



Nickelore Limited

ABN 13 086 972 429

# INTERIM FINANCIAL REPORT

for the half-year ended 31 December 2017

*The information contained in this report is to be read in conjunction with Nickelore Limited's 2017 annual report and announcements to the market made by Nickelore Limited during the half-year ended 31 December 2017*



# NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2017

## Corporate Directory

### Directors

|                |                               |
|----------------|-------------------------------|
| Robert Gardner | <i>Executive Chairman</i>     |
| David Deloub   | <i>Non-executive Director</i> |
| Jay Stephenson | <i>Non-executive Director</i> |

### Company Secretary

Jay Stephenson

### Registered Office

Street: Suite 4, 182 Claisebrook Road  
Perth WA 6000

Postal: PO Box 52  
WEST PERTH WA 6872

Telephone: +61 (0)8 6141 3500

Facsimile: +61 (0)8 6141 3599

Email: [info@nickelore.com.au](mailto:info@nickelore.com.au)

Website: [www.nickelore.com.au](http://www.nickelore.com.au)

### Share Registry

Computershare Investor Services Pty Limited  
Level 11, 172 St Georges Terrace  
Perth WA 6000

Telephone: 1300 850 505 (investors within Australia)

Telephone: +61 (0)3 9415 4000

Email: [web.queries@computershare.com.au](mailto:web.queries@computershare.com.au)

Website: [www.investorcentre.com](http://www.investorcentre.com)

### Securities Exchange

Australian Securities Exchange  
Level 40, Central Park, 152-158 St Georges Terrace  
Perth WA 6000

Telephone: 131 ASX (131 279) (within Australia)

Telephone: +61 (0)2 9338 0000

Facsimile: +61 (0)2 9227 0885

Website: [www.asx.com.au](http://www.asx.com.au)

ASX Code: NIO

### Auditor

Stantons International  
Level 2, 1 Walker Avenue  
West Perth WA 6005










Telephone: +61(0)8 9481 3188

Facsimile: +61(0)8 9321 1204



**INTERIM FINANCIAL REPORT  
31 DECEMBER 2017**

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## Directors' Report

Your Directors present their report together with the condensed financial statements of Nickelore Limited (**Nickelore or the Company**) for the half-year ended 31 December 2017.

### DIRECTORS

The names of Directors in office at any time during or since the end of the half-year are:

- ☺ Mr Robert Gardner *Executive Chairman*
  - ☺ Mr David Deloub *Non-executive Director (appointed 1 December 2017)*
  - ☺ Mr Jay Stephenson *Non-executive Director*
  - ☺ Mr Paul Piercy *Non-executive Director (resigned 1 December 2017)*
- (the Board)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### REVIEW OF OPERATIONS

#### 1.1. Operations review

##### a. Helio Energia Holdings S.A.

On 29 July 2016, Nickelore executed a binding Share Sale Agreement to acquire 100% of the issued capital of Helio. However, on 21 September 2017, the Company announced that Helio had withdrawn from the transaction.

##### b. Lone Star Energy Limited.

On 1 December 2017, the Company announced that it had entered into a binding agreement (**Agreement**), pursuant to which the Company has agreed to acquire a 100% of the issued capital in Lone Star Energy Limited (ACN 157 789 761) (**Lone Star**), an oil and gas exploration and development company which has an interest in two oil projects located in Texas and Oklahoma, USA. Details of the transaction can be found in the 1 December 2017 announcement.

The Company is progressing the transaction and has been working with the ASX on a number of matters related to the transaction. There is a requirement to vary the terms of the Agreement slightly which will be announced as soon as possible along with a revised timetable.

