



Nickelore Limited

ABN 13 086 972 429

# INTERIM FINANCIAL REPORT

for the half-year ended 31 December 2014

*The information contained in this report is to be read in conjunction with Nickelore Limited's 2014 annual report and announcements to the market made by Nickelore Limited during the half-year period end 31 December 2014*



# NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2014

## CORPORATE DIRECTORY

### Directors

Robert Gardner	<i>Executive Chairman</i>
Paul Piercy	<i>Non-executive Director</i>
Jay Stephenson	<i>Non-executive Director</i>

### Company Secretary

Jay Stephenson

### Registered Office

Street: 182 Claisebrook Road  
Perth WA 6000

Postal: PO Box 52  
WEST PERTH WA 6872

Telephone: +61 (0)8 6141 3500

Facsimile: +61 (0)8 6141 3599

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

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

### Securities Exchange

Australian Securities Exchange

Street: Level 40, Central Park  
152 – 158 St Georges Terrace  
Perth WA 6000

ASX Code: [NIO](#)

### Share Registry

Computershare Registry Services

Street: Level 2, 45 St Georges Terrace  
Perth WA 6000

Postal: GPO Box D182  
Perth WA 6840

Telephone: 1300 850 505 (investors within Australia)  
+61 (0)8 9323 2000

### Auditor

Stantons International

Street: Level 2, 1 Walker Avenue  
West Perth WA 6005, Australia










Telephone: +61(0)8 9481 3188

Facsimile: +61(0)8 9321 1204



**INTERIM FINANCIAL REPORT  
31 DECEMBER 2014**

**CONTENTS**

 Directors' Report .....	1
 Auditor's Independence Declaration .....	2
 Condensed Statement of Profit or Loss and Other Comprehensive Income .....	3
 Condensed Statement of Financial Position .....	4
 Condensed Statement of Changes in Equity .....	5
 Condensed Statement of Cash Flows .....	6
 Notes to the Condensed Financial Statements .....	7
 Directors' Declaration .....	13
 Independent Auditor's Review Report .....	14



# NICKELORE LIMITED

ABN 13 086 972 429




INTERIM FINANCIAL REPORT 31 DECEMBER 2014

## DIRECTORS' REPORT

Your Directors present their report together with the condensed financial statements of the Nickelore Limited (**Nickelore or the Company**) for the half-year ended 31 December 2014.

### 1. DIRECTORS

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

 Mr Robert Gardner	<i>Executive Chairman</i>
 Mr Paul Piercy	<i>Non-executive Director</i>
 Mr Jay Stephenson	<i>Non-executive Director</i>

(the Board)

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

### 2. REVIEW OF OPERATIONS

#### 2.1. Operations review

During the last quarter of 2014 financial year, the Company completed a program of works study. The focus on the study was to determine the next steps in the development of the Canegrass Project (**Project**). To preserve cash during the decline in the nickel price and the difficulty in funding, work on the Project has focused on the organisation and preparation of the Project to be in a position to begin advancement towards production.

Having completed the program of works study, the Company is now beginning to address areas of potential problems identified in the study. Further specific metallurgical test-work needs to be undertaken on the samples produced to provide a credible, costed path to pre-production. This test-work is expected to take between six months and a year.

In July 2014, the Company appointed Strategic Metallurgy to do a Preliminary Metallurgical Assessment and Initial Flow Sheet Development for the Canegrass Project.

The Board continues to review investment opportunities in commodity sectors and jurisdictions that have the potential to significantly add value for shareholders.

#### 2.2. Operating results

The loss of the Company for the half-year amounted to \$85,876 (December 2013: \$94,129), which is consistent with 2013 and expected at the Company's current operating levels. This has been minimised through Directors' election to accrue fees. No Directors' fees have been settled in cash since November 2011; refer to note 8b of the financial statements for details on fees paid or accrued.

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. Details of the Company's assessment in this regard can be found in Note 1 Statement of Significant Accounting Policies: Going Concern on page 7. The auditor's review report on page 14 contains an emphasis on matter in this regard.

#### 2.3. Financial position

Nickelore's net assets have increased by \$218,265 from \$2,667,542 at 30 June 2014 to \$2,885,807 at 31 December 2014, due largely to the Directors' accepting shares in settlement of outstanding fees (see note 8c).

As 31 December 2014, the Company's cash and cash equivalents decreased from 30 June 2014 by \$57,196 to \$285,576 and had working capital of \$268,883 (June 2014: \$56,092 working capital).

### 3. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the half-year ended 31 December 2014 has been received and can be found on page 2 of the interim financial report.



