



**METEORIC RESOURCES NL**

ABN 64 107 985 651

**ANNUAL REPORT**

FOR THE YEAR ENDED

30 JUNE 2018

## CORPORATE DIRECTORY

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### Directors

Patrick Burke      *Non-Executive Chairman*  
Andrew Tunks      *Managing Director*  
Shastri Ramnath      *Non-Executive Director*

### Company Secretary

Matthew Foy

### Registered and Principal Office

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### Share Registry

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Telephone: 1300 288 664  
Facsimile: +61 2 9698 5414

### Stock Exchange Listing

Australian Securities Exchange  
ASX Code - **MEI**

### Bankers

Bank of Western Australia Ltd  
1215 Hay Street  
West Perth WA 6005

### Auditor

Greenwich & Co Audit Pty Ltd  
Chartered Accountants  
Level 2, 35 Outram Street  
West Perth WA 6005

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## CHAIRMAN'S LETTER

It is with great pleasure that I provide my inaugural Chairman's statement for Meteoric Resources, in what has been a transformational year for your Company, both at a Board level and project focus.

We commenced the year having entered into a binding sales agreement to acquire a diverse portfolio of Cu-Ni-Co-PGE assets throughout Canada, in what was the Company's first move into the Canadian exploration space. This acquisition led to the Company being exposed to further exciting opportunities within Canada with the result that we have built a highly prospective portfolio of seven wholly owned cobalt projects in the mining friendly jurisdiction of Ontario.

Six of these are located around the township of Cobalt, aptly named for its historic cobalt production in East Ontario. This largely forgotten mining hub has been the focus of numerous companies looking to break into the emerging cobalt market and we are delighted to have secured such lucrative tenure with our highly prospective prospects.

Whilst the Company was keen to get onto the ground, our exploration team had to wait until the beginning of the Canadian dry season to commence ground and airborne geophysics to instigate our target generation program across the entire portfolio.

Whilst field exploration can only be carried out during the dry season in Canada, drilling is possible year-round and we look forward to reporting to our shareholders our drilling programs as identified by our ongoing target generation program.

In addition to the Company's existing projects, Meteoric's geological team have continued to assess prospective assets across a range of commodities to drive shareholder value. While discussions are on-going and incomplete, the Board looks forward to updating shareholders on progress.

Hugely important to this new phase of the Company were the appointments of Dr Andrew Tunks as Managing Director, who has many years of experience in leading ASX listed companies through exploration and development, and leading cobalt expert Mr Tony Cormack, who has significant on the ground Canadian cobalt experience having previously been Chief Operating Officer at neighbouring Battery Minerals Resources (TSX listing pending).

Another significant appointment was that of Ms Shastri Ramnath as Technical Director. Shastri is currently the Managing Director of our partner Orix Geoscience, who we are working alongside to develop our current groundwork exploration program across the entire Ontario portfolio.

I want to thank both existing and new shareholders for your continued support.



Pat Burke

Chairman

## DIRECTORS' REPORT

The Company presents its financial report for the consolidated entity consisting of Meteoric Resources NL (**Company** or **Meteoric**) and the entities it controls (**Consolidated entity** or **Group**) at the end of, or during, the year ended 30 June 2018.

## REVIEW OF OPERATIONS

### Ontario Cobalt Portfolio

During the year Meteoric has built through acquisition, a portfolio of seven cobalt projects; six demonstrating the potential for high grade cobalt mineralisation in areas of Eastern Ontario historically known for silver and cobalt production, including the Cobalt town region and one in West Ontario, targeting large tonnage high-grade cobalt-copper-gold mineralisation.

The Company's focus on cobalt has developed following its acquisition of Cobalt Canada early in the year which included the Mulligan and Iron Mask Projects, in addition to the Midrim and LaForce Projects (detailed below). Following this acquisition, Meteoric announced its comprehensive cobalt focused exploration program to be carried out throughout 2018.

Meteoric is currently focused upon systematically working through target generation across its entire cobalt portfolio, with its initial drilling having commenced at the Mulligan Project at the beginning of July 2018.

### East Ontario – The Ontario Cobalt Belt

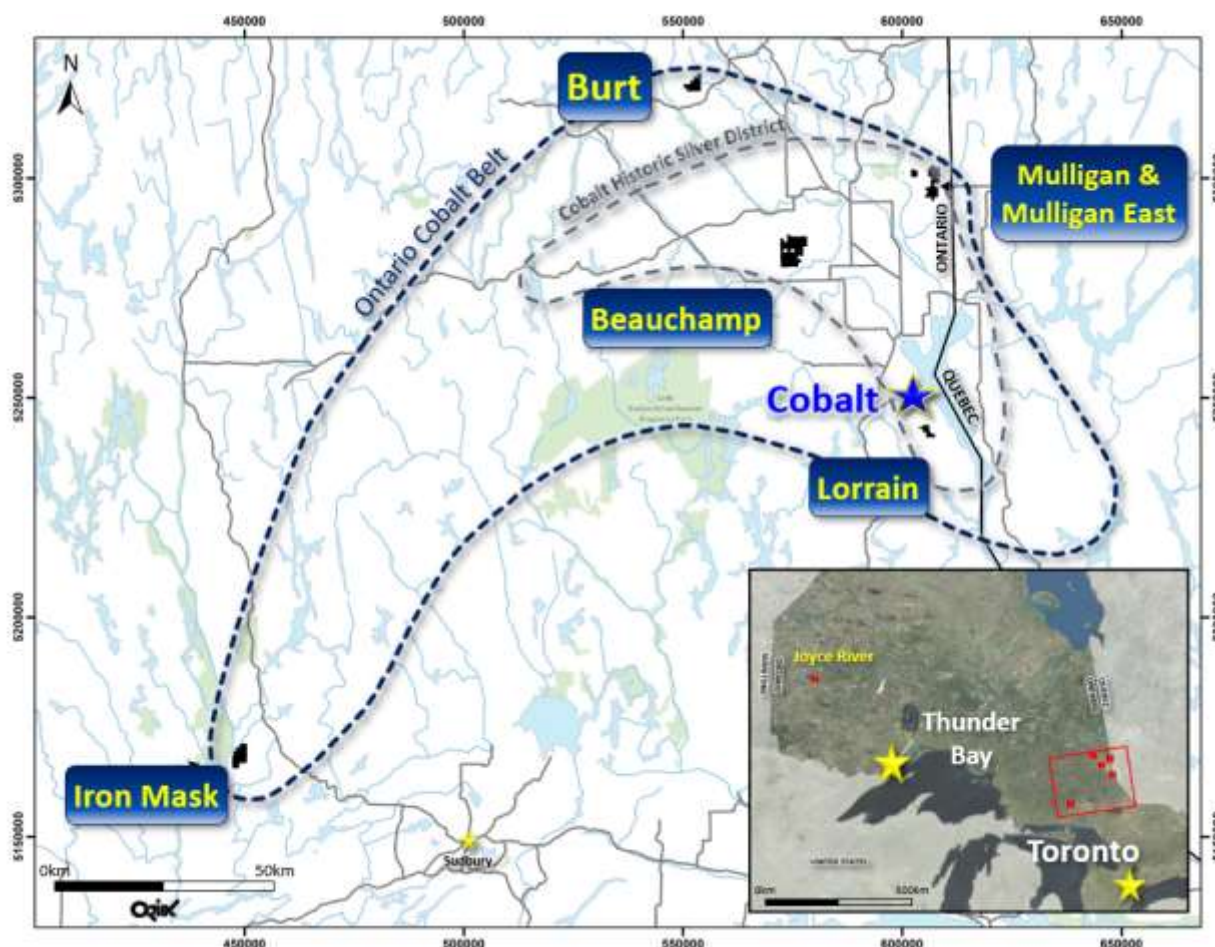


Figure 1 An overview of the Meteoric Project locations within the Ontario Cobalt Belt

## DIRECTORS' REPORT

### *Iron Mask Project*

The Iron Mash Project consists of 8 claims covering 14.2 km<sup>2</sup> and are located along strike to the historical Iron Mask and Cobalt Shafts and Cobra Showing just 500m to the north-west of the Groups. Previous work has produced results demonstrating significant cobalt potential:

- Cobra Showing
  - o Chip sampling grades 11.3% Co
  - o Grab sampling 21.3% Co & 6.19% Ni
- Cobalt Shaft
  - o Bulk sample av. 15% Co and 255 g/t Ag
  - o Grab sampling grades of up to 16% Co, 4.8% Ni and 17% Bi
- Iron Mask Shaft
  - o Channel sample 3.2% Co and 6 g/t Au

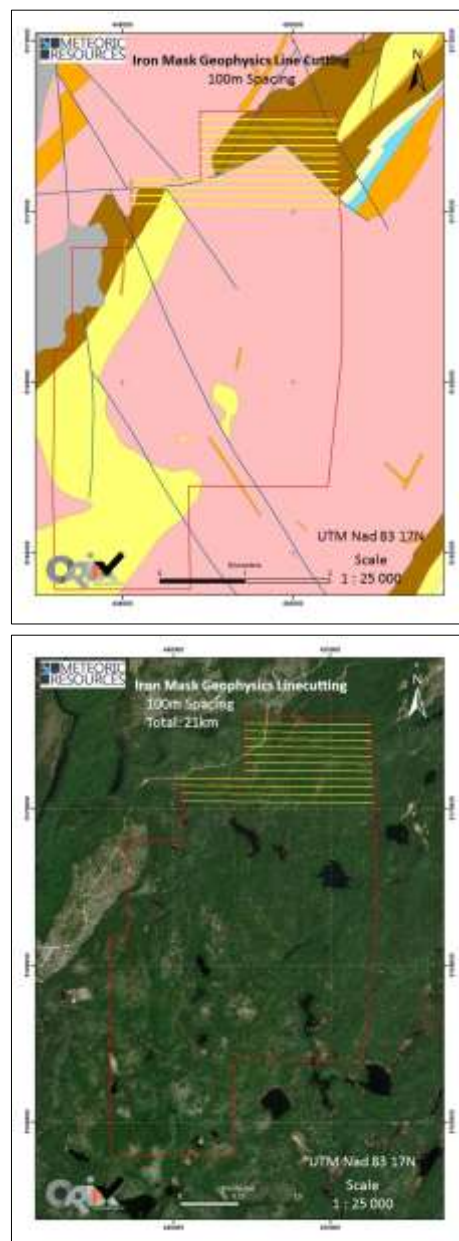
Electro magnetic (EM) and magnetic surveys have confirmed the possible extension of the mineralisation zones into Meteoric claims.

The Iron Mask claims are accessed through existing, well maintained logging roads. The geological package in the area was observed to include: gabbro, Nipissing diabase, metasediments and ultramafic rocks. Skarn-type cobalt-rich polymetallic mineralization, including copper, zinc, nickel and gold has formed along the contact between the Nipissing diabase and the Espanola Limestone Formation of the Huronian Supergroup. The target limestone formation can be traced north-easterly across the claim area towards the Iron Shaft and Cobalt historical workings, which lie within 500m and 1500m, respectively, immediately north-east of the claims. Extensions to the structurally controlled mineralisation was previously noted in technical reports by Champion Bear (2003).

### *Lorrain Project*

Acquired in May, the Lorrain Project just 9kms south-south-west from the well-known historical mining town of Cobalt and is host to numerous historical cobalt-silver mine shafts and open pit workings. Lorrain comprises 4.9km<sup>2</sup> of highly prospective ground for primary cobalt mineralisation which has never been explored using modern exploration techniques.

Lorrain contains large areas of Nipissing Diabase, being the host rock type for cobalt / silver mineralisation, and has the same major fault structure, the Cross-Lake Fault, which runs directly through the prolific Cobalt Camp (see Figure 3).



*Figure 2: Iron Mask Cobalt Project 100m line spaced ground-based IP/Magnetics/Resistivity geophysics program. The program is due to complete in September with results expected in early October.*

The Cross-Lake fault is interpreted as the controlling structure for cobalt / silver mineralisation in the Cobalt Camp area and will form the target for the Group's geophysics and maiden drill program.

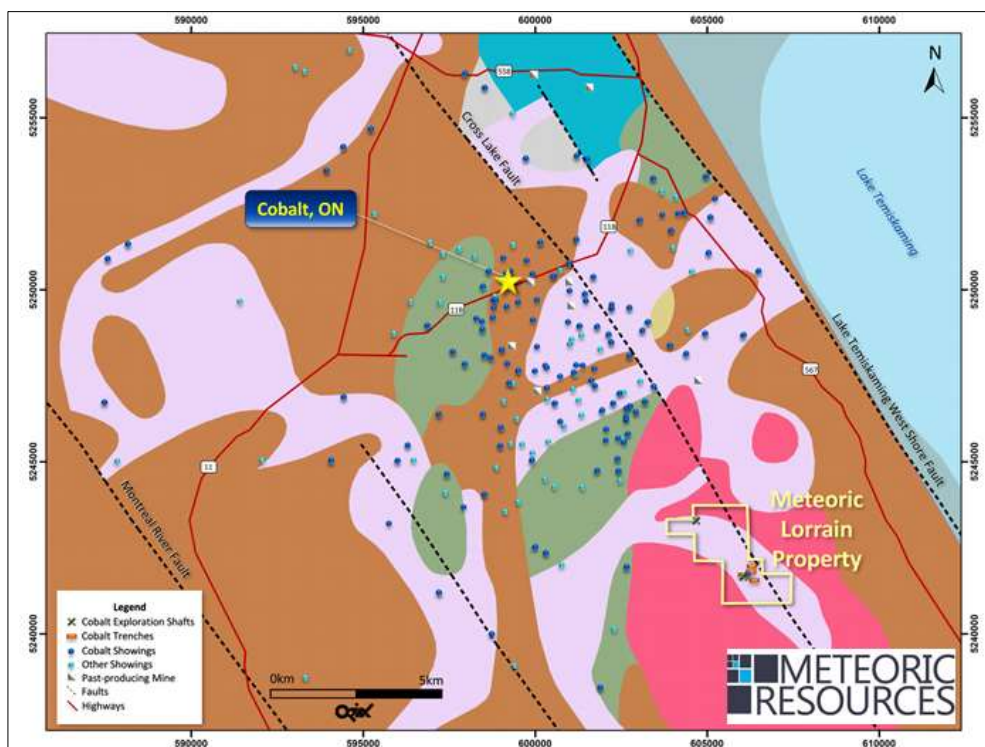


Figure 3: Lorrain Cobalt Project located 9 kilometers south-south-west of the Cobalt, Ontario

#### *Burt Project*

In January the Company announced the acquisition of the Burt Cobalt Project, located approximately 7kms along strike from Battery Mineral Resources' / Golden Valley Mines, Island 27 Project (see Figure 4). Burt is confirmed to host three major north-south trending faults, identified as being the key hosts of primary cobalt mineralisation throughout the district.

These faults, which cross-cut the same andesite unit hosting the cobalt mineralisation at Island 27, represents over 5.7kms of strike length potential for primary cobalt mineralisation. These cobalt fertile structures will be the focus of Meteoric's geophysics and drilling programs scheduled for late 2018.

