

OKLO RESOURCES LIMITED

ABN 53 121 582 607

**HALF YEAR FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2015**

CORPORATE INFORMATION

DIRECTORS

Mr James Henderson (Non-Executive Chairman)
Mr Simon Taylor (Managing Director)
Mr Jeremy Bond (Non-Executive Director)
Mr Simon O'Loughlin (Non-Executive Director) (Appointed 15 October 2015)

COMPANY SECRETARY

Ms Louisa Martino

BANKER

National Australia Bank Limited
South Sydney Partnership
Suite 1, Level 6, 5-13 Rosebery Ave,
Rosebery, NSW 2018

AUDITORS

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco, WA, 6008

REGISTERED OFFICE

Level 5, 56 Pitt Street
Sydney NSW 2000

Telephone: +61 2 8823 3110
Facsimile: +61 2 9252 8466
Website: www.okloresources.com

STOCK EXCHANGE

The Company's securities are quoted on the official list of the Australian Securities Exchange Limited (ASX code: OKU).

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth, WA, 6000

CONTENTS

| | PAGE |
|---|------|
| Directors' Report | 4 |
| Auditor's Independence Declaration | 7 |
| Consolidated Statement of Profit or Loss and Other Comprehensive Income | 8 |
| Consolidated Statement of Financial Position | 10 |
| Consolidated Statement of Changes in Equity | 11 |
| Consolidated Statement of Cash flows | 12 |
| Notes to the Consolidated Financial Statements | 13 |
| Directors' Declaration | 19 |
| Independent Auditor's Report | 20 |

OKLO RESOURCES LIMITED

DIRECTORS' REPORT

The Directors present their report together with the financial statements of Oklo Resources Limited and its controlled entities ("Oklo Resources" or "the Group") for the half-year ended 31 December 2015.

DIRECTORS

The following persons held office as a Director of Oklo Resources during the half year ended 31 December 2015:

Mr James Henderson (Non-Executive Chairman)
Mr Simon Taylor (Managing Director)
Mr Jeremy Bond (Non-Executive Director)
Mr Simon O'Loughlin (Non-Executive Director) (Appointed 15 October 2015)

All the Directors shown were in office from the beginning of the half-year until the date of this report, unless otherwise stated.

RESULTS

The net loss of the economic entity for the half year ended 31 December 2015 was \$361,472 (2014: profit \$233,694).

No dividends were paid or declared by the company during the half-year.

REVIEW OF OPERATIONS

The following is a summary of the activities of Oklo Resources during the period 1 July 2015 to 31 December 2015. It is recommended that this half yearly report be read in conjunction with the 30 June 2015 Annual Report and any public announcements made by the Company during the period. In accordance with the continuous disclosure requirements, readers are referred to the announcements lodged with the Australian Securities Exchange regarding the activities of the Company.

CORPORATE

In December 2015, the company completed a \$3.5 million share placement. The first part of the proceeds from the placement were received in October 2015 and the balance was received following shareholder approval at the Company's AGM held on 30 November 2015.

During the half year, the Company appointed Simon O'Loughlin to the Board as a non-executive director, further enhancing the corporate governance and market awareness of the Company.

DIRECTORS' REPORT (Continued)

EXPLORATION OVERVIEW

During the half year, the Company completed the following exploration programs on its main projects:

At the Dandoko Project, work completed included:

- sampling of in-situ bedrock material at the Diabarou prospect which returned high grade gold results of 68.3g/t gold;
- additional sampling and mapping at the Disse prospect, which also returned high grade results of up to 20.2g/t gold from artisanal workings; and
- completion of an initial reverse circulation (RC) drilling program (884 metres) at the Diabarou prospect. A wide zone of high-grade gold mineralisation was intersected in hole RCDK015-28 including 29 metres at 10.42g/t gold including 11 metres at 23.23g/t gold and 3 metres at 79.57g/t gold with the hole ending in mineralisation.