Details of the two oil projects are detailed below:

- ☺ **Greever Project:** located in Hansford County, Texas in the United States approximately 96 miles north of Amarillo. The Greever Prospect is a conventional horizontal drilling opportunity in the Marmaton Formation in the Hansford Oil and Gas Field in Hansford County, Texas. The Hansford Field is described as a significant field (>1,000 Billion cubic feet (Bcf) of gas) with over 50 years of exploitation. An initial horizontal well bore was spudded in August 2017. The well is offsetting a recent successfully drilled (producing) horizontal well and is adjacent to an analogous field with five recently drilled horizontal Marmaton producing wells. The Greever Prospect opportunity is made up of 640 acres in Section 52, Block 4T in Hansford County, Texas. The Greever Prospect also includes an Area of Mutual Interest (AMI) including the adjoining Section 51, Block 4T. LS Operating Pty Ltd (LS Operating), a wholly owned subsidiary of Lone Star, has participated for a 25% working interest (with an 18.75% net revenue interest). The Sutton #2H-52 well (located within the Greever Prospect) has now been drilled, successfully completed and is currently flowing back to sales
- ☺ **Burgess Project (Sand Creek):** located in Ellis County, Oklahoma in the United States. The Burgess Prospect, NE/4 28-24N-23W Ellis County, Oklahoma, proposes to target Morrow sands at an approximate depth of 7,850 ft. These Morrow sands are known to produce commercial quantities of natural gas from vertical wells within section 28 and adjacent sections. LS Operating has agreed to participate for up to a 100% working interest (with a 75% net revenue interest) in the drilling of the Burgess well.

##### c. Existing Business Activities

While Nickelore intends to continue to fund its obligations in respect to the Canegrass Project, if Nickelore shareholders approve the Acquisition, post-completion the new board of Nickelore will undertake a review of the Canegrass assets to investigate opportunities to divest its existing assets and projects by way of a sale, joint venture, or farm-out agreement.

#### 1.2. Operating results

The loss of the Company for the half-year amounted to \$127,979 (31 December 2016: \$299,080), which is expected at the Company's current operating levels. Cash outflows has been minimised through Directors' election to accrue fees. No Directors' fees have been settled in cash since November 2011; refer to note 13b of the financial statements for details on fees paid or accrued.



## Directors' Report

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. Details of the Company's assessment in this regard can be found in Note 1 Statement of significant accounting policies: Going Concern on page 8. The auditor's review report on page 15 contains an emphasis of matter in this regard.

### 1.3. Financial position

Nickelore's net assets have decreased by \$127,979 from \$44,390 at 30 June 2017 to \$(83,589) at 31 December 2017.

As 31 December 2017, the Company's cash and cash equivalents decreased from 30 June 2017 by \$83,594 to \$94,881 and had a working capital deficit of \$83,589 (June 2017: \$44,390 working capital).

### AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the half-year ended 31 December 2017 has been received and can be found on page 3 of the interim financial report.



**ROBERT GARDNER**

Chairman

Dated this Wednesday, 14 March 2018



# NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2017

Stantons International Audit and Consulting Pty Ltd  
trading as

**Stantons International**  
Chartered Accountants and Consultants

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Australia

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14 March 2018

Board of Directors  
Nickelore Limited  
Suite 4, 182 Claisebrook Road,  
Perth, WA 6000

Dear Directors

**RE: NICKELORE LIMITED**


In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Nickelore Limited.

As Audit Director for the review of the financial statements of Nickelore Limited for the period ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED**  
(Trading as Stantons International)  
(An Authorised Audit Company)



**Samir R Tirodkar**  
Director

Liability limited by a scheme approved  
under Professional Standards Legislation