The cobalt-silver-nickel-gold anomalies generated at Island 27 were identified through a 2013 induced polarisation geophysical survey and diamond core drilling. Drilling intercepted high-grade cobalt mineralisation in a breccia associated with the regional fault zone, including a sulphide-rich zone returning high grade cobalt assays in association with strongly elevated silver, nickel and gold. The weighted average of the 4m downhole intercept is 4.18% Co, 12.1 g/t Ag, 0.38% Ni and 0.098 g/t Au.

The Burt Project demonstrates the potential to host primary cobalt mineralisation as identified by Orix Geoscience's proprietary asset identification software.

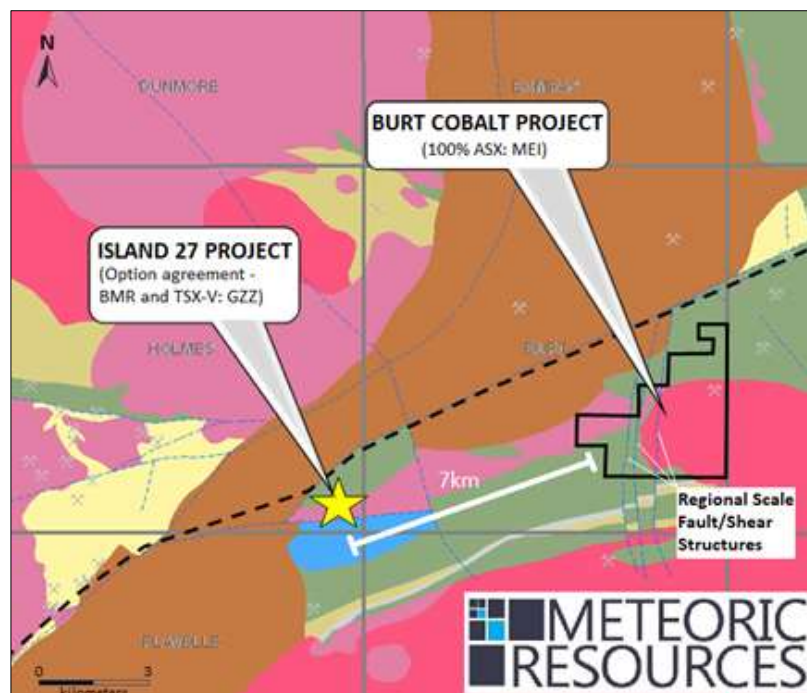


Figure 4: Burt Cobalt Project Location, approximately 7 kilometres along strike from the Island 27 Project

#### Beauchamp Project

Meteoric acquired the Beauchamp Cobalt Project in May. Located just 40km north of the historic Cobalt Camp and comprising 33.5km<sup>2</sup> highly prospective for primary cobalt mineralisation, Beauchamp contains large areas of Nipissing Diabase, being the host rock type for cobalt / silver mineralisation.

Most significantly, Beauchamp hosts the same major fault structure, the Cross-Lake Fault, which runs directly through the Cobalt Camp. The Cross-Lake fault is interpreted as the controlling structure for cobalt / silver mineralisation in the area and is the focus of the Group's planned airborne geophysical survey (see Figure 4 & 5).

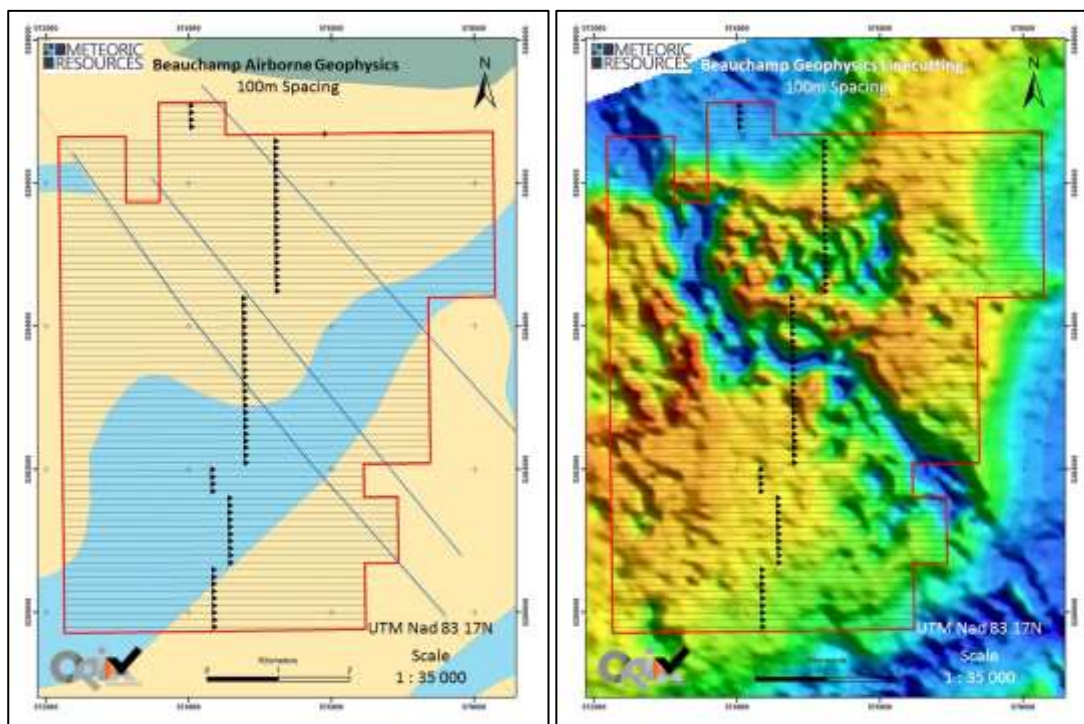
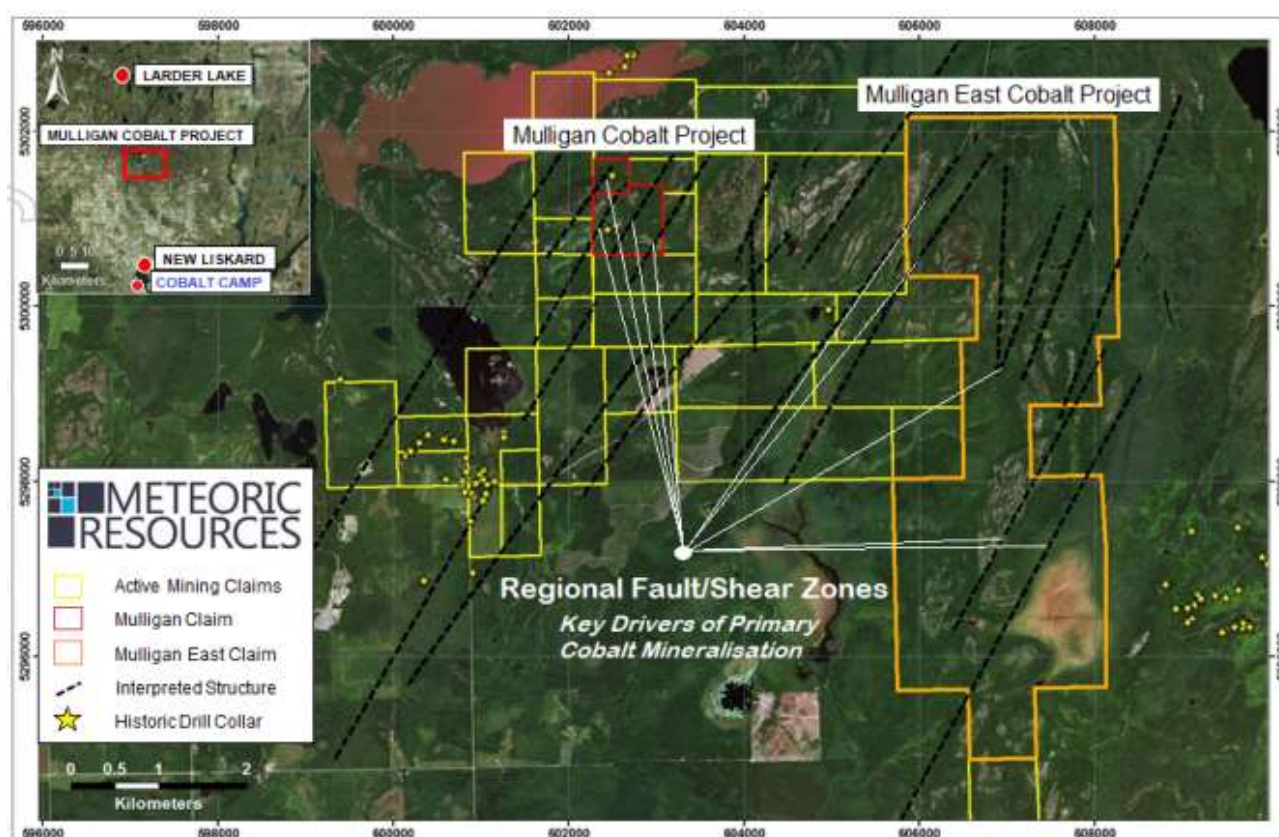


Figure 5: Beauchamp Cobalt Project 100m line spaced airborne EM geophysics program

### *Mulligan East Project*

In late 2017, Meteoric staked additional ground prospective for cobalt approximately 5km east of the Mulligan Cobalt project. This new ground formed the Mulligan East Cobalt project consisting of 90 claims totaling 13.7km<sup>2</sup>, situated 50km north of the historic cobalt mining center of Cobalt and targeting high grade silver-cobalt (Ag-Co) vein style mineralisation similar to that mined at Cobalt.

Located 3.5km south-east of Mulligan and 7km west of Mulligan East is the Foster Marshall Ag-Co project. Supreme Metals reported the project has historic assays of 4.5% Cobalt and 87oz/t Ag and two veins with a combined length of about 160m. Mineralisation at Foster Marshall was intersected in vein structures associated with Nipissing Diabase in an inferred magnetic low. Structures from Foster Marshall can be traced extending into the Group's Mulligan claims. These prominent NE-trending structures are also prevalent in the staked Mulligan East claim block (see Figure 6).

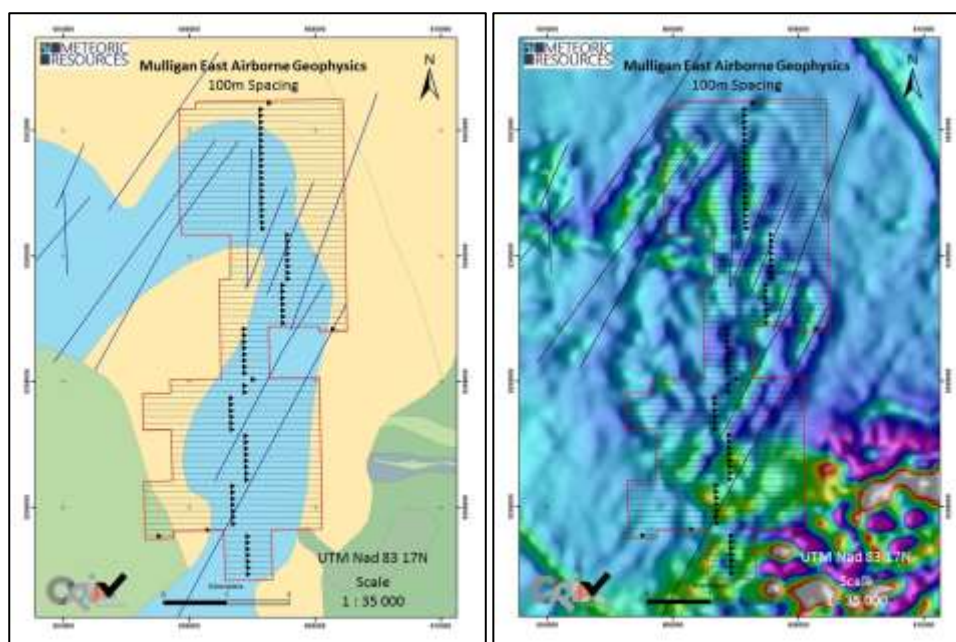


*Figure 6. The structural setting of the Mulligan and Mulligan East Properties*

Mulligan East demonstrates similar controlling structures that host historical high-grade cobalt production at Mulligan grading 10% Cobalt. Aeromagnetic data show several major North-East structures in the east of the region. Subsequent to the reporting period an extensive EM survey was flown over Mulligan East and the results are pending.



*Figure 7: Quartz veining in Nipissing Diabase (left) and Nipissing Diabase hosting sulphide mineralisation (right)*



*Figure 8: Mulligan East Cobalt Project 100m line spaced airborne EM geophysics program which was flown in September 2018 with results pending*

### *Mulligan*

A maiden drill program was carried out at Mulligan in July / August 2018 consisting of 16 diamond core holes for 1,570m. The focus of the program was seven prospective high chargeability IP anomalies identified by Meteoric through ground based IP surveys and historic workings. The results of the program were not economic with only narrow, low-grade zones of metals being recorded in assay. No further work is contemplated at Mulligan at this time.

## West Ontario

### Joyce River Project

Acquired in May, the Joyce River Cobalt Project is in North-western Ontario within the Uchi Greenstone Belt covering 4.6km<sup>2</sup>. The Project contains large bodies of mafic and ultramafic intrusive rocks containing highly prospective cobalt, copper and gold mineralisation in semi-massive to massive sulphides (see Figure 9).

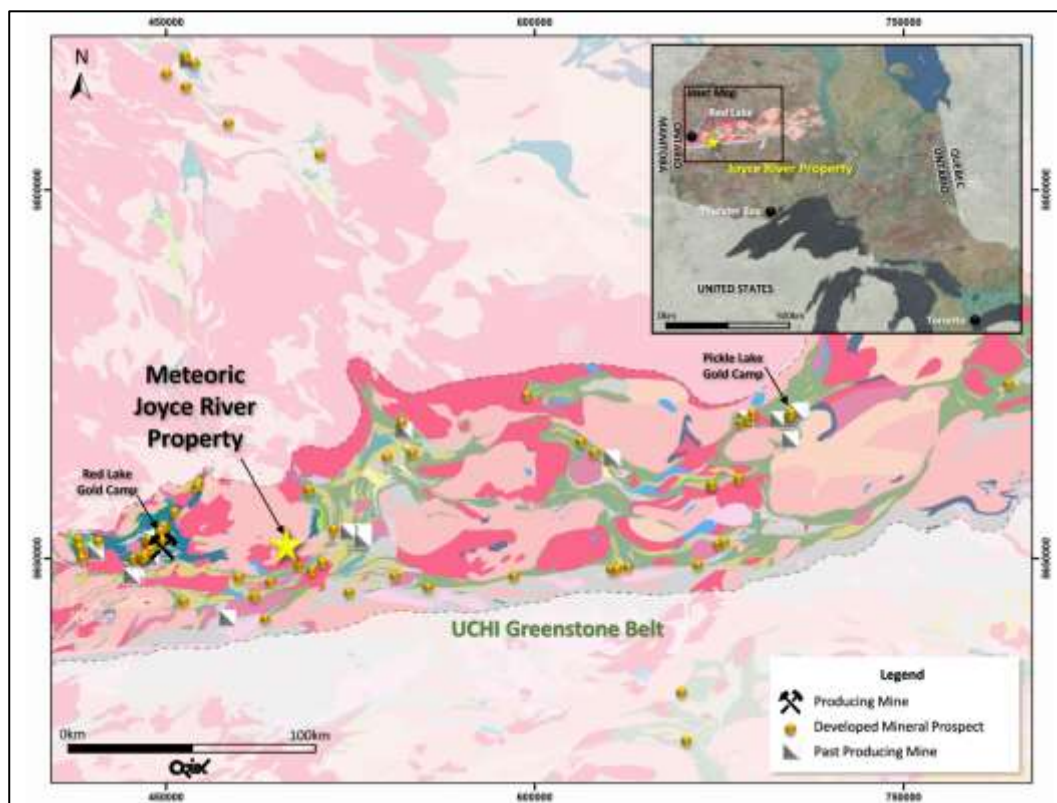


Figure 9 : Joyce River Cobalt Project Location - Regional Geology and Structure

The acquisition of Joyce River opens up a new style of cobalt mineralisation for Meteoric. All of the Meteoric projects located in East Ontario share the same high-grade vein style cobalt-silver mineralisation, whilst Joyce River, located in West Ontario, demonstrates the potential for significant tonnage high grade cobalt, copper and gold mineralisation hosted in mafic-ultramafic intrusive rocks with mapped semi-massive to massive sulphides.

