

METEORIC RESOURCES NL

HALF-YEAR FINANCIAL REPORT

31 DECEMBER 2015

ABN 64 107 985 651



METEORIC RESOURCES

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HALF-YEAR FINANCIAL REPORT

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DIRECTORS' REPORT

METEORIC RESOURCES

Your directors submit the financial report of the Company for the half-year ended 31 December 2015.

DIRECTORS

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

Mr Neville Bassett
Mr Graeme Clatworthy
Mr George Sakalidis

REVIEW OF OPERATIONS

The total loss from continuing operations for the half-year ended 31 December 2015 was \$480,624 (2014: \$351,195).

The Company's activities during the six month period are summarised in this report which unless otherwise stated, should be read as if dated 31 December 2015.

Appointment of Corporate Advisor

On 24 November 2015, Otsana Capital Pty Ltd ("**Otsana**") was appointed as corporate advisors to the company. Otsana are a leading Perth based advisory firm and are assisting the company with a suitable acquisition with the aim of restoring shareholder value.

Subsequent Events

Subsequent to the half years end, Meteoric entered into a Heads of Agreement on the 1st February 2016 to acquire all of the issued capital of People Post Pty Ltd ("**People Post**"). People Post has been referred to as the Uber of parcel delivery. Due Diligence is currently underway.

Key Terms of the "**People Post**" Transaction

Under the terms of the Heads of Agreement, the Company will acquire 100% of the issued capital of People Post (**People Post Vendors**).

In consideration for all of the Sale Shares, the Company will issue 370,000,000 fully paid ordinary MEI Shares to the People Post Vendors (**Purchase Price**).

Additional shares will be issued to the People Post Vendors via Performance milestones defined by 3 separate and distinct events as noted below.

MEI will agree to issue performance shares which are convertible upon attainment of milestones into further fully paid ordinary shares to the former shareholders of People Post upon obtainment of the milestones being achieved by the required dates as follows:

Milestone 1:

Allotment of 125,000,000 fully paid ordinary shares on achievement of AU\$16.67m revenue within 24 months.

Milestone 2:

Allotment of 125,000,000 fully paid ordinary shares on achievement of AU\$33.33m revenue within 36 months.

Milestone 3:

Allotment of 160,000,000 fully paid ordinary shares on achievement of AU\$3m EBITDA p.a. within 48 months.

People Post Highlights

- **People Post** referred to as the '**Uber**' of couriers and delivery services
- **Unique Business to Consumer (B2C), Consumer to Consumer (C2C) and Business to Business (B2B) platform**
- **Over 3,000 successful deliveries** over the last 90 days
- **Launched across Australia** with near plan for Asian expansion
- **Highly scalable revenue** and Business Development model
- **Proprietary technology** incorporating Online Bidding, Live GPS Tracking, Instant Communication, Rating and Comment systems, Push Notifications, Routing and Grouping Algorithms
- Introduced **merchant programs** for businesses to send multiple parcels in different timeframes brackets, with 50 new businesses signed up since November 2015
- **Over 100% month on month growth** since October 2015
- **Available 24/7** every day of the year including public holidays.
- Newly launched optimized website <http://peoplepost.com.au> and sender application
- People Post have **over 7000 registered runners** in most Australian capital cities
- Attractive **Bond mechanisms** for **Sender's peace of mind**

For further information regarding the People Post transaction please refer to the ASX release made on 1 February 2016

PROJECT REPORT

WEBB (Meteoric 22.9% and 19% of E80/4506 - diluting)

During the first half of the 2015/2016 financial year a further 8 microdiamonds were identified in wide spaced reconnaissance follow up loam sampling, bringing the total number of microdiamonds found to date to 12. Joint Venture partners, GeoCrystal Ltd have since collected a further 60 Loam samples, 57 samples of approximately 100Kg and 3 weighing approximately 650Kg. The samples are in the process of being analysed.