Member of Russell Bedford International



**Condensed Statement of Profit or Loss and Other Comprehensive Income**

for the half-year ended 31 December 2017

|  | Note | 31 December<br>2017<br>\$ | 31 December<br>2016<br>\$ |
|--|------|---------------------------|---------------------------|
| <b>Continuing operations</b>   |      |                           |                           |
| Revenue  |      | 1,185                     | 1,579                     |
| Other gains and losses   |      | 897                       | (8,967)                   |
| Accounting and audit fees  |      | (16,612)                  | (19,364)                  |
| Business Development   | 3    | (34,699)                  | (200,083)                 |
| Computers and communications   |      | (4,490)                   | (2,783)                   |
| Employee benefits expenses   | 13a  | (40,200)                  | (41,100)                  |
| Exploration and evaluation expenditure   | 4    | (7,263)                   | (8,823)                   |
| Insurance  |      | (2,348)                   | (7,123)                   |
| Regulatory expenses  |      | (22,098)                  | (11,885)                  |
| Other expenses   |      | (2,351)                   | (531)                     |
| Loss before tax  |      | (127,979)                 | (299,080)                 |
| Income tax benefit   |      | -                         | -                         |
| <b>Loss from continuing operations</b>   |      | <b>(127,979)</b>          | <b>(299,080)</b>          |
| <b>Net loss for the half-year</b>  |      | <b>(127,979)</b>          | <b>(299,080)</b>          |
| <b>Other comprehensive income, net of income tax</b>                                   |      |                           |                           |
| - Items that will not be reclassified subsequently to profit or loss                   |      | -                         | -                         |
| - Items that may be reclassified subsequently to profit or loss                        |      | -                         | -                         |
| <b>Other comprehensive income for the half-year, net of tax</b>                        |      | <b>-</b>                  | <b>-</b>                  |
| <b>Total comprehensive income/ (loss) attributable to members of the parent entity</b> |      | <b>(127,979)</b>          | <b>(299,080)</b>          |
| <b>Earnings per share:</b>   |      |                           |                           |
| Basic and diluted loss per share (cents per share)                                     | 2    | ¢<br>(0.042)              | ¢<br>(0.097)              |

The condensed statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.



# NICKELORE LIMITED

ABN 13 086 972 429

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## Condensed Statement of Financial Position

As at 31 December 2017

|                                   | Note | 31 December<br>2017<br>\$ | 30 June<br>2017<br>\$ |
|-----------------------------------|------|---------------------------|-----------------------|
| <b>Current assets</b>             |      |                           |                       |
| Cash and cash equivalents         | 5    | 94,881                    | 178,475               |
| Trade and other receivables       | 6    | 9,982                     | 2,780                 |
| Financial assets                  | 8    | 9,863                     | 8,967                 |
| Other current assets              | 7    | 12,500                    | 2,458                 |
| <b>Total current assets</b>       |      | <b>127,226</b>            | <b>192,680</b>        |
| <b>Total assets</b>               |      | <b>127,226</b>            | <b>192,680</b>        |
| <b>Current liabilities</b>        |      |                           |                       |
| Trade and other payables          | 9    | 210,815                   | 148,290               |
| <b>Total current liabilities</b>  |      | <b>210,815</b>            | <b>148,290</b>        |
| <b>Total liabilities</b>          |      | <b>210,815</b>            | <b>148,290</b>        |
| <b>Net assets</b>                 |      | <b>(83,589)</b>           | <b>44,390</b>         |
| <b>Equity</b>                     |      |                           |                       |
| Issued capital                    | 10   | 24,648,541                | 24,648,541            |
| Accumulated losses                |      | (24,732,130)              | (24,604,151)          |
| <b>Total equity /(deficiency)</b> |      | <b>(83,589)</b>           | <b>44,390</b>         |

The condensed statement of financial position is to be read in conjunction with the accompanying notes.





## Condensed Statement of Changes in Equity

for the Half-Year Ended 31 December 2017

|   | Note                    |                             |                 |
|---|-------------------------|-----------------------------|-----------------|
|   | Issued<br>Capital<br>\$ | Accumulated<br>Losses<br>\$ | Total<br>\$     |
| <b>Balance at 1 July 2016</b>                       | 24,648,541              | (24,188,006)                | 460,535         |
| Loss for the half-year                              | -                       | (299,080)                   | (299,080)       |
| Other comprehensive income for the half-year        | -                       | -                           | -               |
| <b>Total comprehensive income for the half-year</b> | -                       | (299,080)                   | (299,080)       |
| <b>Transaction with owners, directly in equity</b>  |                         |                             |                 |
| Shares issued during the half-year                  | -                       | -                           | -               |
| Transaction costs                                   | (32,787)                | -                           | (32,787)        |
| <b>Balance at 31 December 2016</b>                  | <b>24,615,754</b>       | <b>(24,487,086)</b>         | <b>128,668</b>  |
| <b>Balance at 1 July 2017</b>                       | 24,648,541              | (24,604,151)                | 44,390          |
| Loss for the half-year                              | -                       | (127,979)                   | (127,979)       |
| Other comprehensive income for the half-year        | -                       | -                           | -               |
| <b>Total comprehensive income for the half-year</b> | -                       | (127,979)                   | (127,979)       |
| <b>Transaction with owners, directly in equity</b>  |                         |                             |                 |
| Shares issued during the half-year                  | -                       | -                           | -               |
| Transaction costs                                   | -                       | -                           | -               |
| <b>Balance at 31 December 2017</b>                  | <b>24,648,541</b>       | <b>(24,732,130)</b>         | <b>(83,589)</b> |