Numerous Co-Cu-Ni-Au-Cr-PGE occurrences are known in the area, with mineralisation hosted in several mafic intrusions associated with extensive faulting. The Joyce River Cobalt Project is a recent discovery, having been uncovered through trenching in 2007.

Three trenches have been completed at Joyce River to date with the mafic-ultramafic geological contact being a classic rheology contrast target. Magnetic signatures and airborne EM anomaly trends suggest that the sulphide-bearing pyroxenite is approximately 1.6km in strike length.

Rock chip sampling by the project vendor has returned assay values grading up to 0.3% cobalt, 11.0% copper and 8.1 g/t gold. EM/Magnetic survey has defined the exploration targets and will form the basis of Meteoric's maiden drilling campaign at the project. At the end of the financial year Meteoric had acquired the EM and Magnetic data and had begun a reprocessing exercise to delineate targets for testing.

The famous Uchi Archean Greenstone Subprovince where the Joyce River Project is located is one of the world's most metal endowed greenstone belts on a square kilometer basis. The Uchi Subprovince stretches for over 600km from Manitoba, east through north-western Ontario.

## DIRECTORS' REPORT (continued)

This belt is host to the Rice Lake Gold Camp in Manitoba; the prolific Red Lake Gold Camp, where over 60 million ounces of gold has been produced; the South Bay VMS Mine; the Thierry Cu-Ni Mine and the Pickle Lake Gold Camp. The Uchi Subprovince remains prime real estate for Co-Cu-Ni-Au-Cr-PGE mineral exploration in Canada.

### Other Assets

#### *Belleterre-Angliers Greenstone Project*

The Midrim and LaForce Cu-Ni-Co-PGE Magnetic Sulphide Projects are located within the Belleterre-Angliers Greenstone Belt (BAG), Quebec, Canada. The BAG consists of three segments: the Belleterre, Baby and Lac de Bois with Midrim located in Baby and LaForce located in Belleterre.

The component of the acquisition covering these Cu-Ni-Co-PGE Projects included:

- 361 claims covering 200.53 km<sup>2</sup> of highly prospective ground within BAG
- Significant platinum and palladium mineralisation associated with Cu-Ni mineralisation
- 36 aerial EM targets identified over the Baby segment of BAG, with 24 of these conductors located on the Group's ground

Exceptional historical drilling results, targeting the Midrim deposit, forming one of the 24 EM conductors include:

|           | From depth (m) | Length (m) | PGE/Au g/t | Cu % | Ni % |
|-----------|----------------|------------|------------|------|------|
| MR00-01   | 15.5           | 19.69      | 3.22       | 2.99 | 1.85 |
| Including | 21.4           | 11.94      | 3.36       | 3.64 | 2.27 |
| MR01-29   | 17.6           | 17.85      | 2.53       | 2.16 | 1.55 |
| MR01-30   | 10.9           | 1.1        | 5.15       | 5.41 | 1.7  |
| MR00-11   | 23             | 1          | 4.41       | 4.74 | 2.66 |

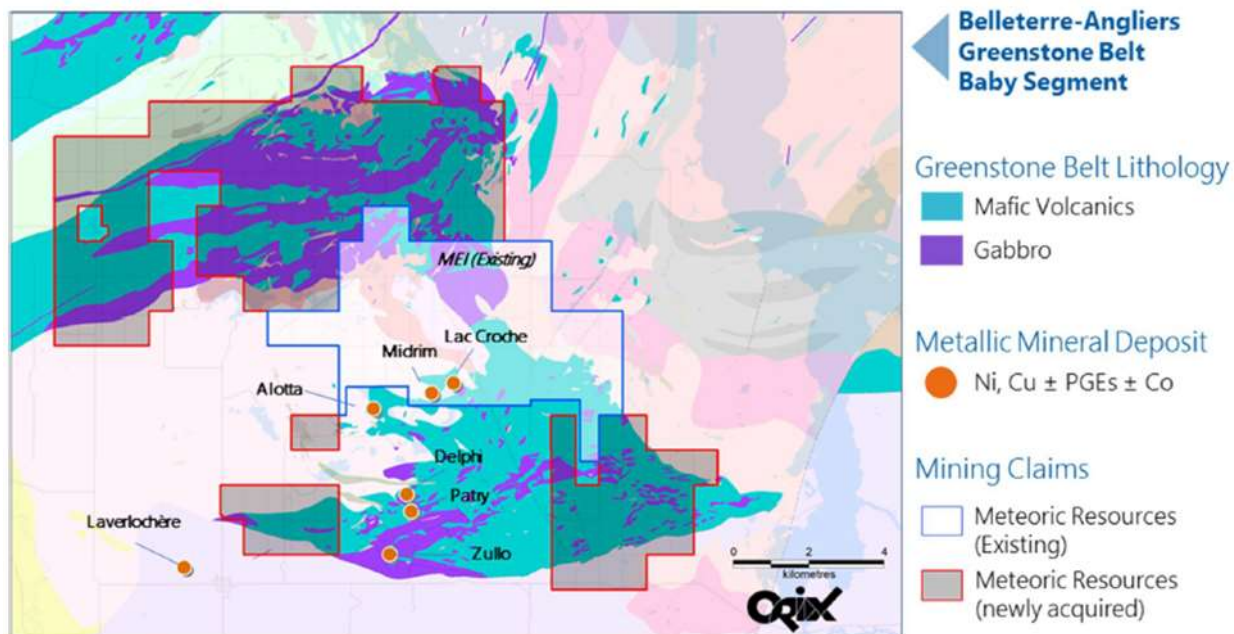


Figure 10 : The expanded Meteoric Resources landholding covering the Baby segment of the BAG

To complement its expanding landholding in Quebec, Meteoric negotiated to acquire a comprehensive database of raw technical information as well as geological interpretations covering the entire Belleterre-Angliers Greenstone Belt, with

## DIRECTORS' REPORT (continued)

a value exceeding \$5 million. The acquisition cost was estimated to be approximately 8% of replacement value and including integral data such as regional Aerial EM and Magnetic surveys as well as a comprehensive database of drilling results.

Maiden drilling carried out at Midrim by Meteoric included a total of 15 holes for 2,270m of NQ diamond core. A total of 512 core samples were submitted to ALS in Sudbury for analysis and outstanding shallow high-grade intersections with Cu-Ni-PGE sulphide assay results were returned including:

| Hole No.         | From(m) | To (m) | Interval (m) | Cu (%) | Ni (%) | PGE g/t |
|------------------|---------|--------|--------------|--------|--------|---------|
| MR-17-01         | 28.0    | 50.1   | 22.10        | 2.38   | 1.64   | 2.56    |
| <i>including</i> | 43.0    | 50.1   | 7.10         | 4.43   | 3.22   | 4.08    |
| &                | 56.6    | 66.0   | 9.4          | 4.25   | 3.52   | 4.59    |
| <i>including</i> | 56.6    | 62.0   | 5.4          | 6.15   | 5.32   | 6.46    |
| MR-17-03         | 50.5    | 52.9   | 2.4          | 0.65   | 0.35   | 0.81    |
| &                | 56.6    | 58.8   | 2.2          | 1.79   | 0.28   | 1.60    |
| MR-17-05         | 23.0    | 39.8   | 16.8         | 1.79   | 1.01   | 2.95    |
| <i>including</i> | 25.6    | 28.0   | 2.4          | 2.00   | 1.00   | 1.79    |
| <i>including</i> | 34.0    | 39.8   | 5.8          | 2.12   | 1.03   | 3.52    |
| MR-17-06         | 104.0   | 111.7  | 7.7          | 0.66   | 0.42   | 0.81    |

Table 1 : Significant intersections from 2017 drilling campaign

Preliminary metallurgical test-work carried out by Meteoric on drill core returned exceptional recoveries with up to 95% of the copper and 80% of the nickel being recovered in 10 minutes of flotation. Further development of known mineralization, along with target generation and metallurgical test-work is being planned for Midrim.

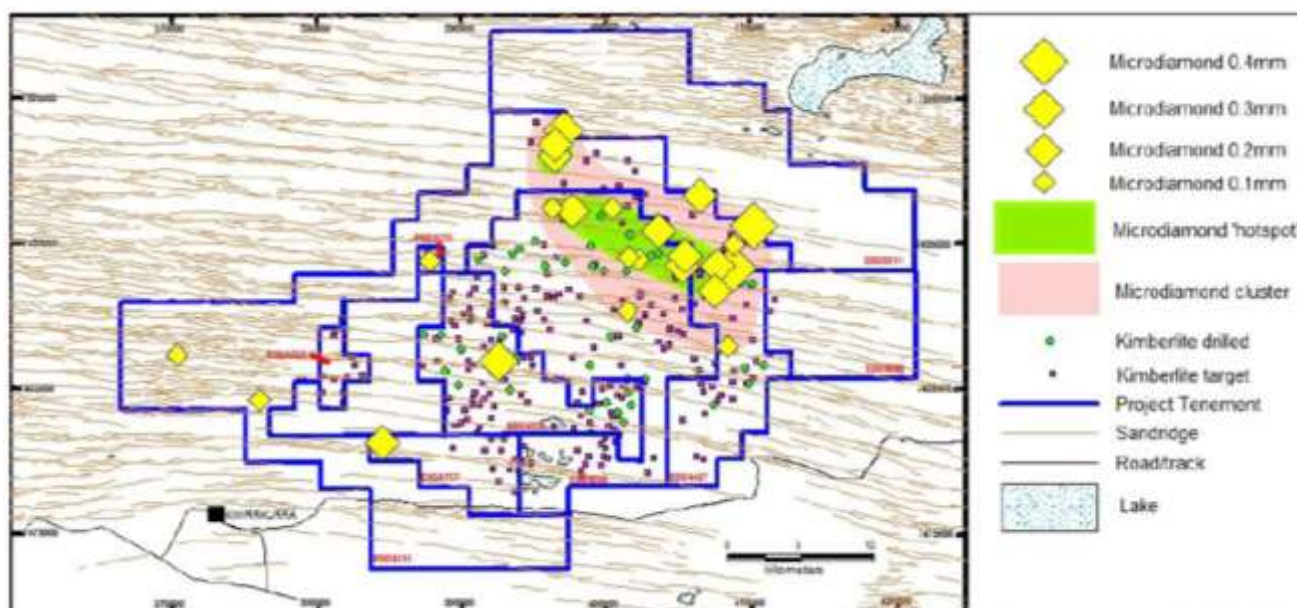
### Warrego North Project – Subject to Farm-out and JV – Chalice Gold Mines Ltd

The Warrego North Project is located approximately 20km north-west of the historical high-grade Warrego copper-gold mine in the western part of the Tennant Creek Mineral Field in the Northern Territory, Australia. Warrego was the largest deposit mined in the area with historical production of 1.3Moz of gold and 90,000 tonnes of copper from 5 million tonnes of ore at 8g/t gold and 2% copper in a classic iron oxide copper gold (IOCG) geological setting. Chalice can earn up to a 70% interest in the project from Meteoric by sole funding \$800,000.

The Parakeet anomaly located on EL23764 is a coincident magnetic and gravity anomaly which was targeted for IOCG Tennant Creek style gold-copper mineralisation. A 12 line-km IP survey over the Parakeet prospect identified a moderate intensity chargeability anomaly located 500m north-east of Parakeet which was follow-up by surface mapping and rock chip sampling identified a major east-west oriented ironstone unit striking over 500m. Assay results returned multiple elevated copper and gold values across the sub-cropping ironstone unit.

### Webb Diamond JV

The Webb Diamond Joint Venture is focused on the evaluation of a large kimberlite field comprising some 280 bulls-eye magnetic targets of which 23% have been drill tested and with 51 kimberlite bodies identified. Loam sampling has resulted in the recovery of 24 microdiamonds and the interpretation of a broad surface microdiamond dispersion anomaly in the northern portion of the kimberlite field (see Figure 11).



*Figure 11 : Webb Diamond Joint Venture – Location map of Micro Diamonds Recovered*

The broad microdiamond anomaly hosts 42 untested kimberlite targets and encompassing an area of approximately 150km<sup>2</sup>. Kimberlite targets of interest in the northern portion of the kimberlite field within the broad surface microdiamond anomaly were surveyed using ground geophysical techniques with the surveys aimed at better defining and prioritizing drill targets testing. The company is highly encouraged by the persistence of the anomaly demonstrated through repeated loam sampling programs, together with the presence of microdiamonds

#### **Competent Persons Statement**

The information in this announcement that relates to exploration and exploration results is based on information compiled and fairly represented by Mr Tony Cormack who is a Member of the Australasian Institute of Mining and Metallurgy and a consultant to Meteoric Resources NL. Mr Cormack has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cormack consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. Additionally, Mr Cormack confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.

#### **CORPORATE**

##### **Capital Raisings**

In November 2017 the Company raised \$3.10 million raised from institutional and professional investors through the issuance of 50 million fully paid ordinary shares at a price of \$0.062 before costs.

##### **Share Purchase Plan**

In December 2017 the Company completed a Share Purchase Plan that provided shareholders with the opportunity to subscribe for up to \$15,000 worth of shares at an offer price of 6.2¢ per share. The SPP closed more than 3.7 times oversubscribed and raised \$1.24 million before costs.

##### **Appointments**

In December the Company appointed Mr Patrick Burke to the role of Non-Executive Chairman. Mr Burke has extensive legal and corporate advisory experience having acted as a director for a large number of ASX, NASDAQ and AIM listed companies over the last 10 years, with particular legal expertise in corporate, commercial and securities law, in particular capital raisings, mergers and acquisitions.

## **DIRECTORS' REPORT (continued)**

Mr Burke's corporate advisory experience includes identification and assessment of acquisition targets, strategic advice, deal structuring and pricing, funding, due diligence and execution. He is currently a director of Tando Resources Limited (ASX:TNO), Triton Minerals Limited (ASX:TON), Blich Resources Limited (ASX:BGH), Koppar Resources Limited (ASX:KRX) and Westwater Resources Limited (NASDAQ:WWR).

In early 2018 Meteoric appointed Dr Andrew Tunks as Managing Director. A member of the Australian Institute of Geoscientists holding a B.Sc. (Hons.) from Monash and a Ph.D. from the University of Tasmania, Dr Tunks has held numerous senior executive positions in a range of small to large resource companies including Auroch Minerals, A-Cap Resources, IAMGOLD Corporation and Abosso Goldfields.