At the Socaf Project, work undertaken included the completion of two drilling campaigns comprising 1,141 metres of auger drilling and 1,099 metres of RC drilling. The assay results from these drill programs were received in February 2016 with significant gold intersections from 10 of 13 RC holes drilled. The results of the shallow auger drilling have delineated additional coherent zones of anomalous bedrock gold mineralisation.

At the Yanfolila Project, the Company completed 1,022 metres of first pass air-core (AC) drilling testing a new target at Solona North-West. This drilling intersected significant gold mineralisation, including 6m at 5.29g/t gold. Several holes failed to reach target depth of 50 metres due to the large amount of quartz veining intersected, with several holes ending in mineralisation. Further auger and RC drilling is planned for this project.

Competent Person's Declaration

The information in this report that relates to Exploration Results is based on information compiled by geologists employed by Africa Mining (a wholly owned subsidiary of Oklo Resources) and reviewed by Mr Simon Taylor, who is a member of the Australian Institute of Geoscientists. Mr Taylor is the Managing Director of Oklo Resources Limited. Mr Taylor is considered to have sufficient experience deemed relevant to the style of mineralisation and type of deposit under consideration, and to the activity that he is undertaking to qualify as a Competent person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the 2012 JORC Code). Mr Taylor consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

SIGNIFICANT CHANGES

There have been no changes in the state of affairs of the economic entity that occurred during the half-year under review not otherwise disclosed in this report.

DIRECTORS' REPORT (Continued)

SUBSEQUENT EVENTS

In January 2016, the Company issued 1,000,000 options with an exercise price of \$0.15 and an expiry date of 27 January 2019 to the lead manager for the share placement completed in December 2015.

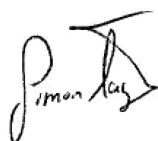
In February 2016, the Company reported it had been granted the strategically located exploration permit 2015-4606 covering the Moussala Gold Project in West Mali. The exploration permit was actually granted in late 2015.

Other than as disclosed in this financial report, there has not been any matter or circumstance that has arisen since 31 December 2015, which has significantly affected, or may significantly affect the operations of the economic entity, the result of those operations, or the state of affairs of the economic entity in subsequent financial periods.

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 on page 7

Signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read 'Simon Taylor', with a stylized flourish at the end.

Simon Taylor

Managing Director

Date: 9 March 2016

Sydney, New South Wales

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF OKLO RESOURCES LIMITED

As lead auditor for the review of Oklo Resources Limited for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Oklo Resources Limited and the entities it controlled during the period.



Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 9 March 2016

OKLO RESOURCES LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

| | Note | 31 December 2015 \$ | 31 December 2014 \$ |
|--|------|---------------------------|---------------------------|
| Continuing Operations | | | |
| Other income | | - | 656,684 |
| Administration expense | | (86,613) | (56,278) |
| Business Development | | (34,599) | - |
| Employee benefits expense | | (152,023) | (67,354) |
| Exploration expense | | (328) | (18,907) |
| Foreign currency movements | | (659) | (18,756) |
| Impairment of current investments | | - | (28,800) |
| Legal expense | | (2,984) | (10,291) |
| Occupancy expense | | (13,326) | (29,512) |
| Professional fee expense | | (44,862) | (147,437) |
| Share based payments expense | 8 | - | (45,330) |
| Travel and accommodation expense | | (33,743) | (1,418) |
| Results from operating activities | | (369,137) | 232,601 |
| Finance income | | 7,707 | 1,093 |
| Finance costs | | (42) | - |
| Net finance income | | 7,665 | 1,093 |
| Profit/ (Loss) before income tax expense | | (361,472) | 233,694 |
| Income tax expense | | - | - |
| Profit/ (Loss) after tax from continuing operations | | (361,472) | 233,694 |
| Net profit/(loss) for the half-year | | (361,472) | 233,694 |
| Other comprehensive income | | | |
| Items that will be reclassified to profit or loss | | | |
| Foreign currency translation differences for foreign operations | | 332,198 | 972,189 |
| Income tax on items that will be reclassified to profit or loss | | - | - |
| Other comprehensive income for the half-year, net of income tax | | 332,198 | 972,189 |
| Total comprehensive income/(loss) for the half-year | | (29,274) | 1,205,883 |

