

Appendix 4D

1. Company Details

| | |
|-------------------|--------------------------------------|
| Name of entity: | Crossland Strategic Metals Limited |
| ABN: | 64 807 595 980 |
| Reporting period: | For the half year ended 30 June 2018 |
| Previous period: | For the half year ended 30 June 2017 |

2. Results for announcements to the market

| | | % | | \$'000 |
|--|------|--------|----|--------|
| Revenues from ordinary activities | down | 10.76% | to | 1 |
| Loss from ordinary activities after tax attributable to owners of Crossland Strategic Metals Limited | up | 8.67% | to | (188) |
| Loss for the half year attributable to the owners of Crossland Strategic Metals Limited | up | 8.67% | to | (188) |

Dividends

No dividends are proposed, and no dividends were declared or paid during the current or prior year.

Comments

The loss for the consolidated entity after providing for income tax amounted to a loss of \$188 thousand (30 June 2017: loss of \$173 thousand).

3. Net tangible assets

| | Reporting period 30 June 2018 Cents | Previous period 30 June 2017 Cents |
|---|---|--|
| Net tangible assets per ordinary security | 0.0029 | 0.0058 |

4. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

5. Attachments

Details of attachments (if any):

The Interim Report of Crossland Strategic Metals Limited for the half year ended 30 June 2018 is attached.

6. Signed

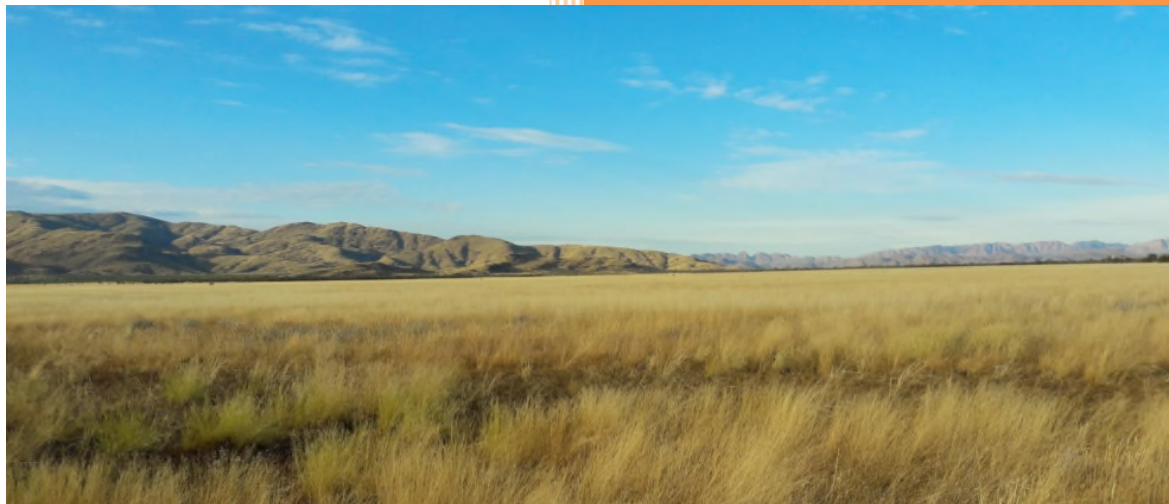
Signed:



Date: 12/09/2018

Mr. Eric Vesel
Director
Kuala Lumpur

2018 Crossland Strategic Metals Limited Half-Year Financial Statements



CUX Limited ABN 64 087 595 980 and its controlled entities.

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Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity') consisting of Crossland Strategic Metals Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the half year ended 30 June 2018.

Directors

The name and positions of the directors and company secretary of the Company during the half year and up to the date of this report are:

| | |
|---------------------------|------------------------|
| Dato' Sia Hok Kiang | Non-Executive Chairman |
| Eric Vesel | Executive Director |
| Stanislaw (Stan) Wassylko | Non-Executive Director |
| Harun Halim Rasip | Non-Executive Director |

| | |
|-----------------|-------------------|
| Andrew Metcalfe | Company Secretary |
|-----------------|-------------------|

Principal Activities

The principal activities of the Consolidated Entity are the exploration for rare earth elements (RRE) in the Northern Territory. There has been no change in the principal activities during the half year ended 30 June 2018.