BARKLY (Meteoric 30% diluting)

No drilling was conducted on the Barkly project by the joint venture partner during the half. Processing and interpretation of the data previously collected commenced.

WARREGO NORTH (Meteoric 100%)

Meteoric holds a granted exploration licence over magnetic anomalies near the old Warrego copper-gold mine (production 1.3Mozs gold and 91,000t copper), the largest mine in the Tennant Creek mineral field. Previous exploration has identified several large high magnetic susceptibility targets, some with pronounced coincident gravity anomalies similar in character to quartz-magnetite-chlorite ironstones associated with high grade copper-gold-bismuth mineralisation elsewhere in the mineral field. The target areas are situated N and NW of the Warrego mine as

shown in Figure 1. The largest of these targets is Parakeet, 15km NW of Warrego, where previous drilling has intersected anomalous copper-gold-bismuth values and ironstone alteration.

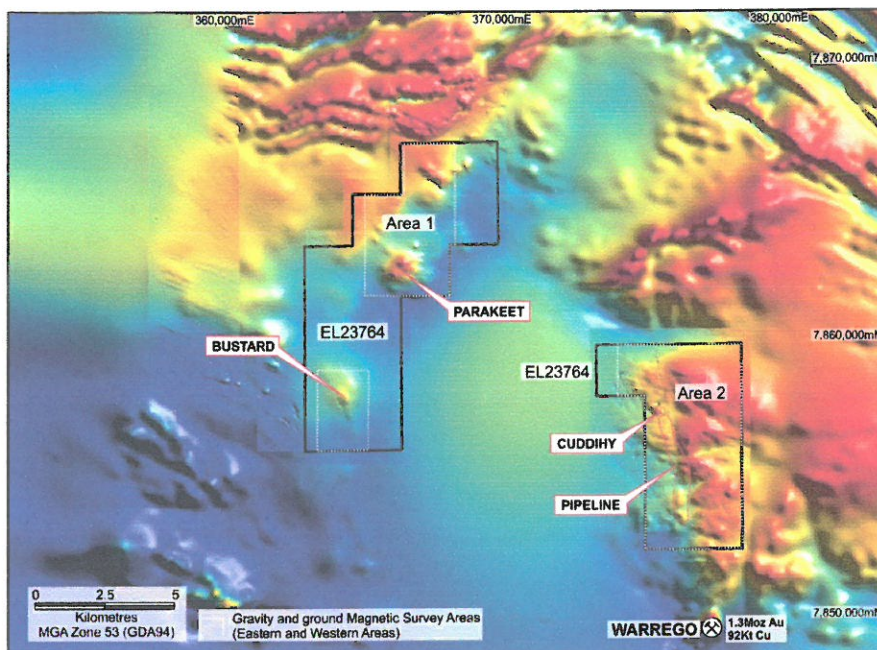


Figure 1
Warrego North Aeromagnetic Targets

PERSEVERANCE (Meteoric 68.43%)

Meteoric Resources holds a majority interest in nine granted mineral leases covering the Perseverance and Perseverance Extended copper-gold prospects situated 30km east of Tennant Creek and 1.4km west of the Bluebird copper-gold discovery at the Barkly Joint Venture. Perseverance is characterised by a cluster of gravity anomalies coincident with or adjacent to a pronounced aeromagnetic dipole anomaly. Drilling of outcropping ironstones in the 1980's and 1990's intersected high grade gold mineralisation.

R29 (Meteoric 100%)

Exploration Licence 30701, situated just south of the Perseverance and Bluebird prospects, was granted during the period. The R29 prospect comprises a 600m-long ground magnetic anomaly. Drilling at this anomaly during the 1970's intersected several gold anomalous zones but did not explain the source of the magnetic anomaly.

COORARA (Meteoric 100%)

Meteoric holds a 40km strike length of banded iron formations (BIF) in the South Yilgarn iron province within trucking distance of the multi-user Trans Australian Railway. The BIF sequences have demonstrated potential for both goethite-hematite and magnetite iron ores.

