23,300,000	5.05
2.	Alitime Nominees Pty Ltd <Honeyham Family A/c>	15,050,000	3.26
3.	Tirumi Pty Ltd <Tirumi S/F A/c>	13,600,000	2.95
4.	DC and PC Neesham <DC & PC Neesham Super A/c>	13,500,000	2.93
5.	Bilgi Investments Pty Ltd <Bilgi Investment A/c>	12,000,000	2.60
6.	TR Nominees Pty Ltd	10,800,000	2.34
7.	Citicorp Nominees Pty Ltd	10,596,449	2.30
8.	Pershing Australia Nominees Pty Ltd <Accumulation A/c>	8,180,244	1.77
9.	Marnus Roland Bothma <Blackfriar Unit A/c>	8,080,000	1.75
10.	Tell Corporation Pty Ltd	8,000,000	1.73
11.	Richsham Nominees Pty Ltd	7,885,919	1.71
12.	Amanda Sue Mateljak	6,500,000	1.41
13.	GAB Super Fund Pty Ltd <GAB Super Fund A/c>	6,000,000	1.30
14.	Nicole Gallin and Kyle Haynes <GH Super Fund A/c>	6,000,000	1.30
15.	Merrill Lynch Australia Nominees Pty Ltd	5,942,456	1.29
16.	HSBC Custody Nominees Australia Ltd	5,705,000	1.24
17.	Brispot Nominees Pty Ltd <House Head Nominees A/c>	5,333,783	1.16
18.	Buprestid Pty Ltd <Hanlon Family Super Fund A/c>	5,200,000	1.13
19.	Greg Exploration	5,000,000	1.08
20.	Dr Salim Cassim	5,000,000	1.08
	Total	**181,673,851**	**39.38**

OTHER INFORMATION

All option holders – All options are unquoted:

	Option holder Name	Options Expiring 30.6.2018	Options Expiring 9.9.2020	Total Options Held	% Held
1.	Angkor Imperial Resources Pty Ltd <Turkish Bread S/F A/C>	3,500,000	-	3,500,000	20.41
2.	Kyle Haynes	3,000,000	-	3,000,000	17.49
3.	Graeme Clatworthy	-	3,000,000	3,000,000	17.49
4.	George Sakalidis	-	2,500,000	2,500,000	14.58
5.	Neville Bassett	-	2,500,000	2,500,000	14.58
6.	CPS Capital Group Pty Ltd	1,650,000	-	1,650,000	9.62
7.	Brenton Tieleman <Tieleman Family>	-	1,000,000	1,000,000	5.83
	Total	**8,150,000**	**9,000,000**	**17,150,000**	**100.00**

There are 461,227,190 fully paid ordinary shares and 17,150,000 options on issue.

Only the options are not listed on Australian Securities Exchange.

Buy-Back Plans
The Company does not have any current on-market buy-back plans.

Voting Rights
The voting rights attaching to ordinary shares are governed by the Constitution. On a show of hands every person present who is a Member or representative of a member shall have one vote and on a poll, every member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each fully paid ordinary share held. None of the options have any voting rights.