Review of Operations

Corporate

The Consolidated Entity is an exploration company working toward developing its Charley Creek rare earth project. The maturity of project requires more specific and detailed studies, many of which are beyond the exploration stage; such as downstream process test-work, metallurgical, engineering and infrastructure studies. As work is completed, confidence in the project improves making it easier to finance the next stage of operations.

The finance strategy will therefore shift from loan finance from shareholder partners to public capital funding when the Company reaches a stage where and when the Directors believe that public investors can make a reasoned view of the Company's prospects. This strategy is discussed later.

During the half year (ending June 2018), no new corporate activity is reportable. The Company remains vigilant about keeping overhead costs down and

conserving funds for project advancement. The postal address for the Company (and Consolidated Entities) has been changed to: PO Box 783, Berwick VIC 3806.

Finance

The Company committed to several new loan facilities during the first half. On 4th of April a loan of \$250,000 was received from EMMCO Mining Sdn. Bhd, a Malaysian Incorporated Company (EMMCO), payable by the 4th of October 2018 with interest charged at a rate of 15% per annum pro-rata. On the 1st of June 2018, a further loan of \$190,141. (plus \$2,000 for fees) has been entered with EMMCO. These funds were used to settle Stamp Duty owed to the Northern Territory Revenue Office for the acquisition of prior joint venture partner Essential Mining Resources Pty. Ltd. on the 7th of June 2017. This loan also matures on the 4th of October 2018, with interest payable at a rate of 15% per annum pro-rata.

To date unsecured loans from EMMCO amount to \$885,414. The interest accrued on loans maturing on 4th of October will be \$53,860. Upon maturity, EMMCO has agreed to roll forward the loans and interest repayment for a further six-month term on the same terms as the existing loan agreement.

On the 30th of June 2018, the following unsecured loans to Atlas Offshore Services Pty Ltd. (AOS) expired and were rolled forward to the due date of 4th of October 2018 under the same loan agreement terms:

Loan 1: 9th of November 2016 for amount of \$350,000 with accrued interest of \$86,157.

Loan 2: 10th of April 2017 for amount of \$350,000 with accrued interest of \$64,151

The total of unsecured loans including accrued interest rolled forward from AOS is \$850,308 with additional interest of \$33,546 payable at expiry. For administrative simplicity, the due dates were rolled forward to 4th of October to coincide with EMMCO expiry dates.

The Company's ability to raise finance is therefore dependent on completing further downstream process test-work, metallurgical, engineering and infrastructure studies. This work is needed to reduce operating and investment risk thereby increasing investor confidence. Without this foundation, the Directors are unable to present a business case for a public capital funding program.

Directors' Report (continued)

In the interim, the company relies on sophisticated investors to fund its work programme until key risk issues are addressed. Our budgeting and development strategy have been discussed with sophisticated investors, namely Atlas Offshore Services Pty Ltd. (AOS) and EMMCO Mining Sdn. Bhd., who continue to support the business. To date, they have both provided financial support by way of loans to the company. Both AOS and EMMCO, have offered financial support for operational expenditures and current project study activity commitments in the future. Their philosophy is to provide funds as cashflow demands dictate. On 24th of July 2018, EMMCO granted a further loan of \$250,000. The loan facility, planned for disbursement in August, will be used to finance quarter 3 operating expenses. '

The Company is cognisant of debt exposure, and in time when the business case emerges, the company will need to consider a new equity issue or convertible instruments to dispense with loans as a source of funds and to manage future debt levels. The Company continues to monitor debt in relation to the allowable share issue provisions of Listing Rule 7.1 and 7.3.

Crossland Director Harun Halim Rasip is a Director of EMMCO Mining Sdn. Bhd.

Crossland Director Stan Wassylko is a Director of Atlas Offshore Services Pty Ltd.

Project Development Strategy

The Company's project development strategy remains focused on updating the Charley Creek Scoping Study, as a necessary step for further funding of the project pre-feasibility study. Two significant work programmes emerged during our Stage 1 Scoping Study review:

1. The Company will undertake an infill drilling programme at Cattle Creek. This information is a necessary requirement to re-establish a 2012 JORC compliant resource.
2. Additional refinery product test-work is required to provide greater confidence in our proposed refining process, product yields and specification. Large scale laboratory test-work, involving bulk material processing, is required to obtain sufficient concentrate for refinery test work. This work also serves to provide metallurgical and engineering "proof of concept" for several of the concentration processes, these tests are normally completed during the pre-feasibility stage. At this juncture,

the company is currently making enquiries to determine details of this work. It is envisaged that the work programme will be underway this year, budget permitting. The cost of these programmes and the Stage 2 Scoping Study update are estimated to be \$750,000 to \$1M. By completing the work programmes above, the company can update the Stage 2 Scoping Study. With this study in hand, the potential of the Charley Creek project can be independently substantiated, thereby allowing the company to confidently present a business model and raise funds from the investing public at such time.