The accompanying notes form part of these financial statements

OKLO RESOURCES LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued) FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

| | 31 December 2015 \$ | 31 December 2014 \$ |
|---|---------------------------|---------------------------|
| Profit/(Loss) for the half-year is attributable to: | | |
| Owners of Oklo Resources Limited | (361,472) | 233,694 |
| Non-controlling interest | - | - |
| | (361,472) | 233,694 |
| Total comprehensive income/(loss) for the half year is attributable to: | | |
| Owners of Oklo Resources Limited | (29,274) | 1,205,883 |
| Non-controlling interest | - | - |
| | (29,274) | 1,205,883 |
| Earnings per share for profit/ (loss) attributable to owners of Oklo Resources Limited | | |
| Basic profit/ (loss) per share (cents per share) | (0.003) | 0.003 |
| Diluted profit/ (loss) per share (cents per share) | (0.003) | 0.003 |

The accompanying notes form part of these financial statements

OKLO RESOURCES LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

| | Note | 31 December 2015 \$ | 30 June 2015 \$ |
|--|------|---------------------------|-----------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 2 | 3,123,465 | 871,871 |
| Trade and other receivables | | 34,478 | 19,256 |
| TOTAL CURRENT ASSETS | | 3,157,943 | 891,127 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | 62,844 | 95,893 |
| Exploration and evaluation expenditure | 3 | 10,141,730 | 9,128,431 |
| TOTAL NON-CURRENT ASSETS | | 10,204,574 | 9,224,324 |
| TOTAL ASSETS | | 13,362,517 | 10,115,451 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 4 | 239,455 | 244,472 |
| TOTAL CURRENT LIABILITIES | | 239,455 | 244,472 |
| TOTAL LIABILITIES | | 239,455 | 244,472 |
| NET ASSETS | | 13,123,062 | 9,870,979 |
| EQUITY | | | |
| Contributed equity | 5 | 25,008,543 | 21,740,846 |
| Reserves | | (138,268) | (484,126) |
| Accumulated losses | | (12,287,430) | (11,925,958) |
| Non-controlling interest | | 540,217 | 540,217 |
| TOTAL EQUITY | | 13,123,062 | 9,870,979 |

The accompanying notes form part of these financial statements.

OKLO RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

| | Issued Capital | Accumulated losses | Option Reserve | Non- Controlling Interest | Translation Reserve | Total |
|---|-------------------|-----------------------|-------------------|---------------------------------|------------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2014 | 19,575,543 | (11,802,281) | 538,460 | 540,217 | (1,268,107) | 7,583,832 |
| Profit/ (Loss) for period | - | 233,694 | - | - | - | 233,694 |
| Other comprehensive income | | | | | | |
| Exchange differences on translation of foreign operation | - | - | - | - | 972,189 | 972,189 |
| Total other comprehensive income | - | - | - | - | 972,189 | 972,189 |
| Total comprehensive income for the half-year | - | 233,694 | - | - | 972,189 | 1,205,883 |
| Transactions with owners in their capacity as owners | | | | | | |
| Contributions of equity, net of transaction costs | 1,385,614 | - | 28,189 | - | - | 1,413,803 |
| Share based payments for options issued to key management personnel | - | - | 45,330 | - | - | 45,330 |
| Conversion of Debt to Equity | 180,000 | - | - | - | - | 180,000 |
| Balance at 31 December 2014 | 21,141,157 | (11, 568,587) | 611,979 | 540,217 | (295,918) | 10,428,848 |
| Balance at 1 July 2015 | 21,740,846 | (11,925,958) | 695,944 | 540,217 | (1,180,070) | 9,870,979 |
| Profit/ (Loss) for period | - | (361,472) | - | - | - | (361,472) |
| Other comprehensive income | | | | | | |
| Exchange differences on translation of foreign operation | - | - | - | - | 332,198 | 332,198 |
| Total other comprehensive income | - | - | - | - | 332,198 | 332,198 |
| Total comprehensive income for the half-year | - | (361,472) | - | - | 332,198 | (29,274) |
| Transactions with owners in their capacity as owners | | | | | | |
| Contributions of equity, net of transaction costs | 3,267,697 | - | - | - | - | 3,267,697 |
| Share based payments for options issued to a consultant | - | - | 13,660 | - | - | 13,660 |
| Balance at 31 December 2015 | 25,008,543 | (12,287,430) | 709,604 | 540,217 | (847,872) | 13,123,062 |