In line with the Company's shift of focus into cobalt, Meteoric appointed cobalt expert Mr Tony Cormack as Cobalt Project Manager to drive the exploration and development of the Company's Ontario portfolio.

A geologist with over 20 years of mine and exploration geology experience across a broad range of commodities including nickel, copper, cobalt, gold, tantalum, graphite and iron, Tony has a proven track record of taking exploration projects through to production and has held senior positions with BHP Billiton, Aztec Resources, Atlas Iron Limited and Hexagon Resources Limited. More recently he was Chief Operating Officer at Battery Mineral Resources Limited where he oversaw the discovery of the company's cobalt projects in North America.

Another key appointment throughout the year was that of Shastri Ramnath as Technical Director. Ms Ramnath has significant knowledge and experience of the Midrim and La Force Projects. With a career spanning over 20 years in the exploration and mining industry, Ms Ramnath has extensive experience in Canadian mining and exploration including roles at Falconbridge Limited in Winnipeg, Manitoba, FNX Mining (now KGHM International) in Sudbury, Ontario, and as the President and Managing Director of Bridgeport Ventures, a TSX-listed junior exploration company.

Ms Ramnath is the founder and CEO of Exiro Minerals Corp, a multi-commodity project generation firm. Exiro is focused on processing large, historical, paper datasets for the purposes of project identification. She is also a Director of Far Resources, a junior exploration company focused on lithium in Canada.

And finally, the current Board of Meteoric would like to thank Mr Graeme Clatworthy, Mr Neville Bassett and Mr George Sakilidis, who stepped down from the Board during the year, for all of their contributions to the Company whilst they served on the Board.

### **DIRECTORS**

The following persons were Directors who held office during the year and up to the date of signing this report, unless otherwise states are:

|                      |                              |           |            |
|----------------------|------------------------------|-----------|------------|
| Mr Patrick Burke     | Non-Executive Chairman       | Appointed | 04.12.2017 |
| Ms Shastri Ramnath   | Non-Executive Director       | Appointed | 01.10.2017 |
| Dr Andrew Tunks      | Managing Director            | Appointed | 10.01.2018 |
| Mr Graeme Clatworthy | Executive Director           | Resigned  | 09.04.2018 |
| Mr Neville Bassett   | Non-Executive Director       | Resigned  | 04.12.2017 |
| Mr George Sakalidis  | Executive Technical Director | Resigned  | 29.11.2017 |

### **PRINCIPAL ACTIVITIES**

The principal activities of the Group during the year were to explore mineral tenements in Canada, Western Australia, and Northern Territory.

### **DIVIDENDS**

No amounts have been paid or declared by way of dividend by the Company since the end of the previous financial year and the Directors do not recommend the payment of any dividend.

## DIRECTORS' REPORT (continued)

### FINANCIAL POSITION

The Group made a loss from continuing operations of \$6,731,507 for the year (30 June 2017: \$449,444).

At 30 June 2018, the Group had net assets of \$3,129,953 (30 June 2017: \$927,129) and cash assets of \$3,299,194 (30 June 2017: \$1,090,846).

### SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the year the Company completed a capital raising totalling \$5.03 million before costs including \$3.10 million raised from institutional and professional investors through the issuance of 50 million fully paid ordinary shares at a price of \$0.062, an oversubscribed Share Purchase plan offered to existing shareholders raising \$1.24 million before costs and \$690,800 raised as a subscribed placement to qualified investors.

Also, Meteoric announced an agreement to acquire 100% of the Gillies Cobalt Project on 27 March 2018. Following completion of due diligence, the Company decided not to exercise its Option to acquire the project.

Other than as noted above, there were no significant changes in the state of affairs of the Company during the financial period.

### MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 9 July 2018, the Company advised that it had changed shareholder registry services provider from Security Transfer Australia to Automic Registry Services.

No other material matters have occurred subsequent to the end of the financial year which requires reporting on other than those which have been noted above or reported to ASX.

### INFORMATION ON DIRECTORS

The following information is current as at the date of this report.

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Mr Patrick Burke</b>                     | <b>Non-Executive Chairman (appointed 4 December 2017)</b>                                                                                                                                                                                                                                                                                                                                                         |
| Qualifications                              | LLB                                                                                                                                                                                                                                                                                                                                                                                                               |
| Experience                                  | Mr Burke holds a Bachelor of Law Degree from the University of Western Australia and has extensive legal, commercial and corporate advisory experience for ASX listed companies. He has acted as a director for ASX, AIM and NASDAQ listed small to mid-cap resources companies over the past 10 years. He contributes general commercial and legal skills along with a strong knowledge of the ASX requirements. |
| Equity Interests                            | 5,500,000 performance rights over ordinary shares with various performance hurdles.                                                                                                                                                                                                                                                                                                                               |
| Directorships held in other listed entities | Mr Burke is currently a director of ASX listed Triton Minerals Limited, Tando Resources Limited, Westwater Resources Inc., Bligh Resources Limited and Koppar Resources Limited.<br><br>In the last three years Mr Burke was a Non-Executive Director of Shareroot Ltd; Anatolia Energy Limited; ATC Alloys Limited; and Pan Pacific Petroleum NL                                                                 |
| <b>Dr Andrew Tunks</b>                      | <b>Managing Director (appointed 10 January 2018)</b>                                                                                                                                                                                                                                                                                                                                                              |
| Qualifications                              | B.Sc. (Hons.), Ph.D                                                                                                                                                                                                                                                                                                                                                                                               |
| Experience                                  | Dr Tunks is a member of the Australian Institute of Geoscientists holding a B.Sc. (Hons.) from Monash and a Ph.D. from the University of Tasmania. Dr. Tunks has held numerous senior executive positions in a range of small to large resource companies including Auroch Minerals, A-Cap Resources, IAMGOLD Corporation and Abosso Goldfields.                                                                  |

**DIRECTORS' REPORT (continued)**

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                             | In his role as CEO and director of A-Cap Resources Dr. Tunks led the discovery of the 10th largest uranium resource in the world and managed four separate capital raisings totalling AUD\$45 million. Through his 30-year career within the resource and academic sectors Dr. Tunks has developed a unique skill set including technical, promotional and corporate expertise which will make him invaluable in the next stages of Meteoric's project advancement.                                                                                                                                                                                            |
| Equity Interests                            | 11,000,000 performance rights over ordinary shares with various performance hurdles.<br>278,000 ordinary fully paid shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Directorships held in other listed entities | Dr Tunks is currently a director of ASX listed West Wits Mining Ltd.<br>In the last three years Dr Tunks has not held any listed directorships.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Ms Shastri Ramnath</b>                   | <b>Non-Executive Director (appointed 1 October 2017)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Qualifications                              | MSc., MBA, P.Geo.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Experience                                  | Throughout her 20 years in the exploration and mining industry, Ms Ramnath has gained extensive international experience, working on projects in Canada, the United States (Nevada), South America (Chile, Ecuador & Peru) and Africa (Guinea, Burkina Faso, Zambia, Namibia & South Africa).<br><br>She has extensive experience in Canadian mining and exploration including roles at Falconbridge Limited in Winnipeg, Manitoba, FNX Mining (now KGHM International) in Sudbury, Ontario, and as the President and Managing Director of Bridgeport Ventures, a TSX-listed junior exploration company.                                                       |
| Equity Interests                            | 2,000,000 performance rights over ordinary shares with various performance hurdles.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Directorships held in other listed entities | No other current directorships. In the last three years Ms Ramnath has not held any listed directorships.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Mr Neville Bassett</b>                   | <b>Non-Executive Chairman (resigned 4 December 2017)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Qualifications                              | B.Bus MBA CPA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Experience                                  | Mr Bassett is a Chartered Accountant operating his own corporate consulting business, specialising in the area of corporate, financial and management advisory services. Mr Bassett has been involved with numerous public company listings and capital raisings. His involvement in the corporate arena has also taken in mergers and acquisitions and includes significant knowledge and exposure to the Australian financial markets. Mr Bassett has experience in matters pertaining to the Corporations Act, ASX listing requirements, corporate taxation and finance. He is a director or company secretary of a number of public and private companies. |
| Directorships held in other listed entities | In the last three years Mr Bassett was Non-Executive Chairman of Ram Resources Ltd, Non-Executive Director of Vector Resources NL, Laconia Resources NL, WHL Energy Ltd, Pointerra Ltd and The Gruden Group Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Mr Graeme Clatworthy</b>                 | <b>Executive Director (resigned 9 April 2018)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Qualifications                              | BBus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Experience                                  | Mr Clatworthy accumulated over 28 years of experience in the stockbroking industry and has gained a vast understanding of the Australian Capital Markets. He is executive director of this company, Meteoric Resources NL (appointed 29 November 2012) and a non-executive director of Rift Valley Resources Ltd, each of which is ASX listed.                                                                                                                                                                                                                                                                                                                 |
| Directorships held in other listed entities | In the last three years Mr Clatworthy was Non-Executive Director of Rift Valley Resources Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

## DIRECTORS' REPORT (continued)

### Mr George Sakalidis

### Executive Technical Director (resigned 29 November 2017)

#### Experience

Mr Sakalidis is an exploration geophysicist with over 30 years' industry experience, during which time his career has included extensive gold, diamond, base metals and mineral sands exploration. Mr Sakalidis has been involved in a number of significant mineral discoveries, including the Three Rivers and Rose gold deposits and the Dongara Mineral Sand Deposits and the Boonanarring-Gingin South-Helene Mineral Sand Deposits in Western Australia and he was involved in the tenement applications over the Silver Swan nickel deposit. He was also involved with the tenement application of the recently discovered Monty Cu mineralisation adjacent to the Degussa Cu deposit.

He was Executive Technical Director of this company, Meteoric Resources NL (since the company was incorporated 13 February 2004), Image Resources NL (since incorporation on 4 July 1992) and Magnetic Resources NL (reappointed 29 January 2016) each of which is ASX listed. He resigned from being a founding director of ASX listed companies Emu NL on 8 November 2013 and Potash West NL on 26 November 2014.

#### Directorships held in other listed entities

In the last three years Mr Sakalidis was a Director of ASX listed Image Resources NL and Magnetic Resources NL.

### Company Secretary

Mr Matthew Foy, appointed 17 January 2018

BCom, GradDipAppFin, GradDipACG, SAFin, AGIA, ACIS

Mr Foy is a contract Company Secretary and active member of the WA State Governance Council of the Governance Institute Australia (GIA). He spent four years at the ASX facilitating the listing and compliance of companies and possesses core competencies in publicly listed company secretarial, operational and governance disciplines. His working knowledge of ASIC and ASX reporting and document drafting skills ensure a solid base to make a valued contribution to Meteoric.

#### Former company secretary

Mr Rudolf Tieleman, resigned 15 January 2018

### MEETINGS OF DIRECTORS

During the financial year ended 30 June 2018, the following director meetings were held:

|                              | Eligible to Attend | Attended |
|------------------------------|--------------------|----------|
| P. Burke <sup>(1)</sup>      | 2                  | 2        |
| S. Ramnath <sup>(2)</sup>    | 2                  | 2        |
| A. Tunks <sup>(3)</sup>      | 2                  | 2        |
| N. Bassett <sup>(4)</sup>    | 1                  | 1        |
| G. Clatworthy <sup>(5)</sup> | 1                  | 1        |
| G. Sakalidis <sup>(6)</sup>  | 1                  | 1        |

1 Mr Burke was appointed on 4 December 2017

2 Ms Ramnath was appointed on 1 October 2017

3 Dr Tunks was appointed on 10 January 2018

3 Mr Bassett resigned as Non-Executive Chairman 4 December 2017

5 Mr Clatworthy resigned as Executive Director 9 April 2018

6 Mr Sakalidis resigned as Executive Technical Director 29 November 2017

### AUDIT COMMITTEE

At the date of this report the Company does not have a separately constituted Audit Committee as all matters normally considered by an audit committee are dealt with by the full Board.

### REMUNERATION COMMITTEE

At the date of this report, the Company does not have a separately constituted Remuneration Committee and as such, no separate committee meetings were held during the year. All resolutions made in respect of remuneration matters were dealt with by the full Board.

## **DIRECTORS' REPORT (continued)**

### **REMUNERATION REPORT (Audited)**

The remuneration report is set out under the following main headings:

- A. Introduction
- B. Remuneration governance
- C. Key management personnel
- D. Remuneration and performance
- E. Remuneration structure
  - Executive
  - Non-executive directors
- F. Executive service agreements
- G. Details of remuneration
- H. Share-based compensation
- I. Other information

This report details the nature and amount of remuneration for each Director of Meteoric Resources NL (Company) and key management personnel.

#### **A. Introduction**

The remuneration policy of the Company has been designed to align Director and management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific long-term incentives, based on key performance areas affecting the Group's financial results. Key performance areas include cash flow management, growth in share price, successful exploration and subsequent exploitation of the Group's tenements and successful development and subsequent exploitation of the Group's wave technology. The Company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best management and Directors to run and manage the Group, as well as create goal congruence between Directors, executives and shareholders.

During the period the Company did not engage remuneration consultants.

#### **B. Remuneration governance**

The Board retains overall responsibility for remuneration policies and practices of the Company. Due to the Company's size and current stage of development, the Board has not established a separate nomination and remuneration committee at this stage. This function (Remuneration Function) is performed by the Board.

The Board aims to ensure that the remuneration practices are:

- competitive and reasonable, enabling the company to attract and retain key talent;
- aligned to the Company's strategic and business objectives and the creation of shareholder value;
- transparent and easily understood, and
- acceptable to Shareholders.

At the 2017 annual general meeting, the Company's remuneration report was passed by the requisite majority of shareholders (100% by a show of hands).

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (Audited) (continued)

#### C. Key management personnel

The key management personnel in this report are as follows:

##### *Non-Executive Directors – Current*

- P Burke (Non-Executive Chairman) – appointed 4 December 2017
- S Ramnath (Non-Executive Director) – appointed 1 October 2017

##### *Non-Executive Directors – Former*

- N Bassett (Non-Executive Chairman) – resigned 4 December 2017

##### *Executives – Current*

- A Tunks (Managing Director) – appointed 10 January 2018

##### *Executives – Former*

- G Clatworthy (Executive Director) - resigned 9 April 2018
- G Sakalidis (Executive Technical Director) - resigned 29 November 2017

#### D. Remuneration and performance

The following table shows the gross revenue, net losses attributable to members of the Company and share price of the Company at the end of the current and previous four financial years.

|                                                 | 30 June 2018 | 30 June 2017 | 30 June 2016 | 30 June 2015 | 30 June 2014 |
|-------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
|                                                 | \$           | \$           | \$           | \$           | \$           |
| Revenue from continuing operations              | 43,665       | 25,123       | 24,225       | 394,720      | 90,662       |
| Net loss attributable to members of the Company | (6,731,507)  | (449,444)    | (940,457)    | (413,972)    | (631,759)    |
| Share price                                     | 0.027        | 0.036        | 0.012        | 0.008        | 0.024        |

There is no relationship between the financial performance of the Company for the current or previous financial year and the remuneration of the key management personnel. Remuneration is set having regard to market conditions and encourage the continued services of key management personnel.

#### E. Remuneration structure

##### **Executive remuneration structure**

The Board's policy for determining the nature and amount of remuneration for senior executives of the Group is as follows.