The condensed statement of changes in equity is to be read in conjunction with the accompanying notes.



# NICKELORE LIMITED

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## Condensed Statement of Cash Flows

for the Half-Year Ended 31 December 2017

| Note   | 31 December<br>2017<br>\$ | 31 December<br>2016<br>\$ |
|--|---------------------------|---------------------------|
| <b>Cash flows from operating activities</b>  |                           |                           |
| Payments to suppliers and employees          | (59,864)                  | (57,369)                  |
| Interest received                            | 1,185                     | 1,579                     |
| Payments for exploration expenditure         | (6,735)                   | (8,339)                   |
| <b>Net cash used in operating activities</b> | <b>(65,414)</b>           | <b>(64,129)</b>           |
| <b>Cash flows from investing activities</b>  |                           |                           |
| Business Acquisition Costs                   | (18,180)                  | (194,811)                 |
| <b>Net cash used in investing activities</b> | <b>(18,180)</b>           | <b>(194,811)</b>          |
| <b>Cash flows from financing activities</b>  |                           |                           |
| Capital raising costs                        | -                         | (32,787)                  |
| <b>Net cash used in financing activities</b> | <b>-</b>                  | <b>(32,787)</b>           |
| <b>Net decrease in cash held</b>             | <b>(83,594)</b>           | <b>(291,727)</b>          |
| Cash at beginning of period                  | 178,475                   | 508,675                   |
| <b>Cash at end of period</b>                 | <b>94,881</b>             | <b>216,948</b>            |

The condensed statement of cash flows is to be read in conjunction with the accompanying notes.



## Notes to the Condensed Financial Statements

for the half-year ended 31 December 2017

### Note 1 Statement of significant accounting policies

These are the condensed financial statements and notes of Nickelore Limited (the **Company**). Nickelore is a public company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The financial statements were authorised for issue on 14 March 2018 by the directors of the Company.

#### a. Basis of preparation

This interim financial report is intended to provide users with an update on the latest annual financial statements of Nickelore Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in combination with the annual financial statements of the Company for the year ended 30 June 2017, together with any public announcements made during the half-year.

##### i. Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

##### ii. Financial position

The financial statements have been prepared on the basis of historical cost, except where applicable, financial assets which are carried at fair value. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

##### iii. Going Concern

The condensed financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Nickelore's net assets have decreased by \$127,979 from \$44,390 at 30 June 2017 to \$(83,589) at 31 December 2017.

As at 31 December 2017, the Company's cash and cash equivalents decreased by \$83,594 from \$178,475 at 30 June 2017 to \$94,881 and had a working capital deficit of \$83,589 (30 June 2017: \$44,390 working capital).

The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets or by other means, and by managing cash flows in line with available funds, and/or the successful development of the Company's exploration assets. Should the above matters not be achieved, there is a material uncertainty about the ability of the Company to continue as a going concern.

The Directors have prepared a cash flow forecast which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report. In particular the Company is expecting to receive within the next 3 months \$250,000 from the issue of a convertible note.

Based upon cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate, including the meeting of exploration commitments. Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the condensed financial statements.

