



Nickelore Limited

ABN 13 086 972 429

INTERIM FINANCIAL REPORT

for the half-year ended 31 December 2016

The information contained in this report is to be read in conjunction with Nickelore Limited's 2016 annual report and announcements to the market made by Nickelore Limited during the half-year ended 31 December 2016



NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2016

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

Website: www.nickelore.com.au

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth WA 6000

Telephone: 1300 850 505 (investors within Australia)

Telephone: +61 (0)3 9415 4000

Email: web.queries@computershare.com.au

Website: www.investorcentre.com

Securities Exchange

Australian Securities Exchange
Level 40, Central Park, 152-158 St Georges Terrace
Perth WA 6000

Telephone: 131 ASX (131 279) (within Australia)

Telephone: +61 (0)2 9338 0000

Facsimile: +61 (0)2 9227 0885

Website: www.asx.com.au

ASX Code: NIO

Auditor

Stantons International
Level 2, 1 Walker Avenue
West Perth WA 6005










Telephone: +61(0)8 9481 3188

Facsimile: +61(0)8 9321 1204



INTERIM FINANCIAL REPORT 31 DECEMBER 2016

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	12
 Independent Auditor's Review Report	13






Directors' Report

Your Directors present their report together with the condensed financial statements of Nickelore Limited (**Nickelore or the Company**) for the half-year ended 31 December 2016.

1. DIRECTORS

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

-  Mr Robert Gardner *Executive Chairman*
-  Mr Paul Piercy *Non-executive Director*
-  Mr Jay Stephenson *Non-executive Director*
(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

a. Helio Energia Holdings S.A.

On 29 July 2016, Nickelore executed a binding Share Sale Agreement to acquire 100% of the issued capital of Helio and is progressing the Acquisition for Nickelore shareholder approval in the current quarter.

Nickelore proposes to acquire Helio in exchange for equity in the Company for a fixed quantum of consideration. Included in the consideration will be performance shares in Nickelore, subject to the achievement of key business milestones. The terms provide incentives to realise significant business outcomes, provides a clear structure to deliver an increased investment return for both Nickelore and Helio shareholders, as well as a capital structure that ensures Helio is well positioned to capture its growth pipeline opportunities.

Completion of Nickelore's acquisition of Helio remains conditional upon a number of conditions precedent, such as undertaking the Principal Raising, and regulatory and shareholder approvals for both Nickelore and Helio, including ASX requirements for re-admission being met by the combined entity.

b. Existing Business Activities

The Acquisition of Helio will result in a significant change to the nature and scale of the Company's main business, which the Nickelore Board considers to be positive and in the best interests of Nickelore shareholders.

While Nickelore intends to continue to fund its obligations in respect to the Canegrass Project, if Nickelore shareholders approve the Acquisition, post-completion the new board of Nickelore will undertake a review of the Canegrass assets to investigate opportunities to divest its existing assets and projects by way of a sale, joint venture, or farm-out agreement.

2.2. Operating results

The loss of the Company for the half-year amounted to \$299,080 (31 December 2015: \$101,410), which is consistent with 2015 and expected at the Company's current operating levels. Cash outflows has been minimised through Directors' election to accrue fees. No Directors' fees have been settled in cash since November 2011; refer to note 13b 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 13 contains an emphasis of matter in this regard.

2.3. Financial position

Nickelore's net assets have decreased by \$331,867 from \$460,535 at 30 June 2016 to \$128,668 at 31 December 2016.

As 31 December 2016, the Company's cash and cash equivalents decreased from 30 June 2016 by \$291,727 to \$216,948 and had working capital of \$128,668 (June 2016: \$460,535 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 2016 has been received and can be found on page 2 of the interim financial report.



ROBERT GARDNER

Chairman

Dated this Monday, 13 March 2017



13 March 2017

Board of Directors
Nickelore Limited
Suite 4, 182 Claisebrook Road,
Perth, WA 6000

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 2016, 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)



Samir R Tirodkar
Director

NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2016

Condensed Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 31 December 2016

	Note	31 December 2016 \$	31 December 2015 \$
Continuing operations			
Revenue		1,579	2,306
Other gains and losses		(8,967)	(6,277)
Accounting and audit fees		(19,364)	(20,504)
Business Development	14	(200,083)	-
Computers and communications		(2,783)	(2,439)
Employee benefits expenses	13a	(41,100)	(40,200)
Exploration and evaluation expenditure	4	(8,823)	(4,594)
Impairment		-	-
Insurance		(7,123)	(7,132)
Professional fees		-	(8,111)
Regulatory expenses		(11,885)	(13,785)
Other expenses		(531)	(674)
Loss before tax		(299,080)	(101,410)
Income tax benefit		-	-
Loss from continuing operations		(299,080)	(101,410)
Net loss for the half-year		(299,080)	(101,410)
Other comprehensive income, net of income tax			
- Items that will not be reclassified subsequently to profit or loss		-	-
- Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income/ (loss) attributable to members of the parent entity		(299,080)	(101,410)
Earnings per share:			
Basic and diluted loss per share (cents per share)	3	¢ (0.097)	¢ (0.049)