The remuneration policy, setting the terms and conditions for executive directors and other senior executives, was developed and approved by the Board. All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives. The Board reviews executive packages annually by reference to the Group's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

Executives are also entitled to participate in the employee share option and performance rights plans. If an executive is invited to participate in an employee share option or performance rights plan arrangement, the issue and vesting of any equity securities will be dependent on performance conditions relating to the executive's role in the Group and/or a tenure based milestone.

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (Audited) (continued)

The employees of the Group receive a superannuation guarantee contribution required by the Government, which is currently 9.50%, and do not receive any other retirement benefits.

#### Non-executive remuneration structure

In line with corporate governance principles, Non-executive Directors of the Company are remunerated solely by way of fees and statutory superannuation. Non-executive Directors fees are set at the lower end of market rates for comparable companies for time, responsibilities and commitments associated with the proper discharge of their duties as members of the Board.

Non-executive Directors' fees and payments are reviewed annually by the Board. For the year ended 30 June 2018, remuneration for a Non-executive Director was \$40,000 per annum and Non-executive Chairman was \$60,000 per annum inclusive of superannuation. There are no termination or retirement benefits paid to Non-executive Directors (other than statutory superannuation). Non-executive Directors of the Company may also be paid a variable consulting fee for additional services provided to the Company of \$1,000 per day inclusive of superannuation.

The maximum aggregate amount of fees that can be paid to Non-executive Directors, as part of the constitution, is \$250,000 per annum.

Fees for Non-executive Directors are not linked to the performance of the Group. Non-executive Directors are able to participate in the employee share option or performance rights plans. In addition, in order to align their interests with those of shareholders, the Non-executive Directors are encouraged to hold shares in the Company.

14 August 2017 shareholders approval was sought and obtained to issue 1,750,000 performance rights each to Mr Bassett and Mr Clatworthy and 500,000 performance rights to Mr Sakalidis.

On 6 April 2018 shareholder approval was sought and obtained to issue 5,500,000 performance rights to Mr Burke and 2,000,000 performance rights to Ms Ramnath.

#### F. Executive service agreements

From 1 July 2017, remuneration for an Executive Director was fixed at \$40,000 per annum. Messrs Clatworthy and Sakalidis did not have employment contracts with the Company save to the extent that the Company's consulting documents comprise the same. As a result of the changing nature of their work and the time commitments required upon commencement with the company Dr Tunks entered into contractual arrangement with the company.

From 8 January 2018 executive Director compensation was reviewed on an as needs basis.

Remuneration and other terms of employment for key management personnel will look to be formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in the share and performance rights plans are subject to the Board's discretion. Other major provisions of the agreements relating to remuneration are set out below. Termination benefits are within the limits set by the *Corporations Act 2001* such that they do not require shareholder approval.

On 6 April 2018 shareholder approval was sought and obtained to issue 11,000,000 performance rights to Dr Tunks.

#### Contractual arrangement with key management personnel

##### *Executives – Current*

| Name                                           | Effective date | Term of agreement | Notice period | Base per annum \$ | Termination payments |
|------------------------------------------------|----------------|-------------------|---------------|-------------------|----------------------|
| A Tunks <sup>(1)(2)</sup> , Executive Director | 8-Jan-18       | No fixed term     | 3 months      | 200,000           | 3 months             |

1 Dr Tunks (Executive Director) – appointed 10 January 2018

2 Dr Tunks is a director of Tunks Geo Consulting Pty Ltd, which receives Dr Tunks' director fees

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (Audited) (continued)

#### G. Details of remuneration

Remuneration of KMP for the 2018 financial year is set out below:

|                                          | Short-term benefits |                 |                                  | Post-employment benefits |               | Share-based payments              |          | Total          |
|------------------------------------------|---------------------|-----------------|----------------------------------|--------------------------|---------------|-----------------------------------|----------|----------------|
|                                          | Cash salary         | Consulting fees | Non-cash benefits <sup>(1)</sup> | Super-annuation          | Termination   | Performance rights <sup>(2)</sup> | Options  |                |
|                                          | \$                  | \$              | \$                               | \$                       | \$            | \$                                |          | \$             |
| <b>Non-Executive Directors – Current</b> |                     |                 |                                  |                          |               |                                   |          |                |
| P Burke <sup>(3)</sup>                   | 35,000              | 35,000          | -                                | -                        | -             | 718                               | -        | 70,718         |
| S Ramnath <sup>(4)(5)</sup>              | 29,877              | -               | -                                | -                        | -             | 349                               | -        | 30,226         |
| <b>Non-Executive Director – Former</b>   |                     |                 |                                  |                          |               |                                   |          |                |
| N Bassett <sup>(6)</sup>                 | 17,105              | -               | -                                | 1,625                    | -             | 52,500                            | -        | 71,230         |
| <b>Executives – Current</b>              |                     |                 |                                  |                          |               |                                   |          |                |
| A Tunks <sup>(7)(8)</sup>                | 91,667              | -               | -                                | -                        | -             | 1436                              | -        | 93,103         |
| <b>Executives – Former</b>               |                     |                 |                                  |                          |               |                                   |          |                |
| G Clatworthy <sup>(9)</sup>              | 45,667              | -               | -                                | 6,561                    | 23,397        | 52,500                            | -        | 128,125        |
| G Sakalidis <sup>(10)</sup>              | 16,557              | -               | -                                | 1,573                    | -             | 15,000                            | -        | 33,130         |
| <b>Total</b>                             | <b>235,873</b>      | <b>35,000</b>   | <b>-</b>                         | <b>9,759</b>             | <b>23,397</b> | <b>122,503</b>                    | <b>-</b> | <b>426,532</b> |

1 Other benefits include the provision of car parking and a mobile phone allowance.

2 Performance rights granted as part of remuneration package, AASB 2 – Share Based Payments requires the fair value at grant date of the performance rights granted to be expensed over the vesting period.

3 Mr Burke was appointed on 4 December 2017

4 Ms Ramnath was appointed on 1 October 2017

5 Ms Ramnath, Non-Executive Director, is a director of Ram Jam Holdings Inc, which received Ms Ramnath's director fees during the period.

6 Mr Bassett resigned as Non-Executive Chairman 4 December 2017

7 Dr Tunks was appointed on 10 January 2018

8 Dr Tunks, Executive Director, is a director of Tunks Geo Consulting Pty Ltd as Trustee for Tunks Family Trust, which received Dr Tunks' director fees during the period.

9 Mr Clatworthy resigned as Executive Director 9 April 2018

10 Mr Sakalidis resigned as Executive Technical Director 29 November 2017

The following table sets out each KMP's relevant interest in fully paid ordinary shares, options and performance rights to acquire shares in the Company, as at 30 June 2018:

| Name                     | Fully paid ordinary shares | Options | Performance rights |
|--------------------------|----------------------------|---------|--------------------|
| A Tunks <sup>(1)</sup>   | -                          | -       | 11,000,000         |
| P Burke <sup>(2)</sup>   | -                          | -       | 5,500,000          |
| S Ramnath <sup>(3)</sup> | -                          | -       | 2,000,000          |

1 Dr Tunks was appointed on 10 January 2018

2 Mr Burke was appointed on 4 December 2017

3 Ms Ramnath was appointed on 1 October 2017

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (Audited) (continued)

Remuneration of KMP for the 2017 financial year is set out below:

|                                | Short-term benefits |                 |                                  | Post-employment benefits |             | Share-based payments              |          | Total          |
|--------------------------------|---------------------|-----------------|----------------------------------|--------------------------|-------------|-----------------------------------|----------|----------------|
|                                | Cash salary         | Consulting fees | Non-cash benefits <sup>(1)</sup> | Super-annuation          | Termination | Performance rights <sup>(2)</sup> | Options  |                |
|                                | \$                  | \$              | \$                               | \$                       | \$          | \$                                |          | \$             |
| <b>Non-Executive Directors</b> |                     |                 |                                  |                          |             |                                   |          |                |
| N Bassett                      | 40,000              | -               | -                                | 3,800                    | -           | -                                 | -        | 43,800         |
| <b>Executives</b>              |                     |                 |                                  |                          |             |                                   |          |                |
| G Clatworthy                   | 70,000              | -               | -                                | 6,650                    | -           | -                                 | -        | 76,650         |
| G Sakalidis                    | 40,000              | -               | -                                | 3,800                    | -           | -                                 | -        | 43,800         |
| <b>Total</b>                   | <b>150,000</b>      | <b>-</b>        | <b>-</b>                         | <b>14,250</b>            | <b>-</b>    | <b>-</b>                          | <b>-</b> | <b>164,250</b> |

### H. Share-based compensation

#### Performance rights

During the year ended 30 June 2018, the following performance rights were granted, vested and/or lapsed to KMP:

| Grant date                                                | Grant value <sup>(1)</sup><br>\$ | Number granted | Number of vested during the year | Number vested but not yet exercisable | Number lapsed during the year | Maximum value yet to expense<br>\$ |
|-----------------------------------------------------------|----------------------------------|----------------|----------------------------------|---------------------------------------|-------------------------------|------------------------------------|
| N Bassett – Non-Executive Chairman <sup>(2)</sup>         |                                  |                |                                  |                                       |                               |                                    |
| 25-Oct-17                                                 | 52,500                           | 1,750,000      | (1,750,000)                      | -                                     | -                             | -                                  |
| G Clatworthy – Executive Director <sup>(3)</sup>          |                                  |                |                                  |                                       |                               |                                    |
| 25-Oct-17                                                 | 52,500                           | 1,750,000      | (1,750,000)                      | -                                     | -                             | -                                  |
| G Sakalidis – Executive Technical Director <sup>(4)</sup> |                                  |                |                                  |                                       |                               |                                    |
| 25-Oct-17                                                 | 15,000                           | 500,000        | (500,000)                        | -                                     | -                             | -                                  |
| P Burke - Non-Executive Chairman <sup>(5)</sup>           |                                  |                |                                  |                                       |                               |                                    |
| 06-Apr-18                                                 | 9,250                            | 5,500,000      | -                                | -                                     | -                             | 8,532                              |
| S Ramnath - Non-Executive Director <sup>(6)</sup>         |                                  |                |                                  |                                       |                               |                                    |
| 06-Apr-18                                                 | 4,500                            | 2,000,000      | -                                | -                                     | -                             | 4,151                              |
| A Tunks – Executive Director <sup>(7)</sup>               |                                  |                |                                  |                                       |                               |                                    |
| 06-Apr-18                                                 | 18,500                           | 11,000,000     | -                                | -                                     | -                             | 17,064                             |

<sup>1</sup> The value of performance rights is calculated as the fair value of the rights at grant date and allocated to remuneration equally over the period from grant date to expected vesting date.

<sup>2</sup> Mr Bassett resigned on 4 December 2017.

<sup>3</sup> Mr Clatworthy resigned as Executive Director 9 April 2018

<sup>4</sup> Mr Sakalidis resigned as Executive Technical Director 29 November 2017

<sup>5</sup> Mr Burke was appointed on 4 December 2017

<sup>6</sup> Ms Ramnath was appointed on 1 October 2017

<sup>7</sup> Dr Tunks was appointed on 10 January 2018

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (Audited) (continued)

Key inputs used in the fair value calculation of the performance rights which have been granted during the year ended 30 June 2018 were as follows:

| Key inputs                      | Grant date:<br>25 Oct 2017 <sup>(1)</sup>                                   | Grant date:<br>6 Apr 2018 <sup>(2)</sup> |
|---------------------------------|-----------------------------------------------------------------------------|------------------------------------------|
| Exercise price                  | Nil                                                                         | Nil                                      |
| Exercise period                 | 3 years from the date of grant                                              | 3 years from the date of grant           |
| Expected share price volatility | Between 44% and 128%                                                        | Between 44% and 128%                     |
| Risk-free interest rate         | 2.27%                                                                       | 2.27%                                    |
| Vesting conditions              | VWAP of the Company's share price > \$0.08 over 20 consecutive trading days | Various                                  |
| Expected dividend yield         | Nil                                                                         | Nil                                      |

- 1 Performance rights vest on the date on which the volume weighted average price of the Company's shares trading on the ASX over 20 consecutive trading days is at least \$0.08.
- 2 The Performance Rights have been split into three tranches and vest on completion of the following milestones:
  - Milestone 1 Performance Rights will convert into ordinary shares upon the volume weighted average market price (VWAP) of the Company's Shares trading on the ASX over 20 consecutive trading days being at least \$0.08;
  - Milestone 2 Performance Rights will convert into ordinary shares upon the VWAP of the Company's Shares trading on the ASX over 20 consecutive trading days being at least \$0.12; and
  - Milestone 3 Performance Rights will convert into ordinary shares upon the market capitalisation of the Company being at least \$100 million, calculated using the 5-day VWAP of the Company's Shares trading on the ASX multiplied by the number of ordinary shares on issue at that time.

The performance rights were issued to incentivise KMP as part of their remuneration package. The performance rights were issued to encourage continued improvement in the performance of the Company and individuals, as well as to provide a method to share in the added value created contributing to the attainment of the results. The issue of the performance rights is appropriate and effective in its ability to attract and retain the best management and Directors to run and manage the Group, as well as create goal congruence between Directors, executives and shareholders.