CORTEGANA (Meteoric 100% application)

Meteoric applied for a 65sq km Investigation Permit over crystalline, coarse flake graphite occurrences and old graphite mines in the Aracena Metamorphic Belt, Huelva province, Spain in 2012. No modern exploration has been carried out in this old mining district and Meteoric anticipates that airborne EM techniques should be very effective in identifying target areas for high grade graphite in an area close to markets in Europe.

Competent Person Statement

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

INDEPENDENCE DECLARATION BY AUDITOR

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 7 for the half-year ended 31 December 2015.

This report has been signed in accordance with a resolution of directors.

For and on behalf of the Directors



Neville J Bassett

Non-Executive Chairman

14 March 2016

Auditor's Independence Declaration

To those charged with the governance of Meteoric Resources NL

As auditor for the review of Meteoric Resources NL for the period ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the review; and
- ii) no contraventions of any applicable code of professional conduct in relation to the review.



SOMES COOKE



NICHOLAS HOLLENS
Partner

14 March 2016
Perth

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

METEORIC RESOURCES

	Notes	Half-Year Ended 31 Dec 2015 (\$)	Half-Year Ended 31 Dec 2014 (\$)
Revenue:			
Interest income		419	6,426
Other income		-	714
Expenses:			
Depreciation expense		(2,202)	(2,573)
Exploration and tenement expenses		(35,426)	(132,814)
Other expenses		<u>(443,415)</u>	<u>(222,948)</u>
(Loss) before income tax expense		(480,624)	(351,195)
Income tax expense		<u>-</u>	<u>-</u>
(Loss) from continuing operations		<u>(480,624)</u>	<u>(351,195)</u>
Other comprehensive income:			
Changes in the fair value of available-for-sale financial assets	3	(1,333)	(3,466)
Other comprehensive income for the period, net of tax		<u>(1,333)</u>	<u>(3,466)</u>
Total Comprehensive income for the period attributable to members of the Company		<u>(481,957)</u>	<u>(354,661)</u>
Basic (loss) per share (cents per share)		(0.3326)	(0.3131)
Diluted (loss) per share (cents per share)		<u>(0.3326)</u>	<u>(0.3131)</u>

The accompanying notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

METEORIC RESOURCES

	Notes	31 Dec 2015 (\$)	30 June 2015 (\$)
Current Assets			
Cash and cash equivalents		404,072	150,992
Trade and other receivables		100,695	308,933
Other assets		5,369	237
Total Current Assets		<u>510,136</u>	<u>460,162</u>
Non-Current Assets			
Property, plant and equipment		9,135	11,337
Other financial assets	3	38,637	39,970
Total Non-Current Assets		<u>47,772</u>	<u>51,307</u>
TOTAL ASSETS		<u>557,908</u>	<u>511,469</u>
Current Liabilities			
Trade and other payables		107,195	179,078
Total Current Liabilities		<u>107,195</u>	<u>179,078</u>
TOTAL LIABILITIES		<u>107,195</u>	<u>179,078</u>
NET ASSETS		<u>450,713</u>	<u>332,391</u>
Equity			
Contributed equity	4	12,342,594	11,775,615
Reserves	4	272,799	240,832
Accumulated losses		(12,164,680)	(11,684,056)
TOTAL EQUITY		<u>450,713</u>	<u>332,391</u>

The accompanying notes form part of these financial statements.