Project Study Activity

During the half, MSP Perth continued work on the Stage 1 Scoping Study update. The update incorporates several changes to the 2013 Scoping Study project and will reflect current project pricing. Our objective is to assess the viability of the revised base case, with the view to recommend further studies required to improve project economics and reduce risks. The study, for internal use, was completed in August.

SRK Consulting (Perth) has completed a review of the Charley Creek project drilling, geological database and the 2013 resource model, with the view to update the estimate in accord with JORC 2012 compliance requirements. SRK recommend a further in-fill drilling programme. The drilling programme will focus on the likely future mine start-up site, namely Cattle Creek. Drilling is needed to improve drill coverage, check prior drilling and focus on developing a potentially higher-grade area. Sampling from the drill programme will also be used for the "Proof of Concept" metallurgical test programme. The company has applied for clearance certificates, as a pre-requisite before commencing site work. Drilling is expected to commence during early in the 4th quarter 2018.

Further information is available at our website www.crosslandstrategic.com.

The market will be kept appraised of developments, as required under ASX Listing Rules and in accord with Continuous Disclosure requirements.

Directors' Report (continued)

Financial Review

The result of the operation of the Company and the Consolidated Entity during the half year ended 30 June 2018 were as follows:

| | | Consolidated | |
|--------|------------|--------------|-------------|
| | | 30 Jun 2018 | 30 Jun 2017 |
| | | \$'000 | \$'000 |
| Net | loss after | (188) | (173) |
| income | tax | | |

There was no significant change in the state of affairs of the Consolidated Entity or the Company other than that referred to in the financial statements or notes thereto.

Rounding of Amounts

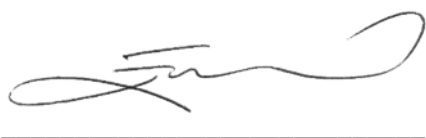
The Company is of the kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, in relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporation Act 2001 is set out immediately after this directors' report.

Signed in accordance with a resolution of Directors made pursuant in section 306(3) of the Corporations Act 2001.

On behalf of the directors



Mr. Eric Vesel
Director

General Information

The financial statements cover Crossland Strategic Metals Limited as a consolidated entity consisting of Crossland Strategic Metals Limited and the entities it controlled at the end of, or during the half year. The financial statements are presented in Australian dollars, which is Crossland Strategic Metals Limited's functional and presentation currency.

Crossland Strategic Metals Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office is as follows:

Registered Office:

Level 2, 470 Collins Street,
Melbourne VIC 3000, AUSTRALIA

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 11th day of September 2018.

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Crossland Strategic Metals Limited for the half year ended 30 June 2018, 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.

A handwritten signature in blue ink, appearing to be "RSM".**RSM AUSTRALIA PARTNERS**A handwritten signature in blue ink, appearing to be "J S Croall".

J S CROALL
Partner

Dated: 12 September 2018
Melbourne, Victoria

Statement of Consolidated Profit or Loss and Other Comprehensive Income

For the period ended 30 June 2018

| | | Consolidated | |
|--|------|-----------------------|-----------------------|
| | Note | 30 Jun 2018 \$'000 | 30 Jun 2017 \$'000 |
| Revenue from continuing operations | | 1 | 1 |
| Expenses | | | |
| Administration expenses | | (82) | (100) |
| Borrowing costs | | (88) | (19) |
| Consultant fees | | (7) | (10) |
| Employee benefit expenses | | - | (32) |
| Occupancy expenses | | - | (6) |
| Other expenses | | (12) | (7) |
| Loss before income tax expense | | (188) | (173) |
| Income tax expense | | - | - |
| Loss after income tax expense for the period | | (188) | (173) |
| Other comprehensive income | | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | | |
| Foreign currency translation | | - | - |
| Other comprehensive income for the period, net of tax | | - | - |
| Total comprehensive loss for the period | | (188) | (173) |
| Total comprehensive loss attributable to members of Crossland Strategic Metals Limited | | (188) | (173) |
| | | Cents | Cents |
| Basic earnings per share | 11 | (0.00019) | (0.00037) |
| Diluted earnings per share | 11 | (0.00019) | (0.00037) |