#### Relative proportions of fixed vs variable remuneration expense

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense for the 2018 and 2017 financial years:

|                                          | Fixed remuneration | At risk STI | At risk LTI | Fixed remuneration | At risk STI | At risk LTI |
|------------------------------------------|--------------------|-------------|-------------|--------------------|-------------|-------------|
|                                          | 2018               |             |             | 2017               |             |             |
| <b>Non-Executive Directors – Current</b> |                    |             |             |                    |             |             |
| P Burke <sup>(1)</sup>                   | 99%                | -           | 1%          |                    |             |             |
| S Ramnath <sup>(2)</sup>                 | 99%                | -           | 1%          |                    |             |             |
| <b>Non-Executive Director – Former</b>   |                    |             |             |                    |             |             |
| N Bassett <sup>(3)</sup>                 | 26%                | -           | 74%         | 100%               | -           | -           |
| <b>Executives – Current</b>              |                    |             |             |                    |             |             |
| A Tunks <sup>(4)</sup>                   | 99%                | -           | 1%          |                    |             |             |
| <b>Executives – Former</b>               |                    |             |             |                    |             |             |
| G Clatworthy <sup>(5)</sup>              | 59%                | -           | 41%         | 100%               | -           | -           |
| G Sakalidis <sup>(6)</sup>               | 55%                | -           | 45%         | 100%               | -           | -           |

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (Audited) (continued)

- 1 Mr Burke was appointed on 4 December 2017
- 2 Ms Ramnath was appointed on 1 October 2017
- 3 Mr Basset resigned as Non-Executive Chairman 4 December 2017
- 4 Dr Tunks was appointed on 10 January 2018
- 5 Mr Clatworthy resigned as Executive Director 9 April 2018
- 6 Mr Sakalidis resigned as Executive Technical Director 29 November 2017

#### Reconciliation of equity instruments held by KMP

The following table sets out a reconciliation of each KMP's relevant interest in ordinary shares and options and performance rights to acquire shares in the Company:

|                                          | Balance at the start<br>of the year/period | Granted/<br>Acquired | Exercised/<br>Vested | Lapsed | Other<br>changes | Balance at<br>year end |
|------------------------------------------|--------------------------------------------|----------------------|----------------------|--------|------------------|------------------------|
| <b>Non-Executive Directors – Current</b> |                                            |                      |                      |        |                  |                        |
| P Burke <sup>(1)</sup>                   |                                            |                      |                      |        |                  |                        |
| Performance rights                       | -                                          | 5,500,000            | -                    | -      | -                | 5,500,000              |
| S Ramnath <sup>(2)</sup>                 |                                            |                      |                      |        |                  |                        |
| Performance rights                       | -                                          | 2,000,000            | -                    | -      | -                | 2,000,000              |
| <b>Non-Executive Directors – Former</b>  |                                            |                      |                      |        |                  |                        |
| N Bassett <sup>(3)</sup>                 |                                            |                      |                      |        |                  |                        |
| Fully paid ordinary shares               | 850,000                                    | -                    | -                    | -      | (850,000)        | -                      |
| Options                                  | 2,500,000                                  | -                    | -                    | -      | (2,500,000)      | -                      |
| Performance rights                       | -                                          | 1,750,000            | -                    | -      | (1,750,000)      | -                      |
| <b>Executives – Current</b>              |                                            |                      |                      |        |                  |                        |
| A Tunks <sup>(4)</sup>                   |                                            |                      |                      |        |                  |                        |
| Performance rights                       | -                                          | 11,000,000           | -                    | -      | -                | 11,000,000             |
| <b>Executives – Former</b>               |                                            |                      |                      |        |                  |                        |
| G Clatworthy <sup>(5)</sup>              |                                            |                      |                      |        |                  |                        |
| Fully paid ordinary shares               | 1,475,000                                  | -                    | -                    | -      | (1,475,000)      | -                      |
| Options                                  | 3,000,000                                  | -                    | -                    | -      | (3,000,000)      | -                      |
| Performance rights                       | -                                          | 1,750,000            | -                    | -      | (1,750,000)      | -                      |
| G Sakalidis <sup>(6)</sup>               |                                            |                      |                      |        |                  |                        |
| Fully paid ordinary shares               | 6,471,413                                  | -                    | 1,500,000            | -      | (7,971,413)      | -                      |
| Options                                  | 2,500,000                                  | -                    | (1,500,000)          | -      | (1,000,000)      | -                      |
| Performance rights                       | -                                          | 500,000              | -                    | -      | (500,000)        | -                      |

- 1 Mr Burke was appointed on 4 December 2017
- 2 Ms Ramnath was appointed on 1 October 2017
- 3 Mr Bassett resigned as Non-Executive Chairman 4 December 2017
- 4 Dr Tunks was appointed on 10 January 2018
- 5 Mr Clatworthy resigned as Executive Director 9 April 2018
- 6 Mr Sakalidis resigned as Executive Technical Director 29 November 2017
- 7 Mr Nind departed the company 27 February 2017.

#### Options

No options were issued as remuneration during the year. Options issued during prior period carry no dividend or voting rights. No conditions must be satisfied for the options to vest. When exercisable, each option is convertible into one ordinary share of Meteoric Resources NL. Options were exercised during the year.

## **DIRECTORS' REPORT (continued)**

### **REMUNERATION REPORT (Audited) (continued)**

#### **I. Other information**

Dr Andrew Tunks, Executive Director, is a director of Tunks Geo Consulting Pty Ltd, which received Dr Tunks' director and fees during the period. At year end the Company had an outstanding payable balance of \$16,667 (ex GST) (30 June 2017: nil).

Ms Shastri Ramnath, Non-Executive Director, is a director of Ram Jam Holding Inc. which received Ms Ramnath's director fees during the period. At year end the Company had an outstanding balance payable of \$7,558 (30 June 2017: nil).

**This concludes the Remuneration Report which has been audited.**

### **ENVIRONMENTAL ISSUES**

The Company's policy is to comply with, or exceed, its environmental obligations in each jurisdiction in which it operates. No known environmental breaches have occurred

### **ACCESS TO INDEPENDENT ADVICE**

Each director has the right, so long as he is acting reasonably in the interests of the Company and in the discharge of his duties as a director, to seek independent professional advice and recover the reasonable costs thereof from the Company.

The advice shall only be sought after consultation about the matter with the chairman (where it is reasonable that the chairman be consulted) or, if it is the chairman that wishes to seek the advice or it is unreasonable that he be consulted, another director (if that be reasonable).

The advice is to be made immediately available to all Board members other than to a director against whom privilege is claimed.

### **INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS**

The Company has entered into agreements indemnifying, to the extent permitted by law, all the directors and officers of the Company against all losses or liabilities incurred by each director and officer in their capacity as directors and officers of the Company.

### **PROCEEDINGS ON BEHALF OF THE COMPANY**

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

### **AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out in this annual report.

**Signed in accordance with a resolution of the directors**



**PATRICK BURKE**

Non-Executive Chairman

Perth, Western Australia

29 September 2018

## Auditor's Independence Declaration

To those charged with governance of Meteoric Resources NL

As auditor for the audit of Meteoric Resources NL for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

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

*Greenwich & Co Audit Pty Ltd*

**Greenwich & Co Audit Pty Ltd**

*Nicholas Hollens*

**Nicholas Hollens**  
Managing Director

29 September 2018

# **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the year ended 30 June 2018

|                                                                                     | Notes | 2018<br>\$  | 2017<br>\$ |
|-------------------------------------------------------------------------------------|-------|-------------|------------|
| <b>Revenue</b>                                                                      |       |             |            |
| Interest income                                                                     |       | 43,665      | 577        |
| Other income                                                                        |       | -           | 24,546     |
| <b>Expenses:</b>                                                                    |       |             |            |
| Depreciation expense                                                                |       | (363)       | (235)      |
| Exploration and tenement expenses                                                   | 1     | (5,340,817) | (42,729)   |
| Share based payments expense                                                        | 13    | (124,289)   | -          |
| Administrative expenses                                                             | 1     | (1,276,170) | (431,603)  |
| Foreign exchange loss                                                               | 1     | (33,533)    | -          |
| Loss before income tax expense                                                      |       | (6,731,507) | (449,444)  |
| Income tax expense                                                                  | 3     | -           | -          |
| <b>Loss attributable to the owners of the Company</b>                               |       | (6,731,507) | (449,444)  |
| <b>Other comprehensive income:</b>                                                  |       |             |            |
| <i>Items that may be reclassified to profit or loss</i>                             |       |             |            |
| Changes in the fair value of available-for-sale financial assets                    |       | 2,912       | 733        |
| Exchange difference on translation of foreign operations                            |       | 4,796       | -          |
| Other comprehensive income for the year, net of tax                                 |       | 7,708       | 733        |
| Total comprehensive income for year attributable to owners of Meteoric Resources NL |       | (6,723,799) | (448,711)  |
| Basic and diluted (loss) per share (cents per share)                                | 15    | (1.35)      | (0.20)     |

*The accompanying notes form part of these consolidated financial statements.*

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 June 2018

|                                  | Notes | 2018<br>\$       | 2017<br>\$       |
|----------------------------------|-------|------------------|------------------|
| <b>Current Assets</b>            |       |                  |                  |
| Cash and cash equivalents        | 5     | 3,299,194        | 1,090,846        |
| Trade and other receivables      | 6     | 50,307           | 20,621           |
| <b>Total Current Assets</b>      |       | <b>3,349,501</b> | <b>1,111,467</b> |
| <b>Non-Current Assets</b>        |       |                  |                  |
| Other financial assets           | 8     | 21,896           | 18,984           |
| <b>Total Non-Current Assets</b>  |       | <b>21,896</b>    | <b>18,984</b>    |
| <b>Total Assets</b>              |       | <b>3,371,397</b> | <b>1,130,451</b> |
| <b>Current Liabilities</b>       |       |                  |                  |
| Trade and other payables         | 9     | 241,444          | 203,322          |
| <b>Total Current Liabilities</b> |       | <b>241,444</b>   | <b>203,322</b>   |
| <b>Total Liabilities</b>         |       | <b>241,444</b>   | <b>203,322</b>   |
| <b>Net Assets</b>                |       | <b>3,129,953</b> | <b>927,129</b>   |
| <b>Equity</b>                    |       |                  |                  |
| Contributed equity               | 11(a) | 21,563,533       | 13,727,199       |
| Reserves                         | 11(b) | 1,134,674        | 36,677           |
| Accumulated losses               | 11(c) | (19,568,254)     | (12,836,747)     |
| <b>Total Equity</b>              |       | <b>3,129,953</b> | <b>927,129</b>   |

*The accompanying notes form part of these consolidated financial statements.*

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

|                                                               | Issued<br>Capital<br>\$ | Reserves<br>\$   | Accumulated<br>Losses<br>\$ | Total<br>\$      |
|---------------------------------------------------------------|-------------------------|------------------|-----------------------------|------------------|
| <b>Balance at 1 July 2016</b>                                 | <b>12,629,694</b>       | <b>273,154</b>   | <b>(12,624,513)</b>         | <b>278,335</b>   |
| Loss for the year                                             | -                       | -                | (449,444)                   | (449,444)        |
| Other comprehensive income/(loss) for the year                | -                       | 733              | -                           | 733              |
| Total comprehensive income/(loss) for the year                | -                       | 733              | (449,444)                   | (448,711)        |
| <b>Transactions with owners in their capacity as owners</b>   |                         |                  |                             |                  |
| Contributed equity                                            | 1,150,200               | -                | -                           | 1,150,200        |
| Share issue costs                                             | (69,695)                | -                | -                           | (69,695)         |
| Options exercised during the year                             | 17,000                  | -                | -                           | 17,000           |
| Options expired during the year                               |                         | (237,210)        | 237,210                     | -                |
| <b>Balance at 30 June 2017 (Note 11)</b>                      | <b>13,727,199</b>       | <b>36,677</b>    | <b>(12,836,747)</b>         | <b>927,129</b>   |
| Loss for the year                                             | -                       | -                | (6,731,507)                 | (6,731,507)      |
| Other comprehensive income/(loss) for the year                | -                       | 7,708            | -                           | 7,708            |
| Total comprehensive income/(loss) for the year                | -                       | 7,708            | (6,731,507)                 | (6,723,799)      |
| <b>Transactions with owners in their capacity as owners</b>   |                         |                  |                             |                  |
| Contributed equity                                            | 8,130,622               | -                | -                           | 8,130,622        |
| Share issue costs                                             | (294,288)               | -                | -                           | (294,288)        |
| Issue of options                                              |                         | 6,000            | -                           | 6,000            |
| Performance rights/options expense recognised during the year | -                       | 124,289          | -                           | 124,289          |
| Options issued as part of asset acquisition                   | -                       | 960,000          | -                           | 960,000          |
| <b>Balance at 30 June 2018 (Note 11)</b>                      | <b>21,563,533</b>       | <b>1,134,674</b> | <b>(19,568,254)</b>         | <b>3,129,953</b> |

The accompanying notes form part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

|                                                                  | Notes | 2018<br>\$         | 2017<br>\$       |
|------------------------------------------------------------------|-------|--------------------|------------------|
| <b>Cash flows from operating activities</b>                      |       |                    |                  |
| Cash receipts from customers                                     |       | -                  | 11,858           |
| Payments for Exploration and evaluation expenditure              |       | (2,188,619)        | (95,922)         |
| Payments to suppliers, consultants and employees                 |       | (999,207)          | (351,104)        |
| Interest received                                                |       | 43,665             | 577              |
| <b>Net cash (used in) operating activities</b>                   | 21    | <b>(3,144,161)</b> | <b>(434,591)</b> |
| <b>Cash flows from investing activities</b>                      |       |                    |                  |
| Payments for property, plant and equipment                       |       | (1,373)            | -                |
| Decrease / (increase) in security deposits                       |       | -                  | 20,793           |
| Receipts from sale of tenements, net of costs                    |       | -                  | 17,271           |
| <b>Net cash provided by / (used in) investing activities</b>     |       | <b>(1,373)</b>     | <b>38,064</b>    |
| <b>Cash flows from financing activities</b>                      |       |                    |                  |
| Proceeds from new issues of shares                               |       | 5,030,800          | 1,167,200        |
| Proceeds from issue of options                                   |       | 6,000              | -                |
| Proceeds from exercise of options                                |       | 504,000            | -                |
| Share issue costs                                                |       | (186,000)          | (27,983)         |
| <b>Net cash provided by financing activities</b>                 |       | <b>5,354,800</b>   | <b>1,139,217</b> |
| <b>Net increase in cash held</b>                                 |       | <b>2,209,266</b>   | <b>742,690</b>   |
| Cash and cash equivalents at the beginning of the financial year |       | 1,090,846          | 348,156          |
| Effect of exchange rates on cash holdings in foreign currencies  |       | (918)              | -                |
| Cash and cash equivalents at the end of the financial year       | 5     | <b>3,299,194</b>   | <b>1,090,846</b> |

*The accompanying notes form part of these consolidated financial statements.*

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 1 EXPENDITURE

|                                         | Notes | 2018<br>\$ | 2017<br>\$ |
|-----------------------------------------|-------|------------|------------|
| Exploration and tenement expenses       |       |            |            |
| Australian tenements                    |       | 14,463     | 42,729     |
| Canadian tenements                      |       | 5,326,354  | -          |
| Total exploration and tenement expenses |       | 5,340,817  | 42,729     |
| Administrative expense                  |       |            |            |
| Advertising and marketing costs         |       | 225,962    | -          |
| Advisory costs                          |       | 110,753    | 6,000      |
| Compliance costs                        |       | 183,149    | 53,230     |
| Consultants                             |       | 161,568    | 96,189     |
| Travel costs                            |       | 71,124     | 38,581     |
| Employee benefits expense               |       | 148,202    | -          |
| Director benefits expense               |       | 312,403    | 169,455    |
| Other administrative expenses           |       | 63,009     | 68,148     |
| Total administrative expense            |       | 1,276,170  | 431,603    |
| Share based payments expense            |       |            |            |
| Performance rights                      | 13    | 124,289    | -          |
| Total share based payments expense      |       | 124,289    | -          |
| Foreign exchange loss <sup>(1)</sup>    |       | 33,533     | -          |

1 Foreign exchange loss was recognised upon cash held and payments of Canadian and United States dollar denominated balances

### 2 OPERATING SEGMENTS

Management has determined that the Group has two reportable segments, being exploration activities in Canada and exploration activities in Australia. This determination is based on the internal reports that are reviewed and used by the Board (chief operating decision maker) in assessing performance and determining the allocation of resources. As the Group is focused on exploration, the Board monitors the Group based on actual versus budgeted exploration expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date. During the prior year, the group only had one operating segment, being mineral exploration, as a result no comparative figures have been shown.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 2 OPERATING SEGMENTS (continued)

|                                          | Canada<br>\$ | Australia<br>\$ | Other corporate<br>activities<br>\$ | Total<br>\$ |
|------------------------------------------|--------------|-----------------|-------------------------------------|-------------|
| <b>For the year ended 30 June 2018</b>   |              |                 |                                     |             |
| Income from external sources             | -            | -               | 43,665                              | 43,655      |
| Reportable segment loss                  | (5,326,354)  | (14,463)        | (1,390,689)                         | (6,731,507) |
| Reportable segment assets <sup>(1)</sup> | -            | -               | 3,371,397                           | 3,371,397   |
| Reportable segment liabilities           | (137,299)    | (1,390)         | (102,756)                           | (241,444)   |

1 Other corporate activities includes cash held of \$3,299,194

### 3 INCOME TAX EXPENSE

|                                                                                         | 2018<br>\$  | 2017<br>\$ |
|-----------------------------------------------------------------------------------------|-------------|------------|
| The components of tax expense comprise:                                                 |             |            |
| Current tax                                                                             | -           | -          |
| Deferred tax asset/liability                                                            | -           | -          |
|                                                                                         | -           | -          |
| <b>Reconciliation of income tax to prima facie tax payable</b>                          |             |            |
| Loss before income tax                                                                  | (6,731,507) | (449,444)  |
| Income tax benefit at 27.5% (2017: 27.5%)                                               | (1,851,164) | (123,597)  |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: |             |            |
| Shares based payments                                                                   | 950,481     | -          |
| Other                                                                                   | 7,793       | -          |
| Unrecognised tax losses in the current year                                             | 910,686     | 110,524    |
| Net timing differences not recognised                                                   | (17,796)    | 13,073     |
| Total income tax benefit                                                                | -           | -          |
| <i>Unrecognised temporary differences</i>                                               |             |            |
| Deferred tax assets and liabilities not recognised relate to the following:             |             |            |
| Prepayments                                                                             | (6,041)     | (367)      |
| Carried forward losses                                                                  | 4,299,767   | -          |
| Section 40-880 deduction                                                                | 1,425       | -          |
| Provisions & other                                                                      | 6,636       | 18,758     |
| Net deferred tax assets unrecognised                                                    | 4,301,787   | 18,391     |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 3 INCOME TAX EXPENSE (continued)

#### Significant accounting judgment

##### Deferred tax assets

The Group expects to have carried forward tax losses, which have not been recognised as deferred tax assets, as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions. The utilisation of the tax losses is subject to the Group passing the required Continuity of Ownership and Same Business Test rules at the time the losses are utilised. Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary difference can be utilised.