**ROBERT GARDNER**

Chairman

Dated this Friday, 13 March 2015



Stantons International Audit and Consulting Pty Ltd  
Trading as

**Stantons International**

Chartered Accountants and Consultants

PO Box 1908

West Perth WA 6872

Australia

Level 2, 1 Walker Avenue

West Perth WA 6005

Australia

Tel: +61 8 9481 3188

Fax: +61 8 9321 1204

ABN: 84 144 581 519

www.stantons.com.au

13 March 2015

Board of Directors  
Nickelore Limited  
Suite 4, 62 Ord Street  
WEST PERTH WA 6005

Dear Directors

**RE: NICKELORE LIMITED**

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

As Audit Director for the review of the financial statements of Nickelore Limited for the period ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

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

**Martin Michalik**  
Director



# NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2014

## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Note	31 December 2014 \$	31 December 2013 \$
<b>Continuing operations</b>			
Revenue		3,670	7,217
Other income		2,690	-
		6,360	7,217
Accounting and audit fees		(33,172)	(10,129)
Computers and communications		(2,703)	(5,904)
Employee benefits expenses	8a	(40,200)	(55,200)
Insurance		(5,320)	(9,435)
Regulatory expenses		(10,308)	(17,513)
Other expenses		(533)	(3,165)
Loss from before tax		(85,876)	(94,129)
Income tax benefit		-	-
<b>Loss from continuing operations</b>		(85,876)	(94,129)
<b>Net loss for the year</b>		(85,876)	(94,129)
<b>Other comprehensive income, net of income tax</b>			
- Items that will not be reclassified subsequently to profit or loss		-	-
- Items that may be reclassified subsequently to profit or loss		-	-
<b>Other comprehensive income for the year, net of tax</b>		-	-
<b>Total comprehensive income attributable to members of the parent entity</b>		(85,876)	(94,129)
<b>Earnings per share:</b>			
Basic and diluted loss per share (cents per share)		¢ (0.049)	¢ (0.055)

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



**CONDENSED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2014**

	Note	31 December 2014 \$	30 June 2014 \$
<b>Current assets</b>			
Cash and cash equivalents	2	285,576	342,772
Trade and other receivables		6,789	9,326
Financial assets	3	14,347	11,657
Other current assets		20,862	2,359
<b>Total current assets</b>		<b>327,574</b>	<b>366,114</b>
<b>Non-current assets</b>			
Exploration and evaluation assets	4	2,616,924	2,611,450
<b>Total non-current assets</b>		<b>2,616,924</b>	<b>2,611,450</b>
<b>Total assets</b>		<b>2,944,498</b>	<b>2,977,564</b>
<b>Current liabilities</b>			
Trade and other payables	5	58,691	310,022
<b>Total current liabilities</b>		<b>58,691</b>	<b>310,022</b>
<b>Total liabilities</b>		<b>58,691</b>	<b>310,022</b>
<b>Net assets</b>		<b>2,885,807</b>	<b>2,667,542</b>
<b>Equity</b>			
Issued capital	6	24,114,217	23,810,076
Accumulated losses		(21,228,410)	(21,142,534)
<b>Total equity</b>		<b>2,885,807</b>	<b>2,667,542</b>

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



# NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2014

## CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

Note	Issued Capital \$	Accumulated Losses \$	Options Reserve \$	Total \$
<b>Balance at 1 July 2013</b>	23,810,076	(38,501,921)	17,533,027	2,841,182
Loss for the half-year	-	(94,129)	-	(94,129)
Other comprehensive income for the half-year	-	-	-	-
<b>Total comprehensive income for the half-year attributable owners of the parent</b>	-	(94,129)	-	(94,129)
<b>Transaction with owners, directly in equity</b>				
Shares issued during the half-year	-	-	-	-
Transaction costs	-	-	-	-
Options issued during the half-year	-	-	-	-
<b>Balance at 31 December 2013</b>	23,810,076	(38,596,050)	17,533,027	2,747,053
<b>Balance at 1 July 2014</b>	23,810,076	(21,142,534)	-	2,667,542
Loss for the half-year	-	(85,876)	-	(85,876)
Other comprehensive income for the half-year	-	-	-	-
<b>Total comprehensive income for the half-year</b>	-	(85,876)	-	(85,876)
<b>Transaction with owners, directly in equity</b>				
Shares issued during the half-year	306,700	-	-	306,700
Transaction costs	(2,559)	-	-	(2,559)
Options issued during the half-year	-	-	-	-
<b>Balance at 31 December 2014</b>	24,114,217	(21,228,410)	-	2,885,807