The accompanying notes form part of these financial statements.

OKLO RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

| | 31 December 2015 \$ | 31 December 2014 \$ |
|--|------------------------------------|------------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Payments to suppliers and employees | (354,778) | (367,347) |
| Interest received | 7,707 | 1,093 |
| Other receipts | - | - |
| Net cash (used) in operating activities | (347,071) | (366,254) |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Payments for exploration | (708,937) | (147,317) |
| Acquisition of asset, net of cash acquired | (2,080) | - |
| Net cash (used) in investing activities | (711,017) | (147,317) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from share issue (net of share issue costs) | 3,309,730 | 1,413,803 |
| Net cash provided from financing activities | 3,309,730 | 1,413,803 |
| Net increase/ (decrease) in cash held | 2,251,642 | 900,232 |
| Cash at beginning of the period | 871,871 | 285,786 |
| Foreign exchange variances on cash | (48) | 2,925 |
| Cash at end of the period | <u>3,123,465</u> | <u>1,188,943</u> |

The accompanying notes form part of these financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

CORPORATE INFORMATION

The consolidated financial statements of Oklo Resources Limited (the Company) for the half-year ended 31 December 2015 was authorised for issue in accordance with a resolution of the directors on 9 March 2016.

Oklo Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Company and its subsidiaries are described in the Directors' report.

Note 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements for the half-year reporting period ended 31 December 2015 have been prepared in accordance with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Act 2001.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and investing activities of the consolidated entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2015 and any public announcements made by Oklo Resources during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The half-year report has been prepared on an accruals basis and is based on historical costs.

New and amended standards adopted by the entity

A number of new or amended standards became applicable for the current reporting period, however, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. There may be some changes to the disclosures in the 30 June 2016 annual report as a consequence of these amendments.

Impact of standards issued but not yet applied by the entity

There were no new standards issued since 30 June 2015 that have been applied by Group. The 30 June 2015 annual report disclosed that Group anticipated no material impacts (amounts recognised and/or disclosed) arising from initial application of those standards issued but not yet applied at that date, and this remains the assessment as at 31 December 2015.

Going Concern

This 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 normal course of business.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**
Note 2: CASH AND CASH EQUIVALENTS

For the purpose of the half-year statement of cash flows, cash and cash equivalents are comprised of the following:

| | 31 December 2015 | 30 June 2015 |
|--------------------------|-------------------------|---------------------|
| | \$ | \$ |
| Cash at bank and in hand | 3,123,465 | 871,871 |

Note 3: EXPLORATION AND EVALUATION EXPENDITURE

| | 31 December 2015 | 30 June 2015 |
|---------------------------------------|-------------------------|---------------------|
| | \$ | \$ |
| Exploration and Evaluation | | |
| At written down value | 10,141,730 | 9,128,431 |
| Opening net book amount | 9,128,431 | 8,016,414 |
| Additions | 714,270 | 1,007,490 |
| Acquisitions | - | - |
| Impairment of exploration expenditure | - | - |
| Foreign exchange differences | 299,029 | 104,527 |
| Total exploration and evaluation | 10,141,730 | 9,128,431 |