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 2016

	Note	31 December 2016 \$	30 June 2016 \$
Current assets			
Cash and cash equivalents	5	216,948	508,675
Trade and other receivables	6	5,252	11,567
Financial assets	7	8,967	17,933
Other current assets	8	13,891	5,419
Total current assets		245,058	543,594
Total assets		245,058	543,594
Current liabilities			
Trade and other payables	9	116,390	83,059
Total current liabilities		116,390	83,059
Total liabilities		116,390	83,059
Net assets		128,668	460,535
Equity			
Issued capital	10	24,615,754	24,648,541
Accumulated losses		(24,487,086)	(24,188,006)
Total equity		128,668	460,535

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 2016

Condensed Statement of Changes in Equity

for the Half-Year Ended 31 December 2016

	Issued Capital \$	Accumulated Losses \$	Total \$
Balance at 1 July 2015	24,114,217	(23,916,126)	198,091
Loss for the half-year	-	(101,410)	(101,410)
Other comprehensive income for the half-year	-	-	-
Total comprehensive income for the half-year	-	(101,410)	(101,410)
Transaction with owners, directly in equity			
Shares issued during the half-year	86,200	-	86,200
Transaction costs	-	-	-
Balance at 31 December 2015	24,200,417	(24,017,536)	182,881
Balance at 1 July 2016	24,648,541	(24,188,006)	460,535
Loss for the half-year	-	(299,080)	(299,080)
Other comprehensive income for the half-year	-	-	-
Total comprehensive income for the half-year	-	(299,080)	(299,080)
Transaction with owners, directly in equity			
Shares issued during the half-year	-	-	-
Transaction costs	(32,787)	-	(32,787)
Balance at 31 December 2016	24,615,754	(24,487,086)	128,668

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 2016

Note	31 December 2016 \$	31 December 2015 \$
Cash flows from operating activities		
Payments to suppliers and employees	(57,369)	(45,144)
Interest received	1,579	2,306
Payments for exploration expenditure	(8,339)	(7,716)
Net cash used in operating activities	(64,129)	(50,554)
Cash flows from investing activities		
Business Acquisition Costs	(194,811)	-
Net cash used in investing activities	(194,811)	-
Cash flows from financing activities		
Capital raising costs	(32,787)	-
Net cash used in financing activities	(32,787)	-
Net decrease in cash held	(291,727)	(50,554)
Cash at beginning of period	508,675	254,737
Cash at end of period	216,948	204,183

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 2016

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 2017 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 2016, 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 decreased by \$331,867 from \$460,535 at 30 June 2016 to \$128,668 at 31 December 2016.

As at 31 December 2016, the Company's cash and cash equivalents decreased by \$291,727 from \$508,675 at 30 June 2016 to \$216,948 and had working capital of \$128,668 (30 June 2016: \$460,535 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.

b. Critical Accounting Estimates and Judgments

The critical estimates and judgements are consistent with those applied and disclosed in the 30 June 2016 annual report.

Key Judgments – Environmental Issues

Balance disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the company's development and its current environmental impact, the directors believe such treatment is reasonable and appropriate.



Notes to the Condensed Financial Statements

for the half-year ended 31 December 2016

Note 1 Statement of significant accounting policies

Key Estimate – Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions.

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

For the half-year ended 31 December 2016, the Company has reviewed all of the New and Amended Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2016.

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.

Note 2 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.

Note 3 Earnings per share (EPS)

a. Loss used in the calculation of basic EPS loss

Note	31 December 2016 \$	31 December 2015 \$
	(299,080)	(101,410)

b. Weighted average number of ordinary shares outstanding during the half-year used in calculation of basic and diluted EPS

	31 December 2016 No.	31 December 2015 No.
	307,731,740	211,258,658

c. Basic and diluted EPS (cents per share)

Note	31 December 2016 ¢	31 December 2015 ¢
3c.i	(0.097)	(0.049)

i. The Company is in a loss making position and it is unlikely that the conversion to, calling of, or subscription for, ordinary share capital in respect of potential ordinary shares would lead to diluted earnings per share that shows an inferior view of the earnings per share. Therefore in the event the Company has dilutionary equity instruments on issue, the diluted loss per share for the half -year ended 31 December 2016 is the same as basic loss per share, whilst the Company remains loss making.



NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2016

Notes to the condensed financial statements

for the half-year ended 31 December 2016

Note 4 Exploration and evaluation expenditure

a. Exploration and evaluation expenditure

☺ Tenement acquisition

☺ Exploration expenditure

Total exploration and evaluation expenditure

	31 December 2016 \$	31 December 2015 \$
	-	-
	8,823	4,594
	8,823	4,594

b. Cumulative exploration and evaluation expenditure

Cumulative expenditure at the beginning of half-year

Expenditure incurred and expensed for the half-year

Cumulative expenditure to the end of half-year

	Tenement acquisition expenditure \$	Exploration and evaluation expenditure \$	Cumulative exploration and evaluation expenditure \$
	295,200	2,353,631	2,648,831
	-	8,823	8,823
	295,200	2,362,454	2,657,654

c. All exploration and evaluation expenditure is expensed as incurred

Note 5 Cash and cash equivalents

Cash at bank and in hand

Short-term term deposits

Trust account

Note	31 December 2016 \$	30 June 2016 \$
	93,845	349,242
	120,000	120,000
5a	3,103	39,433
	216,948	508,675