The condensed financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

##### iv. Accounting Policies

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



**Notes to the Condensed Financial Statements**

for the half-year ended 31 December 2017

**Note 1 Statement of significant accounting policies**

**b. Critical Accounting Estimates and Judgments**

The critical estimates and judgements are consistent with those applied and disclosed in the 30 June 2017 annual report.

**Key Judgments – Environmental Issues**

Balance 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.

**Key Estimate – Taxation**

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors’ best estimate, pending an assessment by tax authorities in relevant jurisdictions.

**c. New and Amended Standards Adopted by the Company Applicable to the Current Half-Year Reporting Period**

For the half-year ended 31 December 2017, the Company has reviewed all of the New and Amended Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2017.

It has been determined by the Company that there is no impact, material or otherwise, of the New and Amended Standards and Interpretations on its business, and therefore, no changes are required to the Company’s accounting policies.

**Note 2 Earnings per share (EPS)**

**a. Loss used in the calculation of basic EPS loss**

| Note | 31 December<br>2017<br>\$ | 31 December<br>2016<br>\$ |
|------|---------------------------|---------------------------|
|      | (127,979)                 | (299,080)                 |

**b. Weighted average number of ordinary shares outstanding during the half-year used in calculation of basic and diluted EPS**

|  | 31 December<br>2017<br>No. | 31 December<br>2016<br>No. |
|--|----------------------------|----------------------------|
|  | 307,731,740                | 307,731,740                |

**c. Basic and diluted EPS (cents per share)**

| Note | 31 December<br>2017<br>¢ | 31 December<br>2016<br>¢ |
|------|--------------------------|--------------------------|
| 2c.i | (0.042)                  | (0.097)                  |

i. The Company is in a loss making position and it is unlikely that the conversion to, calling of, or subscription for, ordinary share capital in respect of potential ordinary shares would lead to diluted earnings per share that shows an inferior view of the earnings per share. Therefore in the event the Company has dilutionary equity instruments on issue, the diluted loss per share for the half -year ended 31 December 2017 is the same as basic loss per share, whilst the Company remains loss making.



## Notes to the condensed financial statements

for the half-year ended 31 December 2017

### Note 3 Loss Before Income Tax

The following significant revenue and (expense) items are relevant in explaining the financial performance:

#### a. Business Development:

Business Development costs as follows are in relation to the proposed acquisition of other entities

Legal

Professional Services

Other

|  | 31 December<br>2017<br>\$ | 31 December<br>2016<br>\$ |
|--|---------------------------|---------------------------|
|  | 34,699                    | 131,082                   |
|  | -                         | 50,463                    |
|  | -                         | 18,538                    |
|  | <b>34,699</b>             | <b>200,083</b>            |

### Note 4 Exploration and evaluation expenditure

#### a. Exploration and evaluation expenditure

Tenement acquisition

Exploration expenditure

Total exploration and evaluation expenditure

|  | 31 December<br>2017<br>\$ | 31 December<br>2016<br>\$ |
|--|---------------------------|---------------------------|
|  | -                         | -                         |
|  | 7,263                     | 8,823                     |
|  | <b>7,263</b>              | <b>8,823</b>              |

#### b. Cumulative exploration and evaluation expenditure

Cumulative expenditure at the beginning of half-year

Expenditure incurred and expensed for the half-year

**Cumulative expenditure to the end of half-year**

|  | Tenement<br>acquisition<br>expenditure<br>\$ | Exploration and<br>evaluation<br>expenditure<br>\$ | Cumulative<br>exploration and<br>evaluation<br>expenditure<br>\$ |
|--|--|--|--|
|  | 295,200                                      | 2,354,926  | 2,650,126  |
|  | -  | 7,263  | 7,263  |
|  | <b>295,200</b>                               | <b>2,362,189</b>                                   | <b>2,657,389</b>   |

c. All exploration and evaluation expenditure is expensed as incurred

### Note 5 Cash and cash equivalents

Cash at bank and in hand

Short-term term deposits

Trust account

| Note | 31 December<br>2017<br>\$ | 30 June<br>2017<br>\$ |
|------|---------------------------|-----------------------|
|      | 111,848                   | 55,372                |
|      | -                         | 120,000               |
| 5a   | (16,967)                  | 3,103                 |
|      | <b>94,881</b>             | <b>178,475</b>        |

a. The Company holds a trust account for the purposes of an unmarketable parcel share sale.