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

METEORIC RESOURCES

	Contributed Equity (\$)	Available for Sale Financial Assets Reserve (\$)	Share Based Payments Reserve (\$)	Accumulated Losses (\$)	Total (\$)
Balance at 1.7.2014	11,640,455	7,444	327,510	(11,360,384)	615,025
Comprehensive Income					
Operating (loss) for the period	-	-	-	(351,195)	(351,195)
Other comprehensive income for the period	-	(3,466)	-	-	(3,466)
Total comprehensive income for the period	-	(3,466)	-	(351,195)	(354,661)
Transactions with owners, in their capacity as owner, and other transfers					
Expiry of unexercised options	-	-	(90,300)	90,300	-
Total transactions with owners and other transfers	-	-	(90,300)	90,300	-
Balance at 31.12.2014	11,640,455	3,978	237,210	(11,621,279)	260,364

Balance at 1.7.2015	11,775,615	3,622	237,210	(11,684,056)	332,391
Comprehensive Income					
Operating (loss) for the period	-	-	-	(480,624)	(480,624)
Other comprehensive income for the period	-	(1,333)	-	-	(1,333)
Total comprehensive income for the period	-	(1,333)	-	(480,624)	(481,957)
Transactions with owners, in their capacity as owner, and other transfers					
Receipt of calls on partly-paid contributory shares	2,943	-	-	-	2,943
Issue of fully paid ordinary shares	598,500	-	-	-	598,500
Issue of options	-	-	33,300	-	33,300
Capital raising costs	(34,464)	-	-	-	(34,464)
Total transactions with owners and other transfers	566,979	-	33,300	-	600,279
Balance at 31.12.2015	12,342,594	2,289	270,510	(12,164,680)	450,713

The accompanying notes form part of these financial statements.

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

METEORIC RESOURCES

	Half-Year Ended 31 Dec 2015 (\$)	Half-Year Ended 31 Dec 2014 (\$)
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash payments to suppliers and contractors	(252,952)	(233,113)
Interest received	419	6,426
Net cash (used in) operating activities	<u>(252,533)</u>	<u>(226,687)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation	(60,705)	(113,205)
Recoupment of exploration costs	203,039	-
Proceeds from security deposits refunded	-	25,732
Net cash from (used in) investing activities	<u>142,334</u>	<u>(87,473)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from new issue of shares	386,943	-
Share issue costs	(23,664)	-
Net cash from financing activities	<u>363,279</u>	<u>-</u>
Net increase (decrease) in cash held	253,080	(314,160)
Cash and cash equivalents at the beginning of the financial period	<u>150,992</u>	<u>589,620</u>
Cash and cash equivalents at the end of the financial period	<u><u>404,072</u></u>	<u><u>275,460</u></u>

The accompanying notes form part of these financial statements.

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



METEORIC RESOURCES

NOTE 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of Preparation

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

These financial statements were approved by the Board of Directors on the date of the Directors Declaration.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Company. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the year ended 30 June 2015, together with any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

These financial statements have been prepared on an accruals and historical cost basis, except where indicated.

These financial statements have been prepared on the going concern basis that contemplates normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

Going Concern

The directors have prepared the financial statements of the Company on a going concern basis which contemplates continuity of business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

At the date of this report, the directors have considered the following pertinent matters:

- (a) cash on hand is approximately \$146,000;
- (b) current cash resources are considered adequate to fund the entity's immediate operating and reduced exploration activities; and
- (c) the Company has the ability to raise additional funds by the issue of additional shares or the sale of further assets if a higher level of exploration activity is to be undertaken.

Accounting Policies

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

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Any new, revised or amending Accounting Standards of Interpretations that are not yet mandatory have not been adopted early.

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

METEORIC RESOURCES

NOTE 2 OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Company has identified that it operates in only one segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Company's principal activity is mineral exploration.