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





**CONDENSED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

Note	31 December 2014 \$	31 December 2013 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(52,457)	(54,758)
Interest received	5,185	7,217
<b>Net cash used in operating activities</b>	<b>(47,272)</b>	<b>(47,541)</b>
<b>Cash flows from investing activities</b>		
Payments for exploration expenditure	(7,365)	(6,666)
<b>Net cash used in investing activities</b>	<b>(7,365)</b>	<b>(6,666)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	-	-
Capital raising costs	(2,559)	-
<b>Net cash used in financing activities</b>	<b>(2,559)</b>	<b>-</b>
<b>Net decrease in cash held</b>	<b>(57,196)</b>	<b>(54,207)</b>
Cash at beginning of period	342,772	428,419
<b>Cash at 31 December</b>	<b>285,576</b>	<b>374,212</b>

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



**NOTES TO THE CONDENSED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014****NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

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

The financial statements were authorised for issue on 13 March 2015 by the directors of the Company.

**a. Basis of preparation**

This interim financial report is intended to provide users with an update on the latest annual financial statements of Nickelore Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in combination with the annual financial statements of the Company for the year ended 30 June 2014, together with any public announcements made during the half-year.

**i. Statement of compliance**

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

**ii. Financial position**

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

**iii. Going Concern**

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

Nickelore's net assets have increased by \$218,265 from \$2,667,542 at 30 June 2014 to \$2,885,807 at 31 December 2014, due largely to Director's accepting shares in settlement of outstanding fees (see note 8c).

As 31 December 2014, the Company's cash and cash equivalents decreased by \$57,196 from \$342,772 at 30 June 2014 to \$285,576 and had working capital of \$268,883 (June 2014: \$56,092 working capital).

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

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

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

**iv. Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to the matters discussed below under 1b.



## NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

### NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### b. Critical Accounting Estimates and Judgments

The critical estimates and judgements are consistent with those applied and disclosed in the 30 June 2014 annual report.

##### Key Judgments – Exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at reporting date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. The carrying value of capitalised expenditure at reporting date is \$2,616,924.

During the half-year, the Company undertook assessment of its tenement assets. Refer to Note 4 Exploration And Evaluation Assets on page 9.

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

For the half-year ended 31 December 2014, the Company has reviewed all of the New and Amended Standards and Interpretations issued by the AASB that are relevant to the its operations and effective for annual reporting periods beginning on or after 1 January 2014.

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



# NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2014

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

### NOTE 2 CASH AND CASH EQUIVALENTS

	31 December 2014 \$	30 June 2014 \$
Cash at bank and in hand	46,439	1,440
Short-term term deposits	230,000	350,000
Trust Account	9,137	(8,668)
	<b>285,576</b>	<b>342,772</b>

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

### NOTE 3 FINANCIAL ASSETS

	31 December 2014 \$	30 June 2014 \$
<b>Current</b>		
Dragon Mountain Gold Limited ( <b>DMG</b> ) shares	14,347	11,657
	<b>14,347</b>	<b>11,657</b>

a. Nickelore currently holds 896,660 DMG shares. The fair value of DMG fully paid ordinary shares at 31 December 2014 was based on the ASX quoted market value. These shares are classified as Tier 1 financial assets.

### NOTE 4 EXPLORATION AND EVALUATION ASSETS

	31 December 2014 \$	30 June 2014 \$
<b>Non-current</b>		
☺ Tenement acquisition at cost:	295,200	295,200
☺ Exploration and evaluation phase at cost:	2,321,724	2,316,250
Exploration and evaluation phase at cost	<b>2,616,924</b>	<b>2,611,450</b>

a. The value of the Company's interest in exploration expenditure is dependent upon:

- ☺ the continuance of the Company's rights to tenure of the areas of interest;
- ☺ the results of future exploration; and
- ☺ the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

The Company's exploration properties may be subjected to claim(s) under Native Title (or jurisdictional equivalent), or contain sacred sites, or sites of significance to the indigenous people of Australia.

As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 5 TRADE AND OTHER PAYABLES

		31 December 2014 \$	30 Jun 2014 \$
<b>Current</b>			
<i>Unsecured</i>			
Trade payables	5a	20,708	1,672
Directors' fees accrual	8b	19,200	285,700
Audit fee accrual		7,526	9,500
Other		11,257	13,150
		<b>58,691</b>	<b>310,022</b>

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

NOTE 6 ISSUED CAPITAL

		Note	31 December 2014 \$	30 Jun 2014 \$
The Company has issued share capital amounting to 209,033,386 (June 2014: 170,695,886) fully paid ordinary shares at no par value.				
		6a	24,114,217	23,810,076