# NICKELORE LIMITED

ABN 13 086 972 429

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## Notes to the condensed financial statements

for the half-year ended 31 December 2017

### Note 6 Trade and other receivables

|                | 31 December<br>2017<br>\$ | 30 June<br>2017<br>\$ |
|----------------|---------------------------|-----------------------|
| <b>Current</b> |                           |                       |
| Other          | 9,982                     | 2,780                 |
|                | <b>9,982</b>              | <b>2,780</b>          |

### Note 7 Other assets

|                | 31 December<br>2017<br>\$ | 30 June<br>2017<br>\$ |
|----------------|---------------------------|-----------------------|
| <b>Current</b> |                           |                       |
| Prepayments    | 12,500                    | 2,458                 |
|                | <b>12,500</b>             | <b>2,458</b>          |

### Note 8 Financial assets

|   | Note | 31 December<br>2017<br>\$ | 30 June<br>2017<br>\$ |
|---|------|---------------------------|-----------------------|
| <b>Current</b>                            |      |                           |                       |
| Dragon Mountain Gold Limited (DMG) shares | 8a   | 9,863                     | 8,967                 |
|   |      | <b>9,863</b>              | <b>8,967</b>          |

- a. Nickelore currently holds 896,660 DMG shares. The fair value of DMG fully paid ordinary shares at 31 December 2017 was based on the ASX quoted market value. These shares are classified as Tier 1 financial assets. These shares are a financial asset through profit and loss.

### Note 9 Trade and other payables

|                         |     | 31 December<br>2017<br>\$ | 30 June<br>2017<br>\$ |
|-------------------------|-----|---------------------------|-----------------------|
| <b>Current</b>          |     |                           |                       |
| <i>Unsecured</i>        |     |                           |                       |
| Trade payables          | 9a  | 18,762                    | 2,412                 |
| Accruals                |     | 16,500                    | 10,525                |
| Directors' fees accrual | 13b | 164,575                   | 124,375               |
| Other                   |     | 10,978                    | 10,978                |
|                         |     | <b>210,815</b>            | <b>148,290</b>        |

- a. These amounts arise from the usual operating activities of the Company. Trade payables and other payables and accruals, except directors' fees, are outstanding less than 90 days.



## Notes to the condensed financial statements

for the half-year ended 31 December 2017

| Note                                       | 10  | Issued capital | Note | 31 December                               | 30 June                                | 31 December                              | 30 June                               |
|--|-----|----------------|------|---|--|--|---------------------------------------|
|  |     |                |      | 2017                                      | 2017                                   | 2017                                     | 2017                                  |
|  |     |                |      | No.                                       | No.                                    | \$                                       | \$                                    |
| Fully paid ordinary shares at no par value | 10a |                |      | 307,731,740                               | 307,731,740                            | 24,648,541                               | 24,648,541                            |
|  |     |                |      | 6 months to<br>31 December<br>2017<br>No. | 12 months to<br>30 June<br>2017<br>No. | 6 months to<br>31 December<br>2017<br>\$ | 12 months to<br>30 June<br>2017<br>\$ |
| <b>a. Ordinary shares</b>                  |     |                |      |   |  |  |                                       |
| At the beginning of the period             |     |                |      | 307,731,740                               | 307,731,740                            | 24,648,541                               | 24,648,541                            |
| Shares issued during the period:           |     |                |      | -   | -                                      | -  | -                                     |
| At reporting date                          |     |                |      | 307,731,740                               | 307,731,740                            | 24,648,541                               | 24,648,541                            |

### Note 11 Events subsequent to reporting date

There have been no material events subsequent to reporting date.

### Note 12 Commitments and contingences

There is no change in the Company's commitments or contingencies since the year ended 30 June 2017 to date of this report.