Revenue and assets by geographical region

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

Major customers

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

NOTE 3 OTHER FINANCIAL ASSETS

Available-for-sale financial assets

	Half-Year Ended 31 Dec 2015 (\$)	Year Ended 30 Jun 2015 (\$)
Balance at beginning of period	39,970	69,472
Decrease in security deposits	-	(25,680)
Changes in the fair value during the period	(1,333)	(3,822)
Closing balance	<u>38,637</u>	<u>39,970</u>

NOTE 4 EQUITY

Contributed Equity - Ordinary Shares

	31 Dec 2015 Number	31 Dec 2015 \$
At the beginning of the period	129,253,682	11,705,907
Conversion of partly-paid shares to fully paid shares	14,713	2,943
Transfer of amounts paid on partly-paid shares	-	69,708
Placement of shares at \$0.008	48,000,000	384,000
Issue of shares at deemed value of \$0.0143 per share in part satisfaction for consulting services	15,000,000	214,500
Share issuance costs	-	(34,464)
Closing balance	<u>192,268,395</u>	<u>12,342,594</u>

Contributed Equity - Contributing Shares – Partly-paid

At the beginning of the period	27,504,727	69,708
Call of \$0.20 per share received pursuant to a call for the full amount of \$0.20 was made October 2015	(14,713)	2,943
Forfeited shares cancelled 25 November 2015	(27,490,014)	-
Transfer amounts paid on partly-paid shares	-	(72,651)
Closing balance	<u>-</u>	<u>-</u>

Total Contributed Equity

12,342,594

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

METEORIC RESOURCES

31 Dec 2015	
Number	\$
Reserves	
Available for Sale Financial Assets reserve	2,289
Share Based Payments reserve	270,510
Closing balance	<u>272,799</u>

Options

The Company had the following options over un-issued fully paid ordinary shares at the end of the period:

Options exercisable at \$0.0915 on or before 27.12.2016 to acquire fully paid ordinary shares	2,550,000	-
Options exercisable at \$0.045 on or before 31.1.2017 to acquire fully paid ordinary shares	5,000,000	-
Options exercisable at \$0.02 on or before 30.6.2018 to acquire fully paid ordinary shares	9,000,000	-
Options exercisable at \$0.012 on or before 9.9.2020 to acquire fully paid ordinary shares	<u>9,000,000</u>	<u>-</u>
Total Options	<u>25,550,000</u>	<u>-</u>

NOTE 5 EVENTS SUBSEQUENT TO REPORTING DATE

The Company entered into a Heads of Agreement on the 1st February 2016 to acquire all of the issued capital of People Post Pty Ltd ("**People Post**"). People Post has been referred to as the Uber of parcel delivery. Due Diligence is currently underway.

Further details of the People Post transaction can be viewed in the Directors' Report.

Other than the above transaction, there have been no matters or circumstances that have arisen since 31 December 2015 which have significantly affected or may significantly affect:

- (a) the Company's operations in future years; or
- (b) the results of those operations in future years; or
- (c) the Company's state of affairs in future years.

NOTE 6 CONTINGENT LIABILITIES

There has no change in contingent liabilities since the last annual reporting period.

DIRECTORS' DECLARATION

METEORIC RESOURCES

The directors of the Company declare that:

1. the accompanying financial statements and notes:
 - (a) comply with Accounting Standard AASB 134 : *Interim Financial Reporting* and the *Corporations Act 2001*; and
 - (b) give a true and fair view of the financial position of the Company as at 31 December 2015 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:

Signed at Perth:



Neville J Bassett
Non-Executive Chairman

Dated this 14th day of March 2016

Independent Auditor's Review Report

To the members of Meteoric Resources NL

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Meteoric Resources NL, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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.

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 gives a true and fair view and 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 company'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 Meteoric Resources NL, 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*.

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 Meteoric Resources NL is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Meteoric Resources NL'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*.

Emphasis of matter – inherent uncertainty regarding continuation as a going concern

Without modifying our conclusion, we draw attention to note 1 in the financial statements which outlines that the ability of the company to continue as a going concern is dependent upon the company securing additional funding to meet its budgeted expenditure.

As a result, there is a material uncertainty related to events or conditions that may cast significant doubt on the company's ability to 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.



SOMES COOKE



NICHOLAS HOLLENS
Partner

14 March 2016
Perth