



ABN 23 124 140 889

AND CONTROLLED ENTITIES

Interim Financial Report
For the Half Year Ended 31 December 2013

GLOBAL METALS EXPLORATION NL
ABN 23 124 140 889
AND CONTROLLED ENTITIES

HALF-YEAR FINANCIAL REPORT
For the Half Year Ended 31 December 2013

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COMPANY DIRECTORY

MANAGING DIRECTOR

Lia Darby

NON-EXECUTIVE DIRECTORS

Andrew Muir
Steven Bamford

COMPANY SECRETARY

Lia Darby

REGISTERED OFFICE

Lev 12, 95 Pitt Street
Sydney NSW 2000

CORPORATE OFFICE

Lev 12, 95 Pitt Street
Sydney NSW 2000
Telephone: 02 8249 8284

AUDITORS

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WEST PERTH WA 6005

SHARE REGISTRAR

Advanced Share Registry Services
150 Stirling Highway
NEDLANDS WA 6009
Telephone: (08) 9389 8033
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STOCK EXCHANGE LISTING

Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: GXN, GXNOB, GXNCA

GLOBAL METALS EXPLORATION NL
ABN 23 124 140 889
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INTERIM FINANCIAL REPORT
DIRECTORS' REPORT

Your directors submit the financial report of the Global Metals Exploration NL and the entities it controls (referred to hereafter as “the Group”) for the half-year ended 31 December 2013.

DIRECTORS

The names of Directors who held office during or since the end of the half year are:

Lia Darby	Managing Director
Carl Swensson	Chairperson (resigned 31 December 2013)
Ashley Hood	Non – Executive Director (resigned 31 December 2013)
Andrew Muir	Non – Executive Director (appointed 31 December 2013)
Steven Bamford	Non – Executive Director (appointed 31 December 2013)

RESULTS

The loss after tax for the half-year ended 31 December 2013 was \$3,365,083 (31 December 2012 loss of \$735,904).

REVIEW OF OPERATIONS

Work completed by Global Metals Exploration NL (“Global Metals”, “the Company”) during the period from 1 July 2013 to 31 December 2013 was constrained by cash resources available to the Company. Very little was progressed. The location of the Company’s projects are shown in Figure 1. Interests in certain tenements have been relinquished.



Figure 1 – Global Metals Project Location Map

GLOBAL METALS EXPLORATION NL
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INTERIM FINANCIAL REPORT

DIRECTORS' REPORT

The more prospective of the licences at the Jutson Rocks and Leonora projects have been retained for the time being by the Company. There is however uncertainty regarding renegotiating access agreements for the Jutson Rocks project and combined with the forthcoming expiry dates on the licences, the directors may not apply to retain the licences. This has given rise to an impairment adjustment on exploration and evaluation expenditure.

CORPORATE

The Company was unable to lodge the full year financial statements for the period ended 30 June 2013 in accordance with ASX Listing rules and was therefore suspended from official quotation on 1 October 2013.

As at the date of signing this report, the Company remains suspended but hopes to apply to have the suspension lifted subject to the lodgement of both this interim financial report and the financial statements for the year to 30 June 2014 in the near future. The financial statements for the year ended 30 June 2013 have subsequently been lodged.

SIGNIFICANT CHANGES IN THE AFFAIRS OF THE COMPANY

The Company raised \$100,000 through the issue of 125,000,000 ordinary fully paid shares at \$0.0008 each along with 62,500,000 unlisted options exercisable at \$0.003 on or before 31 December 2016. The shareholders approved a 1 for 10 consolidation of securities on issue which took place during the period.

SUBSEQUENT EVENTS

The Company was able to reach agreement with certain creditors to settle outstanding liabilities through the issue of securities. A tranche of shares for the settlement and partial settlement of creditor liabilities was issued on 28 February 2014. A total of 15,839,922 ordinary fully paid shares were issued.

The Company, having reached agreement with RM Capital on a convertible note funding arrangement, had the arrangement and facility approved by the shareholders in general meeting. The approval was for the issue of convertible notes to raise up to \$2,500,000 in aggregate. In this regard 19,560,000 ordinary fully paid shares were issued and 3,600,000 options exercisable at \$0.003 and expiring 31 December 2016 have been issued in relation to fees and drawdowns on the facility.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

Lead Auditors Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration for the half year ended 31 December 2013 is set out on page 13.

This report is signed in accordance with a resolution of the Board of Directors.