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

Note 6 Trade and other receivables

Current

Trade and other receivables

Other

	31 December 2016 \$	30 June 2016 \$
	-	-
	5,252	11,567
	5,252	11,567

Note 7 Financial assets

Current

Dragon Mountain Gold Limited (DMG) shares

Note	31 December 2016 \$	30 June 2016 \$
7a	8,967	17,933
	8,967	17,933

a. Nickelore currently holds 896,660 DMG shares. The fair value of DMG fully paid ordinary shares at 31 December 2016 was based on the ASX quoted market value. These shares are classified as Tier 1 financial assets. These shares are a financial asset through profit and loss.



Notes to the condensed financial statements

for the half-year ended 31 December 2016

Note 8 Other assets

	31 December 2016 \$	30 June 2016 \$
Current		
Prepayments	13,891	5,419
	13,891	5,419

Note 9 Trade and other payables

	31 December 2016 \$	30 June 2016 \$
Current		
<i>Unsecured</i>		
Trade payables	15,237	12,455
Audit fee accrual	6,000	16,072
Directors' fees accrual	84,175	43,075
Other	10,978	11,457
	116,390	83,059

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 10 Issued capital

	31 December 2016 No.	30 June 2016 No.	31 December 2016 \$	30 June 2016 \$
Fully paid ordinary shares at no par value	307,731,740	307,731,740	24,615,754	24,648,541
	6 months to 31 December 2016 No.	12 months to 30 June 2016 No.	6 months to 31 December 2016 \$	12 months to 30 June 2016 \$
a. Ordinary shares				
At the beginning of the period	307,731,740	209,033,386	24,648,541	24,114,217
Shares issued during the period:				
☺ 26 November 2015	-	10,775,000	-	86,200
☺ 31 May 2016	-	87,923,354	-	527,540
Less: transaction costs	-	-	(32,787)	(79,416)
At reporting date	307,731,740	307,731,740	24,615,754	24,648,541

Note 11 Events subsequent to reporting date

There have been no material events subsequent to reporting date.

Note 12 Commitments and contingences

There is no change in the Company's commitments or contingencies since the year ended 30 June 2016 to date of this report.



NICKELORE LIMITED

ABN 13 086 972 429

INTERIM FINANCIAL REPORT 31 DECEMBER 2016

Notes to the condensed financial statements

for the half-year ended 31 December 2016

Note 13 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 2016 \$	31 December 2015 \$
Directors' fees	41,100	40,200
Total	41,100	40,200

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

b. KMP accrued director fees payable

	31 December 2016 \$	30 June 2016 \$
Robert Gardner	58,800	33,600
Paul Piercy	17,500	10,000
Jay Stephenson	7,875	375
Total	84,175	43,975

i. All fees have been accrued since November 2011; no fees have been settled in cash. Of the Directors' fees accruals, \$84,175 is outstanding as at the 31 December 2016.

NOTE 14 Loss Before Income Tax

The following significant revenue and (expense) items are relevant in explaining the financial performance:

a. Business Development:

Business Development costs as follows are in relation to the proposed acquisition of Helio Energia Holdings S.A

	31 December 2016 \$	31 December 2015 \$
Legal	131,082	-
Professional Services	50,463	-
Other	18,538	-
	200,083	-

Note 15 Company details

The registered office of the Company is:

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
E-mail: info@nickelore.com.au

The principal place of business is:

Finance and Administration Office:
283 Rokeby Road
Subiaco WA 6008



Directors' Declaration

The Directors of Nickelore Limited declare that:

1. The condensed financial statements and notes, as set out on pages 3 to 11, 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 2016 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 Monday, 13 March 2017



**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 2016, 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, condensed 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 2016 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.

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 2017.

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 2016 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.

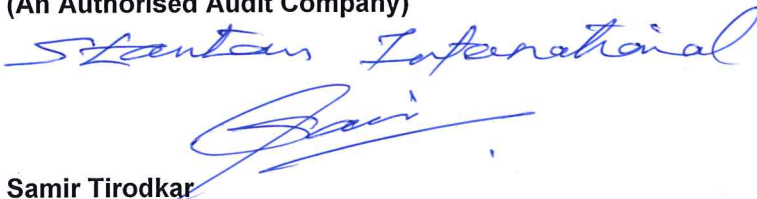
Inherent Uncertainty Regarding Going Concern

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

As referred to in note 1 to the financial statements, the financial statements have been prepared on a going concern basis. At 31 December 2016, the Company had cash and cash equivalents of \$216,948 and net working capital of \$128,668. The Company had incurred a loss for the period ended 31 December 2016 of \$299,080.

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.

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



Samir Tirodkar
Director

West Perth, Western Australia
13 March 2017



Nickelore Limited