### Note 13 Related party transactions

#### a. Key management personnel (KMP) compensation

The totals of remuneration paid to KMP during the half-year are as follows:

|                 | 31 December<br>2017<br>\$ | 31 December<br>2016<br>\$ |
|-----------------|---------------------------|---------------------------|
| Directors' fees | 40,200                    | 41,100                    |
| Total           | 40,200                    | 41,100                    |

i. All fees have been accrued since November 2011; no fees have been settled in cash.

#### b. KMP accrued director fees payable

|                | 31 December<br>2017<br>\$ | 30 June<br>2017<br>\$ |
|----------------|---------------------------|-----------------------|
| Robert Gardner | 109,200                   | 84,000                |
| David Deloub   | 1,250                     | -                     |
| Paul Piercy    | 31,250                    | 25,000                |
| Jay Stephenson | 22,875                    | 15,375                |
| Total          | 164,575                   | 124,375               |

i. All fees have been accrued since November 2011; no fees have been settled in cash.



## Notes to the condensed financial statements

for the half-year ended 31 December 2017

### Note 14 Operating segments

#### a. Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are provided to the Board of Directors on a regular basis and in determining the allocation of resources. Management continually assesses the Company's segments and has identified the operating segments based on the one principal location based on geographical areas and therefore one regulatory environment being Australia. The Company operates predominantly in the minerals exploration and evaluation industry.

Due to its reduced activity, the Company currently operates materially in one business segment being mineral exploration and evaluation and one geographical segment as described above. Accordingly, the financial information presented in the statement of profit or loss and other comprehensive income and statement of financial position is the same as that presented to the chief operating decision maker.

### Note 15 Company details

#### The registered office of the Company is:

*Street:* Suite 4, 182 Claisebrook Road  
Perth WA 6000

*Postal:* PO Box 52  
West Perth WA 6872

*Telephone:* +61 (0)8 6141 3500

*Facsimile:* +61 (0)8 6141 3599

*Website:* [www.nickelore.com.au](http://www.nickelore.com.au)

*E-mail:* [info@nickelore.com.au](mailto:info@nickelore.com.au)

#### The principal place of business is:

*Finance and Administration Office:*  
283 Rokeby Road  
Subiaco WA 6008





## Directors' Declaration

The Directors of Nickelore Limited declare that:

1. The condensed financial statements and notes, as set out on pages 4 to 13, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting*; and
  - (b) give a true and fair view of the financial position as at 31 December 2017 and of the performance for the half-year ended on that date of the Company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**ROBERT GARDNER**

Chairman

Dated this Wednesday, 14 March 2018



Stantons International Audit and Consulting Pty Ltd  
trading as

**Stantons International**  
Chartered Accountants and Consultants

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Australia

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Australia

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## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF NICKELORE LIMITED

### Report on the Half-Year Financial Report

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

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

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

#### *Auditor's Responsibility*

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

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

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.



## Stantons International

### *Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Nickelore Limited on 14 March 2018.

### *Conclusion*

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

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

### **Emphasis of matter: Material Uncertainty Regarding Going Concern**

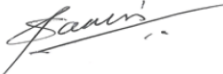
We draw attention to the Note 1(iii) of the financial report, which describes the matters of the Going Concern.

As referred to in note 1 (iii) to the financial statements, the financial statements have been prepared on a going concern basis. At 31 December 2017, the Company had cash and cash equivalents of \$94,881 and working capital deficit of \$83,589. The Company had incurred a loss for the period ended 31 December 2017 of \$127,979.

The ability of the Company to continue as a going concern and meet its planned exploration, administration, and other commitments is dependent upon the Company raising further working capital, and/or successfully exploiting its mineral assets. In the event that the Company cannot raise further equity, the Company may not be able to meet their liabilities as they fall due and the realisable value of the Company's non-current assets may be significantly less than book values.

Our conclusion is not modified in respect of this matter.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(Trading as Stantons International)**  
**(An Authorised Audit Company)**

*Stantons International Audit and Consulting Pty Ltd*  


**Samir Tirodkar**  
**Director**

West Perth, Western Australia  
14 March 2018





Nickelore Limited