The above statement of consolidated profit or loss and other comprehensive income should be read in conjunction with the accompanying note

Statement of Consolidated Financial Position

As at 30 June 2018

| | | Consolidated | |
|--------------------------------|------|-----------------------|-----------------------|
| | Note | 30 Jun 2018 \$'000 | 31 Dec 2017 \$'000 |
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | | 126 | 93 |
| Trade and other receivables | | 39 | 41 |
| Other current assets | | 18 | 10 |
| Total current assets | | 183 | 144 |
| Non-current assets | | | |
| Trade and other receivables | | 37 | 41 |
| Plant and equipment | | 3 | 4 |
| Exploration expenditure | 3 | 4,547 | 4,405 |
| Total non-current assets | | 4,587 | 4,450 |
| Total Assets | | 4,770 | 4,594 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and other payables | | 53 | 229 |
| Interest bearing liabilities | 4 | 1,736 | 1,044 |
| Provisions | 5 | - | 152 |
| Total current liabilities | | 1,789 | 1,425 |
| Non-current Liabilities | | | |
| Provisions | | 20 | 20 |
| Total Non-current Liabilities | | 20 | 20 |
| Total Liabilities | | 1,809 | 1,445 |
| Net Assets | | 2,961 | 3,149 |
| Equity | | | |
| Share capital | 6 | 22,972 | 22,972 |
| Other reserves | | 344 | 344 |
| Accumulated losses | | (20,355) | (20,167) |
| Total Equity | | 2,961 | 3,149 |

The above statement of consolidated financial position should be read in conjunction with the accompanying notes

Statement of Consolidated Changes in Equity

For the period ended 30 June 2018

| | Share Capital \$'000 | Other Reserves \$'000 | Accumulated Losses \$'000 | Total Equity \$'000 |
|--|-------------------------------------|--------------------------------------|--|------------------------------------|
| Consolidated | | | | |
| Balance 1 January 2018 | 22,972 | 344 | (20,167) | 3,149 |
| Loss after income tax expense for the period | - | - | (188) | (188) |
| Other comprehensive income for the period, net of tax | - | - | - | - |
| Total comprehensive loss for the period | - | - | (188) | (188) |
| <i>Transactions with owners in the capacity as owners:</i> | | | | |
| Shares issued during the year | - | - | - | - |
| Transaction costs | - | - | - | - |
| Balance at 30 June 2018 | 22,972 | 344 | (20,355) | 2,961 |
| | Share Capital \$'000 | Other Reserves \$'000 | Accumulated Losses \$'000 | Total Equity \$'000 |
| Consolidated | | | | |
| Balance 1 January 2017 | 19,996 | 344 | (17,211) | 3,129 |
| Loss after income tax expense for the period | - | - | (173) | (173) |
| Other comprehensive income for the period, net of tax | - | - | - | - |
| Total comprehensive loss for the period | - | - | (173) | (173) |
| <i>Transactions with owners in the capacity as owners:</i> | | | | |
| Shares issued during the year | 2,976 | - | - | 2,976 |
| Transaction costs | - | - | - | - |
| Balance at 30 June 2017 | 22,972 | 344 | (17,384) | 5,932 |

The above statement of consolidated changes in equity should be read in conjunction with the accompanying notes

Statement of Consolidated Cash Flows

For the period ending 30 June 2018

| | Consolidated | |
|--|-----------------------|-----------------------|
| Note | 30 Jun 2018 \$'000 | 30 Jun 2017 \$'000 |
| Cash flows from operating activities | | |
| Receipts from customers | 1 | 1 |
| GST recovered from ATO | (4) | - |
| Payments to suppliers and employees | (326) | (120) |
| Interest and other finance costs paid | (10) | - |
| Net cash used in operating activities | (339) | (119) |
| Cash flows from investing activities | | |
| Purchase of business – net cash received | - | 39 |
| Purchase of exploration assets | (143) | (220) |
| Purchase of property, plant & equipment | - | (4) |
| Sales of non-financial assets | 4 | - |
| Net cash used in investing activities | (139) | (185) |
| Cash flows from financing activities | | |
| Loans received from directors and related parties | 511 | 351 |
| Net cash from financing activities | 511 | 351 |
| Net increase in cash and cash equivalents | 33 | 47 |
| Cash and cash equivalents at the beginning of the financial period | 93 | 109 |
| Effects of exchange rate changes on cash and cash equivalents | - | - |
| Cash and cash equivalents at the end of the financial period | 126 | 156 |

The above statement of consolidated cash flow should be read in conjunction with the accompanying note

Notes to the Consolidated Financial Statements

Note 1. Corporate Information

Crossland Strategic Metals Limited is a company incorporated and domiciled in Australia. The condensed consolidated financial report of the Company as at the half-year ended 30 June 2018 comprises the Company and the Consolidated Entity.