		Note	31 December 2014 \$	31 December 2013 \$	31 December 2014 No.	31 December 2013 No.
<b>a. Ordinary shares</b>						
At the beginning of the reporting period			23,810,076	23,810,076	170,695,886	170,695,886
Shares issued during the period:						
☺	38,337,500 shares issued on 17.12.14	8c	306,700	-	38,337,500	-
Transaction costs relating to share issues			(2,559)	-	-	-
At reporting date			<b>24,114,217</b>	<b>23,810,076</b>	<b>209,033,386</b>	<b>170,695,886</b>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

NOTE 7 OPERATING SEGMENTS

a. Identification of reportable segments

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

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



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

**NOTE 8 RELATED PARTY TRANSACTIONS**

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

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

	31 December 2014 \$	31 December 2013 \$
Director fees	40,200	55,200
Total	40,200	55,200

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

**b. KMP accrued director fees payable**

	31 December 2014 \$	30 June 2014 \$
Robert Gardner	11,700	130,700
Paul Piercy	3,750	77,500
Jay Stephenson	3,750	77,500
Total	19,200	285,700

i. All fees have been accrued since November 2011; no fees were settled in cash. Of the Directors' fees accruals, \$19,200 is outstanding for the period October 2014 to December 2014.

**c. KMP compensation settled by shares**

During the half-year ended 31 December 2014 unpaid and accrued directors fees to 30 September 2014 totalling \$306,700 were settled through the issue of shares in the Company in accordance with resolutions passed at the Company's Annual General Meeting.

	Fees \$	Shares No.
Robert Gardner	144,200	18,025,000
Paul Piercy	81,250	10,156,250
Jay Stephenson	81,250	10,156,250
Total	306,700	38,337,500

**d. Other related party transactions**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with Key Management Personnel:

 **Wolfstar Group Corporate Management**

Wolfstar Group Corporate Management, a company jointly controlled Mr Stephenson, provides financial services and company secretarial services to Nickelore Limited. These services are provided indirectly by Mr Stephenson and have therefore not been included 8a above.

	18,559	-
--	--------	---



## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

### NOTE 9 EVENTS SUBSEQUENT TO REPORTING DATE

Since balance date, no matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

### NOTE 10 COMMITMENTS AND CONTINGENCES

There is no change in the Company's commitments of contingency since the year ended 30 June 2014 to date of this report.

### NOTE 11 COMPANY DETAILS

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

Address:

*Street:* 182 Claisebrook Road  
Perth WA 6000

*Postal:* PO Box 52  
West Perth WA 6872

Telephone: +61 (0)8 6141 3500

Facsimile: +61 (0)8 6141 3599

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

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

#### The principal place of business is:

*Finance and Administration Office:*

Level 4, 66 Kings Park Road  
West Perth WA 6005



# NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2014

## DIRECTORS' DECLARATION

The Directors of the Nickelore Limited declare that:

1. The condensed financial statements and notes, as set out on pages 3 to 12, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting*; and
  - (b) give a true and fair view of the financial position as at 31 December 2014 and of the performance for the half-year ended on that date of the Company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



**ROBERT GARDNER**

Chairman

Dated this Friday, 13 March 2015





Stantons International Audit and Consulting Pty Ltd  
trading as

**Stantons International**  
Chartered Accountants and Consultants

PO Box 1908  
West Perth WA 6872  
Australia

Level 2, 1 Walker Avenue  
West Perth WA 6005  
Australia

Tel: +61 8 9481 3188  
Fax: +61 8 9321 1204

ABN: 84 144 581 519  
www.stantons.com.au

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

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Nickelore Limited, which comprises the condensed statement of financial position as at 31 December 2014, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

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

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Company*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Nickelore Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

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

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



Stantons International*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Nickelore Limited on 13 March 2015.

*Conclusion*

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

- (a) giving a true and fair view of the Company's financial position as at 31 December 2014 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.

**Inherent Uncertainty Regarding Going Concern and Capitalised Exploration Cost**

Without qualification to the conclusion expressed above, attention is drawn to the following matters:

As referred to in note 1 to the financial statements, the financial statements have been prepared on a going concern basis. At 31 December 2014 the Company had cash and cash equivalents of \$285,576 and net working capital of \$268,883. The Company had incurred a loss for the period ended 31 December 2014 of \$85,876.

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

The recoverability of the Company's carrying value of capitalised exploration and acquisition costs (\$2,616,924) is dependent on the successful commercial exploitation of the assets and/or sale of the assets to generate profits at amounts in excess of the book values. In the event that the Company is not successful in commercial exploitation and/or sale of the assets, the realisable value of the Company's assets may be significantly less than their current carrying values.

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

*Stantons International - Audit & Consulting Pty Ltd*

  
**Martin Michalik**  
**Director**

West Perth, Western Australia  
13 March 2015





Nickelore Limited