Lia Darby
Managing Director
Perth 6 March 2015

GLOBAL METALS EXPLORATION NL
ABN 23 124 140 889
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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME**

For the half year ended 31 December 2013

	Note	31 December 2013 \$	31 December 2012 \$
Revenue from continuing activities		328	2,271
Profit on sale of financial assets		-	30,291
Debt forgiveness		232,649	-
		<u>232,977</u>	<u>32,562</u>
Administration expenses		(24,947)	(119,636)
Compliance and regulatory expenses		(61,490)	(38,723)
Consultancy costs		(39,198)	(368,840)
Depreciation		(3,300)	(4,956)
Directors fees		(11,994)	(157,450)
Employee benefits expense		(1,109)	(9,779)
Impairment of Exploration expenditure		(3,421,510)	(144,077)
Fair value loss on financial assets		(16,727)	(75,240)
Occupancy costs		(17,785)	(39,465)
Reversal/(Provision) for doubtful debt		-	299,994
Share based payments		-	(110,000)
Stamp duty		-	(294)
		<u>(3,365,083)</u>	<u>(735,904)</u>
Loss before income tax expense		(3,365,083)	(735,904)
Income tax expense		-	-
		<u>(3,365,083)</u>	<u>(735,904)</u>
Loss from continuing operations		(3,365,083)	(735,904)
Other comprehensive income		-	-
		<u>(3,365,083)</u>	<u>(735,904)</u>
Total comprehensive income		(3,365,083)	(735,904)
Total comprehensive income attributable to members of the parent entity		(3,365,083)	(735,904)
Basic loss per share (cents per share)		(2.55)	(1.4)

The accompanying notes form part of this financial report.

GLOBAL METALS EXPLORATION NL
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

	Note	31 December 2013 \$	30 June 2013 \$
CURRENT ASSETS			
Cash and cash equivalents		551,288	34,590
Trade and other receivables		313,017	295,827
Financial assets		4,285	29,339
TOTAL CURRENT ASSETS		868,590	359,756
NON-CURRENT ASSETS			
Trade and other receivables		53,668	82,863
Plant & equipment		16,501	19,801
Exploration and evaluation expenditure	3	-	3,221,076
TOTAL NON-CURRENT ASSETS		70,169	3,323,740
TOTAL ASSETS		938,759	3,683,496
CURRENT LIABILITIES			
Trade and other payables		809,648	914,832
Short term Loans (unsecured)		602,033	-
Convertible note		30,322	-
TOTAL CURRENT LIABILITIES		1,442,003	914,832
TOTAL LIABILITIES		1,442,003	914,832
NET ASSETS		(503,244)	2,768,664
EQUITY			
Issued Capital	2	18,240,586	18,147,411
Reserves		2,100,218	2,100,218
Accumulated losses		(20,844,048)	(17,478,965)
TOTAL EQUITY		(503,244)	2,768,664

The accompanying notes form part of this financial report.

GLOBAL METALS EXPLORATION NL
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AND CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2013

	Issued Capital \$	Accumulated Losses \$	Option Reserve \$	Total \$
Balance at 1 July 2012	14,336,422	(12,134,101)	1,624,703	3,827,024
Loss for the period	-	(735,904)	-	(735,904)
Other Comprehensive income net of tax	-	-	-	-
Total comprehensive income for the period	-	(735,904)	-	(735,904)
Shares issued during the period	1,949,974	-	-	1,949,974
Transaction costs	(120,262)	-	-	(120,262)
Options issued	-	-	-	-
Balance at 31 December 2012	16,166,134	(12,870,005)	1,624,703	4,920,832

	Issued Capital \$	Accumulated Losses \$	Option Reserve \$	Total \$
Balance at 1 July 2013	18,147,411	(17,478,965)	2,100,218	2,768,664
Loss for the period	-	(3,365,083)	-	(3,365,083)
Other Comprehensive income net of tax	-	-	-	-
Total comprehensive income for the period	-	(3,365,083)	-	(3,365,083)
Shares issued during the period	100,000	-	-	100,000
Transaction costs	(6,825)	-	-	(6,825)
Options issued	-	-	-	-
Balance at 31 December 2013	18,240,586	(20,844,048)	2,100,218	(503,244)

The accompanying notes form part of this financial report.

GLOBAL METALS EXPLORATION NL
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CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half Year Ended 31 December 2013

	31 December 2013	31 December 2012
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(8,726)	(510,509)
Payments for exploration and evaluation	(200,434)	(545,666)
Interest received	328	2,271
	<hr/>	<hr/>
Net cash used in operating activities	(208,832)	(1,053,904)
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets	-	(559,603)
Proceeds from sale of financial assets	-	65,795
	<hr/>	<hr/>
Net cash used in by investing activities	-	(493,808)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	100,000	1,799,974
Payments for costs of issue of shares	(6,825)	(120,262)
Proceeds from issue of convertible notes	602,033	
Proceeds from borrowings	30,322	
Repayment of borrowings	-	(160,000)
Proceeds from repayment of borrowings	-	30,000
Proceeds from applications received	-	19,500
	<hr/>	<hr/>
Net cash provided by financing activities	725,530	1,569,212
	<hr/>	<hr/>
Net increase/(decrease) in cash held	516,698	21,500
Cash at beginning of period	34,590	43,574
	<hr/>	<hr/>
Cash at end of reporting period	551,288	65,074
	<hr/>	<hr/>

The accompanying notes form part of this financial report.