A description of the nature of the Consolidated Entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

Note 2. Basis of Preparation and Accounting Policies

Basis of Preparation

The condensed consolidated interim financial report is a general-purpose financial report which has been prepared in accordance with the requirements of the *Corporation Act 2001*, applicable Accounting Standards including AASB 134 *Interim Financial Reporting* and other mandatory professional reporting requirements. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard AASB 134 *Interim Financial Reporting*.

The condensed consolidated interim financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full understanding of the financial performance financial position and financing and investing activities of the Consolidated Entity as the annual financial report.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Going Concern

The financial statements have been prepared on the going concern basis, with contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Consolidated entity recorded a net loss of \$187,890 for the period ended 30 June 2018 and the Consolidated entity's 's position as at 30 June 2018 was as follows:

- The Consolidated entity had negative operating cash flows of \$339,445 for the year ended 30 June 2018;
- The Consolidated entity had negative working capital at 30 June 2018 of \$1,605,900; and
- The Consolidated entity's main activity is exploration and as such it does not have a source of income, rather it is reliant on debt and / or equity raisings to fund its activities.

These factors indicate a material uncertainty which may cast significant doubts as to whether the Consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Consolidated entity will be able to continue as a going concern, after consideration of the following factors:

1. As at 30 June 2018 the Consolidated entity owed \$1,735,722 to related parties. The directors of the related parties have agreed to defer settlement of repayment of their loan balances for at least a period of 12 months from the date of this report and have provided an undertaking that they will further support the Consolidated entity 's short term working capital requirements;
2. The Company will also consider additional capital raising activities through the issue of new share capital to supplement the directors' advances.

Accordingly, the Directors believe that the Consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Consolidated entity does not continue as a going concern.

New or Amended Accounting Standards and Interpretation Adopted

The Consolidated Entity has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Notes to the Consolidated Financial Statements (continued)

Note 3. Deferred Exploration and Evaluation Expenditure

| | Consolidated | |
|---|-----------------------|-----------------------|
| | 30 Jun 2018 \$'000 | 31 Dec 2017 \$'000 |
| Deferred exploration expenditure | 4,547 | 4,405 |
| Movement | | |
| Balance at 1 January 2018 | 4,405 | 4,383 |
| Additions | 142 | 302 |
| Assets acquired from acquisition of EMR | - | 2,181 |
| Amounts written off | - | (2,461) |
| Balance at 30 June 2018 | 4,547 | 4,405 |

Note 4. Current Interest-Bearing Payables

| | Consolidated | |
|----------------------------|-----------------------|-----------------------|
| | 30 Jun 2018 \$'000 | 31 Dec 2017 \$'000 |
| Loans from related parties | 1,736 | 1,044 |
| Balance at 30 June 2018 | 1,736 | 1,044 |

Note 5. Provisions

| | Consolidated | |
|-------------------------------|-----------------------|-----------------------|
| | 30 Jun 2018 \$'000 | 31 Dec 2017 \$'000 |
| Current Provisions | | |
| Long service leave | - | 2 |
| Stamp duty | - | 150 |
| | - | 152 |
| Non-current provisions | | |
| Site restoration | 20 | 20 |
| | 20 | 20 |

Note 6. Equity - Issued Capital

| | Consolidated | | | |
|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 31 Dec 2017 Shares | 30 Jun 2018 Shares | 31 Dec 2017 \$'000 | 30 Jun 2018 \$'000 |
| Ordinary shares - fully paid | 1,011,646,449 | 1,011,646,449 | 22,972 | 22,972 |

Movements in share capital

| | Date | Shares | Issue Price | \$'000 |
|--------------------------------|-----------|---------------|-------------|--------|
| Balance at beginning of period | 01-Jan-18 | 1,011,646,449 | - | 22,972 |
| Balance at end of period | 30-Jun-18 | 1,011,646,449 | - | 22,972 |

Notes to the Consolidated Financial Statements (continued)

Note 7. Contingent Assets & Liabilities

At 30 June 2018, Crossland Strategic Metals Limited had no contingent assets or liabilities.