Note 4: TRADE AND OTHER PAYABLES

| | 31 December 2015 | 30 June 2015 |
|--------------------------------------|-------------------------|---------------------|
| | \$ | \$ |
| Trade payables | 172,476 | 149,698 |
| Sundry payables and accrued expenses | 66,979 | 94,774 |
| | 239,455 | 244,472 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**
Note 5: CONTRIBUTED EQUITY

| | 31 December 2015 | 30 June 2015 |
|---------------------------------------|------------------|--------------|
| | \$ | \$ |
| (a) Issued and paid-up capital | | |
| Fully Paid Ordinary shares | 25,008,543 | 21,740,846 |

(b) Movements in shares on issue

| | 31 December 2015 | | 30 June 2015 | |
|------------------------------|------------------|------------|------------------|------------|
| | Number of Shares | \$ | Number of Shares | \$ |
| Opening balance | 113,597,173 | 21,740,846 | 74,985,482 | 19,575,543 |
| Issued during the year (i) | - | - | 38,611,691 | 2,165,303 |
| Issued during the year (ii) | 28,399,293 | 2,129,946 | - | - |
| Issued during the year (iii) | 18,267,374 | 1,370,050 | - | - |
| | 46,666,667 | 3,499,996 | | |
| Transaction costs on issue | - | (232,299) | - | - |
| Closing Balance | 160,263,840 | 25,008,543 | 113,597,173 | 21,740,846 |

- (i) Refer to the 30 June 2015 annual report for details of these transactions.
- (ii) Issue of shares in October 2015 pursuant to a placement. The placement shares were issued at a price of \$0.075 per share with one free option with an exercise price of \$0.125 and an expiry date of 30 June 2017 being issued for every 2 shares subscribed for.
- (iii) Issue of shares in December 2015 pursuant to a placement on the same terms noted in item (ii) above.

(c) Share Options

| | 31 December 2015 | 30 June 2015 |
|------------------------------|-------------------|-------------------|
| | Number of Options | Number of Options |
| Opening balance | 10,947,775 | 5,200,000 |
| Issued during the year (i) | - | 5,747,775 |
| Issued during the year (ii) | 23,333,325 | |
| Issued during the year (iii) | 500,000 | - |
| Closing Balance | 34,781,100 | 10,947,775 |

- (i) Refer to the 30 June 2015 annual report for details of these transactions.
- (ii) Issue of listed options pursuant to a placement in December 2015 with an exercise price of \$0.125 and expiry date of 30 June 2017. These Options were issued as part of the placement terms set out in Note 5(b) above and were subject to shareholder approval at the Company's AGM held on 30 November 2015.
- (iii) Issue of unlisted options to a consultant in December 2015 with an exercise price of \$0.15 and an expiry date of 7 December 2018.

OKLO RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

Note 6. DIVIDENDS

No dividends were paid or declared by the company during the half-year.

Note 7: SEGMENT INFORMATION

At 31 December 2015 the segment information reported was analysed on the basis of geographical region (Australia and Mali). During the period to 31 December 2015, the Group's management reporting has remained unchanged.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

The following is an analysis of the Group's revenue and results by reportable operating segment for the review periods:

| | Australia | | Mali | | Group | |
|---|-----------|------|-------|----------|------------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Segment revenue | | | | | | |
| Gain on Debt Settlement | - | - | - | 656,684 | - | 656,684 |
| Exploration expense | - | - | (328) | (18,907) | (328) | (18,907) |
| Capitalised exploration expenditure written off | - | - | - | - | - | - |
| Segment result | - | - | (328) | 637,777 | (328) | 637,777 |
| Other income | | | | | | - |
| Employee benefits expense | | | | | (152,023) | (67,354) |
| Professional fee expense | | | | | (44,862) | (147,437) |
| Share based payment expense | | | | | - | (45,330) |
| Legal expense | | | | | (2,984) | (10,291) |
| Administration expense | | | | | (86,613) | (56,278) |
| Business Development | | | | | (34,599) | - |
| Travel and accommodation expense | | | | | (33,743) | (1,418) |
| Occupancy expense | | | | | (13,326) | (29,512) |
| Finance income | | | | | 7,707 | 1,093 |
| Finance Expense | | | | | (42) | - |
| Impairment of current investments | | | | | - | (28,800) |
| Foreign currency movements | | | | | (659) | (18,756) |
| Profit/(Loss) before income tax | | | | | (361,472) | 233,694 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**
Note 7: SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's assets by reportable operating segment:

| | 31 December 2015 | 30 June 2015 |
|-----------------------|-------------------------|---------------------|
| | \$ | \$ |
| Segment assets | | |
| Australia | 2,995,908 | 816,667 |
| Mali | 10,366,609 | 9,298,874 |
| Total assets | 13,362,517 | 10,115,451 |

The following is an analysis of the Group's liabilities by reportable operating segment:

| | 31 December 2015 | 30 June 2015 |
|----------------------------|-------------------------|---------------------|
| | \$ | \$ |
| Segment liabilities | | |
| Australia | 173,395 | 100,559 |
| Mali | 66,060 | 143,914 |
| Total liabilities | 239,455 | 244,472 |

Note 8: SHARE BASED PAYMENTS

Options issued to a consultant (i)

- (i) On 7 December 2015, the Company issued 500,000 options in as part of a consultancy agreement between Cairn Geoscience and the Company dated February 2015.

The options were allotted on 7 December 2015 with a strike price of \$0.15 and expiry date of 7 December 2018.

The options have been valued using an option pricing model as the fair value of the services were unable to be determined, and have been given a total market value of \$13,660 which has been booked as part of the cost of exploration and evaluation expenditure. The values and inputs used in the option pricing model were as follows:

| | |
|------------------|-----------------|
| Options granted | 500,000 |
| Value per option | \$0.027 |
| Expiry date | 7 December 2018 |
| Risk free rate | 2% |
| Volatility | 90% |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

Note 9: EVENTS SUBSEQUENT TO REPORTING DATE

In January 2016, the Company issued 1,000,000 options with an exercise price of \$0.15 and an expiry date of 27 January 2019 to the lead manager for the share placement completed in December 2015.

In February 2016, the Company reported that it had been granted the strategically located exploration permit 2015-4606 covering the Moussala Gold Project in West Mali. The exploration permit was actually granted in late 2015.

Other than as disclosed in this financial report, there has not been any matter or circumstance that has arisen since 31 December 2015, which has significantly affected, or may significantly affect the operations of the economic entity, the result of those operations, or the state of affairs of the economic entity in subsequent financial period.

Note 10: FAIR VALUE MEASUREMENT

Recurring fair value measurements

The Group does not have any financial instruments that are subject to recurring or non-recurring fair value measurements.

Fair values of financial instruments not measured at fair value

Due to their short-term nature, the carrying amounts of current receivables and current trade and other payables is assumed to equal their fair value.

Note 11: EXPENDITURE COMMITMENTS AND CONTINGENCIES

Other than the following expenditure commitments relating to the grant of the exploration permit 2015-4606 covering the Moussala Gold Project in West Mali ("Moussala") below, there have been no major changes to the expenditure commitments or contingencies of the Group from those disclosed in the annual financial statements for the year ended 30 June 2015.

Additional exploration expenditure commitments relating to the Moussala permit as follows:


- | | |
|--|-----------|
| - Due within one year | \$171,000 |
| - Due later than one year but not later than 5 years | \$800,000 |

DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the financial statements and notes set out on pages 8 to 18 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, *AASB 134 Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance.
- (b) there are reasonable grounds to believe that Oklo Resources Limited 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 made pursuant to S305 (5) of the *Corporations Act 2001*.



Simon Taylor
Managing Director

Sydney
9 March 2016

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Oklo Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Oklo Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time 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 internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year 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 2015 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 Oklo Resources 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.

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*, which has been given to the directors of Oklo Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



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 Oklo Resources Limited 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 2015 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*

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Dean Just', is written over a faint, stylized 'BDO' logo.

Dean Just
Director

Perth, 9 March 2016