GLOBAL METALS EXPLORATION NL
ABN 23 124 140 889
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
For the Half Year Ended 31 December 2013

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2013 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Global Metals Exploration NL and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2013, together with any public announcements made during the half-year.

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 except for the adoption of the following new and revised Accounting Standards.

Reporting Basis and Conventions

The half-year 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 half year financial report has been prepared on the 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.

The Group incurred a loss for the half-year of \$3,365,083 (2012: \$735,094) and net cash outflows from operating activities of \$208,832 (2012: \$1,053,904). Included within the loss was the impairment of exploration expenditure of \$3,421,510 (2012:\$144,077).

As at 31 December 2013, the Group had a working capital deficit of \$573,413 (30 June 2013: \$555,076). Included in this working capital deficiency are borrowings and convertible notes of \$632,355 which are expected to be converted to equity.

These conditions indicate a material uncertainty that may have cast doubt about the ability of the Group to continue as a going concern. At all times during the period to present, the Directors have considered the Company solvent and had the expectation that debts would be able to be paid as they fell due. The basis for this expectation was principally the relationship with RM Corporate Finance Pty Ltd, the success of which was proven with the raisings in the points below:

- On 23 August 2013 Global Metals announced the successful completion of a Share Placement which raised a total of \$100,000 to fund the ongoing working capital needs of the Company. This placement saw the issue of 125,000,000 fully paid ordinary shares and 62,500,000 attaching options exercisable at \$0.003 on or before 31 December 2016.
- On 27 August 2013, a General Meeting of shareholders was held to approve a debt financing facility signed with RM Corporate Finance Pty Ltd, which was duly approved. An initial \$80,000 was raised via the facility. A further \$550,000 was received under that facility by 31 December 2013, but the convertible instrument could not be issued due to the expiry of the approval from the earlier General Meeting. This amount was held by the Company as a Loan until a New Convertible Note Agreement to raise up to \$2.5 million (with minimum monthly drawdowns of \$50,000) on a

best endeavours basis was approved at a General Meeting of Shareholders on 18 July 2014. As at the date of this report the undrawn amount on the facility is \$1,870,000.

- The Group has entered into Corporate and Debt Restructure Agreements with various creditors which has resulted in the settlement of liabilities via the issue of equity, and deferred payment arrangements. In addition to this, the Company is in advanced discussions in agreeing to a payment arrangement with creditors, namely Central Desert and Cosmo Newberry, with respect to approximately \$210,000, the terms of which have been accepted and reduce the liability to approximately \$97,000.
- The Directors have forgiven director and consulting fees to the value of \$260,263.
- On 1 May 2014 the Group lodged a Research & Development application with AusIndustry, and received a refund of \$260,697 on 30 June 2014.
- In February 2015, the Company entered into an underwriting agreement with RM Corporate Finance Pty Ltd to underwrite the subscription for a placement of \$500,000 at an issue price the lower of \$0.003 or 80% of the 5 day volume weighted average share price following reinstatement on the ASX.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to secure funds under the debt financing facility with RM Corporate Finance Pty Ltd and negotiations with creditors and managing cashflow in line with available funds. Should the Group not be successful in fund raising activities, it may be necessary to sell some of its assets, farm-out exploration projects, reduce exploration expenditure by various methods including surrendering less prospective tenements.

The Directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments, creditor arrangements and working capital requirements for the 12 month period from the date of signing this financial report. Included in this cashflow forecast are drawdowns on facilities and placements totalling \$1.25m in the next twelve months from the date of this report. Whilst the directors believe there is strong investor appetite in the Company's exploration assets to enable it to raise the funds under the Convertible Note Agreement, there is no certainty that the raising will be successful.

Based on the cash flow forecasts and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Group's history of raising funds to date and the underwriting agreement discuss above, the directors are confident of the Group's ability to raise additional funds as and when they are required Although the Directors believe that they will be successful in these measures should the Group 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 financial statements. The 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 Group be unable to continue as a going concern and meet its debts as and when they fall due.

Comparative Figures

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

Changes in Accounting Policies and Disclosures

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 10 'Consolidated Financial Statements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards';
- AASB 11 'Joint Arrangements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'; and
- AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'.

- AASB 119 (Revised 2011) 'Amendments to Australian Accounting Standards – Employee Benefits'.

The adoption of these new and revised standards has not resulted in any significant changes to the Group's accounting policies or to the amounts reported for the current or prior periods. The Group has not early adopted any other new or revised standard or interpretation or amendment have been issued but are not yet effective.