Note 8. Contractual Commitments

At 30 June 2018, Crossland Strategic Metals Limited had not entered into any contractual commitments for the acquisition of plant and equipment.

Note 9. Related Party Transactions

a) Loans from related parties during the period

During the period the following transactions occurred between the consolidated entity and related parties:

| | |
|--|-----------|
| Atlas Offshore Services Pty Ltd¹ | |
| Interest paid | \$52,500 |
| EMMCO Mining Sdn Bhd² | |
| EMMCO Mining Sdn Bhd drawn down of loans | \$492,140 |
| Interest paid | \$25,380 |
| Expenses paid on behalf of the company | \$20,008 |

¹ An entity associated with Directors, (Stanislaw Wassylko and Harun Halim Rasip)

² An entity associated with Director Harun Halim Rasip

b) Loans from related parties - amounts outstanding at 30 June 2018

The amounts outstanding in relation to the loans for related parties at 30 June 2018 are:

| | |
|--|--------------------|
| Atlas Offshore Services Pty Ltd ¹ | \$850,308 |
| EMMCO Mining Sdn Bhd ² | \$885,414 |
| Total | \$1,735,722 |

¹ An entity associated with Directors, (Stanislaw Wassylko and Harun Halim Rasip)

² An entity associated with Director Harun Halim Rasip

The loan received from Atlas Offshore Services Pty Ltd matured on 30th June 2018. Total interest accrued on the loan was \$150,308. The interest is charged at 15% flat rate per annum. Repayment of the loan has been deferred at the earlier of December 2019 and the company having sufficient working capital to enable repayment.

The loan from EMMCO Mining Sdn Bhd matures in October 2018. The interest charged on this loan is at 15%. Repayment of the loan has been deferred until such time that the company has sufficient working capital to enable repayment.

The loans from both related parties are unsecured.

Notes to the Consolidated Financial Statements (continued)

Note 10. Event After the Reporting Period

No matter or circumstance has arisen after 30 June 2018 that has significantly affected, or may significantly affect, the consolidated entity's operations, the results of these operations, or the consolidated entity's state of affairs in future financial years.

Note 11. Loss Per Share

| | Consolidated | |
|--|----------------------|--------------------|
| | 30 Jun 2018 | 30 Jun 2017 |
| | Cents | Cents |
| <i>Basic and diluted loss per share</i> | | |
| Loss attributed to the ordinary equity holders of the Company | <u>(0.00019)</u> | <u>(0.00037)</u> |
| | | |
| | Consolidated | |
| | 30 Jun 2018 | 30 Jun 2017 |
| | \$'000 | \$'000 |
| <i>Reconciliation of loss used in calculating loss per share</i> | | |
| Loss attributed to the ordinary equity holders of the Company used in calculating basic and diluted loss per share | <u>(188)</u> | <u>(173)</u> |
| | | |
| | Consolidated | |
| | 30 Jun 2018 | 30 Jun 2017 |
| | Number | Number |
| <i>Weighted average number of shares used as the denominator</i> | | |
| Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share | <u>1,011,646,449</u> | <u>471,468,594</u> |

*There is no difference for the calculation of diluted and basic Earnings Per Share as the impact of any outstanding share options would be anti-dilutive.

Directors' Declaration

In the directors' opinion:

- The attached financial statements and notes comply with the Corporation Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Report', the Corporation Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the financial half-year ended on that date; and
- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporation Act 2001.

On behalf of the directors



Mr. Harun Halim Rasip
Director
12/09/18

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000

F +61 (0) 3 9286 8199

www.rsm.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
CROSSLAND STRATEGIC METALS LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Crossland Strategic Metals Limited and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Group 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 Group's financial position as at 30 June 2018 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 Crossland Strategic Metals 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 Crossland Strategic Metals Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the interim financial report, which indicates that the consolidated entity incurred a net loss of \$187,390 during the period ended 30 June 2018 and, as of that date, the consolidated entity has a negative working capital position of \$1,605,900 and negative operating cash flows of \$339,006. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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 Crossland Strategic Metals Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2018 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*.



RSM AUSTRALIA PARTNERS



J S CROALL

Partner

Dated: 12 September 2018
Melbourne, Victoria