GLOBAL METALS EXPLORATION NL
ABN 23 124 140 889
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
For the Half Year Ended 31 December 2013

2. ISSUED CAPITAL

	31 December 2013	30 June 2013
	\$	\$
(a) Issued and Paid up capital		
Fully paid ordinary shares	17,470,493	17,377,318
Partly paid Ordinary Shares	770,093	770,093
	18,240,586	18,147,411
(b) Movement in fully paid ordinary shares on issue		
	Number	\$
Balance at 1 July 2013	1,394,493,959	17,377,318
Issued pursuant to a placement 23/8/13	125,000,000	100,000
Balance as at 27 August 2013	1,519,493,959	
1 for 10 consolidation (rounding down)	151,949,298	
Costs of placement		(6,825)
Balance at 31 December 2013	151,949,298	17,470,493
(c) Movement in partly paid ordinary shares on issue		
Balance at 1 July 2013	115,901,984	770,093
Balance as at 27 August 2013	115,901,984	
1 for 10 consolidation (rounding down)	11,590,184	
Balance at 31 December 2013	11,590,184	770,093
(d) Options		
Options outstanding as at 30 June 2013	612,121,622	2,100,218
Granted (i)	62,500,000	-
Balance as at 27 August 2013	674,621,622	
1 for 10 consolidation (rounding down)	67,462,072	
Forfeited	-	-
Cancelled	-	-
Exercised	-	-
Expired	-	-
Options outstanding as at 31 December 2013	67,462,072	2,100,218
Options exercisable as at 31 December 2013	67,462,072	2,100,218

- (i) The Company issued 6,250,000 (62,500,000 pre consolidation) free attaching options on a 1:2 basis to the share issues described in 2(b) above exercisable at 3cents each expiring 31 December 2016.

GLOBAL METALS EXPLORATION NL
ABN 23 124 140 889
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
For the Half Year Ended 31 December 2013

3. EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2013	30 June 2013
	\$	\$
Exploration and evaluation expenditure	-	<u>3,221,076</u>

Uncertainty however surrounds the ability to renegotiate commercial and economic terms on access agreements on prospective licences. Additionally there are some expiration dates forthcoming. The directors therefore conclude that it is prudent to impair the exploration and evaluation expenditure. This is consistent with treatment prescribed under the accounting policies adopted by the group. Two tenements were relinquished during the period which had no exploration expenditure allocated to them.

4. OPERATING SEGMENTS

The Group has identified its operating segments 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.

Identification of reportable segments

The Group earns no revenue from its operating segments. The Group operates in one operating segment being mineral exploration.

5. EVENTS SUBSEQUENT TO REPORTING DATE

The Company was able to reach agreement with certain creditors to settle outstanding liabilities through the issue of securities. A tranche of shares for the settlement and partial settlement of creditor liabilities was issued on 28 February 2014. A total of 15,839,922 ordinary fully paid shares were issued.

The Company, having reached agreement with RM Capital on a convertible note funding arrangement, had the arrangement and facility approved by the shareholders in general meeting. The approval was for the issue of convertible notes to raise up to \$2,500,000 in aggregate. In this regard 19,560,000 ordinary fully paid shares were issued and 3,600,000 options exercisable at \$0.03 and expiring 31 December 2016 have been issued in relation to fees and drawdowns on the facility.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

6. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The Group currently has no contingent assets or contingent liabilities.

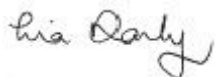
**GLOBAL METALS EXPLORATION NL
(FORMERLY GLOBAL NICKEL INVESTMENTS NL)
ABN 23 124 140 889
AND CONTROLLED ENTITIES**

DIRECTORS' DECLARATION
For the Half Year Ended 31 December 2013

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 12 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the group's financial position as at 31 December 2013 and its performance for the half year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Lia Darby
Managing Director

Perth
Dated: 6 March 2015

**Bentleys Audit & Corporate
(WA) Pty Ltd**

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To The Board of Directors

**Auditor's Independence Declaration under Section 307C of the
Corporations Act 2001**

As lead audit director for the review of the financial statements of Global Metals Exploration NL for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully



BENTLEYS
Chartered Accountants



DOUG BELL CA
Director

Dated at Perth this 6th day of March 2015

Independent Auditor's Review Report

To the Members of Global Metals Exploration NL

We have reviewed the accompanying half-year financial report of Global Metals Exploration NL ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 31 December 2013, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the half-year.

Directors Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2013 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 the Consolidated Entity, 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.

Independent Auditor's Review Report

To the Members of Global Metals Exploration NL (Continued)



Independence

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

Conclusion

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

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2013 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

Without qualifying our conclusion, we draw attention to Note 1 in the half-year financial report which indicates that the Consolidated Entity incurred a loss of \$3,365,083 during the period ended 31 December 2013. This condition, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Consolidated Entity to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half-year financial report.

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 6th day of March 2015