### 4 ASSET ACQUISITION

On 14 August 2017, shareholder approved the acquisition of the assets held by Cobalt Canada Pty Ltd (Cobalt Canada), through the acquisition of 100% of its share capital. Cobalt Canada (Acquisition) held the rights to acquire 100% of the Midrim/Laforce, Iron Mask and Mulligan projects in Ontario, Canada.

|                                        | Note | 14 August 2017<br>\$ |
|----------------------------------------|------|----------------------|
| <b>Current assets</b>                  |      |                      |
| Cash and cash equivalents              |      | 795                  |
| <b>Non-current assets</b>              |      |                      |
| Exploration and evaluation expenditure |      | 2,789,298            |
| <b>Total assets</b>                    |      | <b>2,790,093</b>     |
| <b>Total liabilities</b>               |      | -                    |
| <b>Net assets</b>                      |      | <b>2,790,093</b>     |

In consideration for 100% equity in Cobalt Canada, Meteoric issued 60,000,000 ordinary shares, 60,000,000 advisor options and paid CA\$30,000. The fair value of consideration issued on 14 August 2017 was \$3,166,726, which was by reference to the fair value of the net assets acquired.

|                                                   | Note  | 14 August 2017<br>\$ |
|---------------------------------------------------|-------|----------------------|
| <b>Fair value of net assets acquired</b>          |       | 2,790,093            |
| <b>Consideration provided for assets acquired</b> |       |                      |
| Ordinary shares                                   | 11(a) | 1,800,000            |
| Cash                                              |       | 30,093               |
| Options issued to advisors                        | 13(a) | 960,000              |
|                                                   |       | <b>2,790,093</b>     |

Refer Note 25(n) for the Group's other accounting policies on asset acquisitions.

In addition, per the claim sale agreements, a further CA\$200,000 of ordinary shares were issued and CA\$175,000 of cash was paid to acquire the projects (see Note 13(c)).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 4 ASSET ACQUISITION (continued)

#### Significant accounting judgments

##### *Asset acquisition not constituting a Business*

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

In determining when an acquisition is determined to be an asset acquisition and not a business, significant judgement is required to assess whether the assets acquired constitute a business in accordance with AASB 3. Under AASB 3 a business is an integrated set of activities and assets that is capable of being conducted or managed for the purpose of providing a return, and consists of inputs and processes, which when applied to those inputs has the ability to create outputs.

Management determined that the acquisition of Cobalt Canada was an asset acquisition.

##### *Fair value of asset acquisition*

During the financial year 60,000,000 ordinary shares and 60,000,000 advisor options were issued and CA\$30,000 was paid in consideration for the Midrim/Laforce, Iron Mask and Mulligan projects in Ontario, Canada. The fair value of consideration was by reference to the fair value of assets and liabilities acquired in accordance with AASB 2. The fair value of the shares granted by Meteoric was determined to be \$1,800,000.

### 5 CASH AND CASH EQUIVALENTS

#### (a) Risk exposure

Refer to Note 14 for details of the risk exposure and management of the Group's cash and cash equivalents.

#### (b) Deposits at call

Deposits at call are presented as cash equivalents if they have a maturity of three months or less. Refer Note 25(j) for the Group's other accounting policies on cash and cash equivalents.

|                  | 2018<br>\$ | 2017<br>\$ |
|------------------|------------|------------|
| Cash at bank     | 374,194    | 1,090,846  |
| Deposits at call | 2,925,000  | -          |
|                  | 3,299,194  | 1,090,846  |

### 6 TRADE AND OTHER RECEIVABLES

The Group has no impairments to other receivables or have receivables that are past due but not impaired. Refer to Note 10 for detail of the risk exposure and management of the Group's other receivables.

Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

|                   | 2018<br>\$ | 2017<br>\$ |
|-------------------|------------|------------|
| Trade receivables | 28,341     | 19,286     |
| Prepayments       | 21,966     | 1,335      |
|                   | 50,307     | 20,621     |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 7 JOINT VENTURES

The Company is or has been party to a number of unincorporated exploration joint ventures which involves the “farming out” (diluting) of its interest in selected tenements. The following is a list of unincorporated exploration joint ventures under which the Company has diluted and may yet dilute its original interest:

| Name of Joint Venture and Project           | 2018 Interest %                        | 2017 Interest %                          |
|---------------------------------------------|----------------------------------------|------------------------------------------|
| Geocrystal JV – Webb Diamond Project        | 18.5% with one tenement held as to 13% | 19.5% with one tenement held as to 13.5% |
| Blaze JV – Barkly Project                   | 30% <sup>(1)</sup>                     | 30% <sup>(1)</sup>                       |
| Emmerson/Santexco JV – Perseverance Project | 68.43%                                 | 68.43%                                   |
| Chalice Gold JV - Warrego North Project     | 49%, diluting                          | 100%, diluting                           |

1 Potential dilution to 20%

All exploration and evaluation expenditure is expensed to Statement of Profit or Loss and Other Comprehensive Income as incurred.

### 8 OTHER FINANCIAL ASSETS

|                                                                     | 2018 \$ | 2017 \$ |
|---------------------------------------------------------------------|---------|---------|
| <b>Non-Current</b>                                                  |         |         |
| Available-for-sale financial assets – shares in listed corporations | 6,289   | 3,377   |
| Security deposits                                                   | 15,607  | 15,607  |
|                                                                     | 21,896  | 18,984  |

#### Significant accounting estimates, assumptions and judgements

##### *Classification of financial assets as available for sale*

Investments are designated as available for sale financial assets if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for the medium to long-term. Financial assets that are not classified into any of the other categories (at FVPL loans and receivables or held-to-maturity investments) are also included in the available for sale category. Available for sale financial assets are classified as non-current.

##### *Impairment indicators for available for sale financial assets*

A security is considered to be impaired if there has been a significant or prolonged decline in the fair value below its cost.

No impairment indicators have been identified for the assets.

##### *Fair value for available for sale financial assets*

Information about the methods and assumptions used in determining fair value is provided in Note 10.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 9 TRADE AND OTHER PAYABLES

|                | 2018<br>\$ | 2017<br>\$ |
|----------------|------------|------------|
| Trade payables | 241,444    | 203,322    |
|                | 241,444    | 203,322    |

Trade and other payables are normally settled within 30 days from receipt of invoice. All amounts recognised as trade and other payables, but not yet invoiced, are expected to settle within 12 months.

The carrying value of trade and other payables are assumed to be the same as their fair value, due to their short-term nature.

Refer to Note 14 for details of the risk exposure and management of the Group's trade and other receivables.

### 10 FAIR VALUES OF FINANCIAL INSTRUMENTS

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

#### Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2018 and 30 June 2017 on a recurring basis:

|                                                         | Level 1<br>\$ | Level 2<br>\$ | Level 3<br>\$ | Total<br>\$ |
|---------------------------------------------------------|---------------|---------------|---------------|-------------|
| <b>As at 30 June 2018</b>                               |               |               |               |             |
| Available for sale financial assets – Equity securities | 6,289         | -             | -             | 6,289       |
| <b>As at 30 June 2017</b>                               |               |               |               |             |
| Available for sale financial assets – Equity securities | 3,378         | -             | -             | 3,378       |

There was no transfers between levels during the period. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The fair value of financial assets and liabilities held by the Group must be estimated for recognition, measurement and/or disclosure purposes. The Group measures fair values by level, per the following fair value measurement hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The groups policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 10. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

#### Valuation techniques used to determine fair values

The Group did not have any financial instruments that are recognised in the financial statements where their carrying value differed from the fair value. The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The carrying amounts of cash and short-term trade and other receivables, trade payables and other current liabilities approximate their fair values largely due to the short-term maturities of these payments.

#### Available for sale financial assets – equity securities

The fair value of the equity holdings is based on the quoted market prices from the ASX on the last traded price prior or nearest to year-end.

### 11 ISSUED CAPITAL

#### (a) Issued capital

|            | 2018<br>Shares | 2017<br>Shares | 2018<br>\$ | 2017<br>\$ |
|------------|----------------|----------------|------------|------------|
| Fully paid | 574,455,761    | 317,318,395    | 21,563,533 | 13,727,199 |

Movements in ordinary share capital during the current and prior financial period are as follows:

| Details                                         | Date      | Number of<br>shares | Issue<br>price/share<br>\$ | \$                |
|-------------------------------------------------|-----------|---------------------|----------------------------|-------------------|
| <b>Balance at 1 July 2016</b>                   |           | 203,268,395         |                            | 12,629,694        |
| Issue of shares                                 | 20-Feb-17 | 50,000,000          | 0.0091                     | 455,000           |
| Issue of shares                                 | 26-May-17 | 63,200,000          | 0.011                      | 695,200           |
| Issue of shares                                 | 26-May-17 | 850,000             | 0.02                       | 17,000            |
| Less: Share issue costs                         |           |                     |                            | (69,695)          |
| <b>Balance at 30 June 2017</b>                  |           | <b>317,318,395</b>  |                            | <b>13,727,199</b> |
| Issue of shares                                 | 22-Aug-17 | 62,800,000          | 0.011                      | 690,800           |
| Acquisition of tenements (Note 13(c))           | 22-Aug-17 | 6,348,795           | 0.0316                     | 200,622           |
| Share based payment (Note 13(c)) <sup>(1)</sup> | 22-Aug-17 | 7,560,000           | 0.010                      | 75,600            |
| Acquisition of Cobalt Canada (Note 4)           | 22-Aug-17 | 60,000,000          | 0.030                      | 1,800,000         |
| Acquisition of technical database (Note 13(c))  | 25-Sep-17 | 7,200,000           | 0.041                      | 295,200           |
| Exercise of options                             | 13-Oct-17 | 1,500,000           | 0.020                      | 30,000            |
| Exercise of options                             | 13-Oct-17 | 1,000,000           | 0.012                      | 12,000            |
| Exercise of options                             | 25-Oct-17 | 3,500,000           | 0.020                      | 70,000            |
| Issue of shares                                 | 7-Dec-17  | 50,000,000          | 0.062                      | 3,100,000         |
| Exercise of options                             | 7-Dec-17  | 3,150,000           | 0.020                      | 63,000            |
| Exercise of options                             | 7-Dec-17  | 1,500,000           | 0.012                      | 18,000            |
| Exercise of options                             | 7-Dec-17  | 13,000,000          | 0.011                      | 143,000           |
| Share based payment (Note 13(c)) <sup>(2)</sup> | 7-Dec-17  | 628,571             | -                          | 44,000            |
| Issue of shares                                 | 19-Dec-17 | 20,000,000          | 0.062                      | 1,240,000         |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 11 ISSUED CAPITAL (continued)

| Details                                         | Date      | Number of shares   | Issue price/share \$ | \$                |
|-------------------------------------------------|-----------|--------------------|----------------------|-------------------|
| Exercise of options                             | 19-Dec-17 | 6,000,000          | 0.011                | 66,000            |
| Share based payment (Note 13(c)) <sup>(1)</sup> | 19-Dec-17 | 1,200,000          | -                    | 74,400            |
| Exercise of options                             | 7-Mar-18  | 6,000,000          | 0.011                | 66,000            |
| Share based payment (Note 13(c)) <sup>(2)</sup> | 19-Apr-18 | 750,000            | -                    | 30,000            |
| Exercise of options                             | 16-May-18 | 3,000,000          | 0.012                | 36,000            |
| Acquisition of tenements (Note 13(c))           | 16-May-18 | 2,000,000          | -                    | 76,000            |
| Less: Share issue costs                         |           |                    |                      | (294,288)         |
| <b>Balance at 30 June 2018</b>                  |           | <b>574,455,761</b> |                      | <b>21,563,533</b> |

1 Share based payments have been made at fair value of services received for broker and compliance manager fees.

2 Share based payments have been made at fair value of services received for marketing and advertising.

### (b) Reserves

The following table shows a breakdown of the reserves and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided.

|                                                          | Note  | 2018 \$          | 2017 \$       |
|----------------------------------------------------------|-------|------------------|---------------|
| <b>Share based payments reserve</b>                      |       |                  |               |
| Balance at 1 July                                        |       | 33,300           | 270,510       |
| Options expired during the year                          | 13(a) | -                | (237,210)     |
| Issue of options                                         |       | 6,000            | -             |
| Performance rights expense recognised during the year    | 13(b) | 124,289          | -             |
| Options issued as part of asset acquisition              | 4     | 960,000          | -             |
| Balance at 30 June                                       |       | 1,123,589        | 33,300        |
| <b>Available for sale reserve</b>                        |       |                  |               |
| Balance at 1 July                                        |       | 3,377            | 2,644         |
| Movement during the period                               |       | 2,912            | 733           |
| Balance at 30 June                                       | 8     | 6,289            | 3,377         |
| <b>Foreign currency translation reserve</b>              |       |                  |               |
| Balance at 1 July                                        |       | -                | -             |
| Currency translation differences arising during the year |       | 4,796            | -             |
| Balance at 30 June                                       |       | 4,796            | -             |
| <b>Total reserves</b>                                    |       | <b>1,134,674</b> | <b>36,677</b> |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 11 ISSUED CAPITAL (continued)

#### (c) Accumulated losses

|                       | 2018<br>\$   | 2017<br>\$   |
|-----------------------|--------------|--------------|
| Balance at 1 July     | (12,836,747) | (12,624,513) |
| Net loss for the year | (6,731,507)  | (449,444)    |
| Expired Options       | -            | 237,210      |
| Balance at 30 June    | (19,568,254) | (12,836,747) |

#### Share based payments reserve

The share based payments reserve is used to recognise: (a) the grant date fair value of options issued but not exercised; (b) the grant date fair value of market based performance rights granted to directors, employees, consultants and vendors but not yet vested; and (c) the fair value non-market based performance rights granted to directors, employees, consultants and vendors but not yet vested.

#### Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income as described in Note 25(d) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

### 12 DIVIDENDS

No dividends have been declared or paid for the year ended 30 June 2018 (30 June 2017: nil).

### 13 SHARE BASED PAYMENTS

Share based payment transactions are recognised at fair value in accordance with AASB 2.

The total movement arising from share based payment transactions recognised during the year were as follows:

|                                                      | Note  | 2018<br>\$ | 2017<br>\$ |
|------------------------------------------------------|-------|------------|------------|
| As part of share based payment reserve:              |       |            |            |
| Expired Options                                      |       | -          | (237,310)  |
| Options issued to advisors                           | 13(a) | 960,000    | -          |
| Performance rights issued                            | 13(b) | 124,289    | -          |
| As part of exploration expense                       |       |            |            |
| Shares issued – Asset Acquisition                    | 4     | 1,800,000  | -          |
| Shares issued –Acquisition of tenements and database | 13(c) | 571,822    | -          |
| As part of administrative expense                    |       |            |            |
| Shares issued                                        | 13(c) | 74,000     | -          |
| Recognised in equity as a capital raising cost       |       |            |            |
| Shares issued                                        | 13(c) | 150,000    | -          |
|                                                      |       | 3,680,111  | (237,310)  |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 13 SHARE BASED PAYMENTS (continued)

During the year the Group had the following share based payments:

#### (a) Share options

The Meteoric Resources NL share options are used to reward Directors, employees, consultants and vendors for their performance and to align their remuneration with the creation of shareholder wealth through the performance requirements attached to the options. The Company's Option Plan was approved and adopted by shareholders on 30 November 2009. Options are granted at the discretion of the Board and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The options are not listed and carry no dividend or voting right. Upon exercise, each option is convertible into one ordinary share to rank pari passu in all respects with the Company's existing fully paid ordinary shares.

Set out below are summaries of options granted:

|                             | 30 June 2018                      |                   | 30 June 2017                      |                   |
|-----------------------------|-----------------------------------|-------------------|-----------------------------------|-------------------|
|                             | Average exercise price per option | Number of options | Average exercise price per option | Number of options |
| Opening balance             | \$0.016                           | 17,150,000        | \$0.029                           | 25,550,000        |
| Granted during the period   | \$0.011                           | 60,000,000        | -                                 | -                 |
| Exercised during the period | \$0.013                           | (38,650,000)      | \$0.020                           | (850,000)         |
| Forfeited                   | -                                 | -                 | \$0.061                           | (7,550,000)       |
| Closing balance             | \$0.11                            | 38,500,000        | \$0.016                           | 17,150,000        |
| Vested and exercisable      | \$0.11                            | 8,500,000         | \$0.016                           | 17,150,000        |

|                                                                                            | Grant date | Expiry date | Exercise price | 30 June 2018      | 30 June 2017      |
|--------------------------------------------------------------------------------------------|------------|-------------|----------------|-------------------|-------------------|
|                                                                                            |            |             |                | Number of options | Number of options |
| (i)                                                                                        | 12-Nov-15  | 30-June-18  | \$0.020        | -                 | 8,150,000         |
| (ii)                                                                                       | 09-Sep-15  | 09-Sep-20   | \$0.012        | 6,500,000         | 9,000,000         |
| (iii)                                                                                      | 25-Oct-17  | 25-Oct-20   | \$0.011        | 11,000,000        | -                 |
| (iv)                                                                                       | 25-Oct-17  | 25-Oct-20   | \$0.011        | 30,000,000        | -                 |
|                                                                                            |            |             |                | 47,500,000        | 17,150,000        |
| Weighted average remaining contractual life of options outstanding at the end of the year: |            |             |                | 2.31 years        | 2.15 years        |

1 The securities were approved on the 8 May 2018 at the Company's General Meeting.

#### Performance hurdles

The options granted have the following performance hurdles:

- 30,000,000 Advisor Options were granted to advisors in relation to the acquisition outlined in Note 4. The Options vest on the date on which the volume weighted average price of the Company's shares trading on the ASX over 20 consecutive trading days is at least \$0.04.
- 30,000,000 Advisor Options were granted to advisors in relation to the acquisition outlined in Note 4. The Options vest on the date on which the volume weighted average price of the Company's shares trading on the ASX over 20 consecutive trading days is at least \$0.08.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 13 SHARE BASED PAYMENTS (continued)

The fair value of option issued is measured by reference to the value of the goods or services received. The fair value of services received in return for share options granted to Directors and employees and consultants is measured by reference to the fair value of options granted. The fair value of services received by advisors couldn't be reliably measured and are therefore measured by reference to the fair value of the equity instruments granted. The estimate of the fair value of the services is measured based on a number of closed and open form models by an independent valuer. The life of the options including early exercise options are built into the option model. The fair value of the options are expensed over the expected vesting period.

The model inputs for options granted during the year included:

| Series | Exercise price | Expiry (years) | Share price                                                                 | Expected volatility <sup>(1)</sup> | Dividend yield | Risk free interest rate <sup>(2)</sup> | Option value |
|--------|----------------|----------------|-----------------------------------------------------------------------------|------------------------------------|----------------|----------------------------------------|--------------|
| (iii)  | \$0.011        | 3.00           | VWAP of the Company's share price > \$0.04 over 20 consecutive trading days | Between 44% and 128%               | 0%             | 2.27%                                  | \$0.019      |
| (iv)   | \$0.011        | 3.00           | VWAP of the Company's share price > \$0.08 over 20 consecutive trading days | Between 44% and 128%               | 0%             | 2.27%                                  | \$0.013      |

1 The expected price volatility is based on historical volatility (based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.

2 Risk free rate of securities with comparable terms to maturity.

The total expense arising from options issued during the reporting period as part of share based payments expense was as follows:

|                            | 2018<br>\$ | 2017<br>\$ |
|----------------------------|------------|------------|
| Options forfeited          | -          | (237,310)  |
| Options issued to advisors | 960,000    | -          |
|                            | 960,000    | (237,310)  |

#### (b) Performance rights

The Company's Performance Rights Plan was approved and adopted by shareholders on 14 August 2017. Each performance right will vest as an entitlement to one fully paid ordinary share upon achievement of certain performance milestones. If the performance milestones are not met, the performance rights will lapse and the eligible participant will have no entitlement to any shares.

Performance rights are not listed and carry no dividend or voting rights. Upon exercise each performance right is convertible into one fully paid ordinary share to rank pari passu in all respects with existing fully paid ordinary shares.

Movement in the performance rights for the current year is shown below:

| Grant date               | Expiry date | Exercise price | Balance at start of the period | Granted during the period | Converted during the period | Forfeited during the period <sup>(2)</sup> | Balance at period end | Vested at period end |
|--------------------------|-------------|----------------|--------------------------------|---------------------------|-----------------------------|--------------------------------------------|-----------------------|----------------------|
| 25-Oct-17 <sup>(1)</sup> | 25-Oct-20   | -              | -                              | 9,000,000                 | -                           | (5,000,000)                                | 4,000,000             | -                    |
| 06-Apr-18 <sup>(1)</sup> | 06-Apr-21   | -              | -                              | 31,500,000                | -                           | -                                          | 31,500,000            | -                    |
| Total                    |             |                | -                              | 40,500,000                | -                           | (5,000,000)                                | 35,500,000            | -                    |

1 Performance rights granted to Directors, employees and advisors

2 Performance Rights were forfeited upon employee departure from the company

The weighted average remaining contractual life of performance rights outstanding at 30 June 2018 was 2.67 years.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 13 SHARE BASED PAYMENTS (continued)

Key inputs used in the fair value calculation of the performance rights which have been granted during the year ended 30 June 2018 were as follows:

| Key inputs                      | Grant date:<br>25 Oct 2017 <sup>(1)</sup>                                   | Grant date:<br>6 Apr 2018 <sup>(2)</sup> |
|---------------------------------|-----------------------------------------------------------------------------|------------------------------------------|
| Exercise price                  | Nil                                                                         | Nil                                      |
| Exercise period                 | 3 years from the date of grant                                              | 3 years from the date of grant           |
| Expected share price volatility | Between 44% and 128%                                                        | Between 44% and 128%                     |
| Risk-free interest rate         | 2.27%                                                                       | 2.27%                                    |
| Vesting conditions              | VWAP of the Company's share price > \$0.08 over 20 consecutive trading days | Various                                  |
| Expected dividend yield         | Nil                                                                         | Nil                                      |

1 Performance rights vest on the date on which the volume weighted average price of the Company's shares trading on the ASX over 20 consecutive trading days is at least \$0.08.

2 The Performance Rights have been split into three tranches and vest on completion of the following milestones:

Milestone 1 Performance Rights will convert into ordinary shares upon the volume weighted average market price (VWAP) of the Company's Shares trading on the ASX over 20 consecutive trading days being at least \$0.08;

Milestone 2 Performance Rights will convert into ordinary shares upon the VWAP of the Company's Shares trading on the ASX over 20 consecutive trading days being at least \$0.12; and

Milestone 3 Performance Rights will convert into ordinary shares upon the market capitalisation of the Company being at least \$100 million, calculated using the 5-day VWAP of the Company's Shares trading on the ASX multiplied by the number of ordinary shares on issue at that time.

As at 30 June 2018, management believe that all other performance and service hurdles will be met and accordingly have recognised a share based payment expense over the respective vesting periods.

The total director, employee and consultant share performance rights expensed expense arising from performance rights recognised during the reporting period as part of share based payment expense were as follows:

|                                            | 2018<br>\$ | 2017<br>\$ |
|--------------------------------------------|------------|------------|
| Performance rights granted during the year | 274,289    | -          |
| Reversal of performance rights expense     | (150,000)  | -          |
|                                            | 124,289    | -          |

#### (c) Share capital to vendors

During the financial year:

- On 14 August 2017 shareholder approved the acquisition of the Canadian projects. As part of the acquisitions the company exercised its right to acquire the:
  - Mulligan project. In consideration for the acquisition CA\$ 85,000 was payable in the form of CA\$ 15,000 cash and CA\$ 50,000 of shares. On 22 August 2017, in settlement of the CA\$ 50,000, 793,599 shares were issued each to Clayton Larche and Patrick Gryba. The fair value of the shares recognised was by direct reference to the fair value of assets received. This was determined by the corresponding claim sale agreement. This amount has been recognised in the Statement of Profit or Loss under exploration expense;
  - Midrim/Laforce project. In consideration for the acquisition CA\$ 150,000 was payable in the form of CA\$ 100,000 cash and CA\$ 50,000 of shares. On 22 August 2017, in settlement of the CA\$ 50,000, 1,587,199 shares were issued to Fieldex exploration Inc. The fair value of the shares recognised was by direct reference to the fair value of assets received. This was determined by the corresponding claim sale agreement. This amount has been recognised in the Statement of Profit or Loss under exploration expense;

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 13 SHARE BASED PAYMENTS (continued)

- Iron Mask project. In consideration for the acquisition CA\$ 70,000 was payable in the form of CA\$ 20,000 cash and CA\$ 50,000 of shares. On 22 August 2017, in settlement of the CA\$ 50,000, 1,587,199 shares were issued to Exiro Minerals Corp. The fair value of the shares recognised was by direct reference to the fair value of assets received. This was determined by the corresponding claim sale agreement. This amount has been recognised in the Statement of Profit or Loss under exploration expense;
- On 22 August 2017, the company issued shares as a part of a facilitation fee regarding the claims sale agreement. The facilitation fee of CA\$ 70,000 and was payable in the form of CA\$ 20,000 cash and CA\$ 50,000 of shares. On 22 August 2017, in settlement of the CA\$ 50,000, 1,587,199 shares were issued to Xavier Capital Inc. The fair value of the shares recognised was by direct reference to the agreement. This amount has been recognised in the Statement of Profit or Loss under exploration expense;
- On 22 August 2017, 7,560,000 shares were issued in consideration for placement fees. The fair value of the shares recognised was by direct reference to the fair value of service received. This was determined by the corresponding agreement which amounted to \$ 75,600. This amount has been recognised in the Statement of Financial Position under capital raising cost and has been split as follows:
  - 5,000,000 shares issued to Alitime Nominees Pty Ltd with a fair value of \$ 50,000,
  - 1,060,000 shares issued to Advantage Management Pty Ltd with a fair value of \$ 10,600,
  - 500,000 shares issued to Brown Brick Pty Ltd with a fair value of \$ 5,000,
  - 200,000 shares issued to Montina Enterprises Pty Ltd with a fair value of \$ 2,000, and
  - 800,000 shares issued to CPS Capital Group Pty Ltd with a fair value of \$ 8,000.
- On 25 September 2017, the Company acquired a comprehensive database of raw technical information as well as geological interpretations covering the entire Belleterre-Angliers Greenstone Belt. The acquisition cost was 7,200,000 shares and CA\$ 166,000 cash. On 25 September 2017, 7,200,000 shares were issued to Zeus Minerals Corp. The fair value of the shares recognised was by direct reference to the fair value of assets received. This was determined by the corresponding sale and purchase agreement. This amount has been recognised in the Statement of Profit or Loss under exploration expenses;
- On 7 December 2017, 628,571 shares were issued to S3 Consortium Pty Ltd in consideration for advertising and marketing costs. The fair value of the shares recognised was by direct reference to the fair value of service received. This was determined by the corresponding invoice received which amounted to \$ 44,000 (including GST). This amount has been recognised in the Statement of Profit or Loss under administrative expense;
- On 19 December 2017, 1,200,000 shares were issued to CPS Capital Investments Pty Ltd in consideration for advisory fees. The fair value of the shares recognised was by direct reference to the fair value of service received. This was determined by the corresponding invoice received which amounted to \$ 74,400. This amount has been recognised in the Statement of Financial Position under capital raising cost;
- On 19 April 2018, 750,000 shares were issued to S3 Consortium Pty Ltd in consideration for advertising and marketing costs. The fair value of the shares recognised was by direct reference to the fair value of service received. This was determined by the corresponding invoice received which amounted to \$ 30,000 (excluding GST). This amount has been recognised in the Statement of Profit or Loss under administrative expense; and
- On 16 May 2018, the company exercised the claim sale agreement to acquire the Joyce Lake project. In consideration for the acquisition 1,000,000 shares and CA\$ 38,000 was payable. On 29 May 2018, in settlement, 500,000 shares each were issued to 1544230 Ontario Inc. and Steven Edward Daniel Siemieniuk. The fair value of the shares recognised was by direct reference to the fair value of the equity instruments issued, which amounted to \$ 76,000. This amount has been recognised in the Statement of Profit or Loss under exploration expense;
- On 16 May 2018, the company exercised the claim sale agreement to acquire the Lorraine project. In consideration for the acquisition 1,000,000 shares and CA\$ 70,000 was payable. On 29 May 2018, in settlement, 1,000,000 shares were issued to Jonathan Paul Camilleri. The fair value of the shares recognised was by direct reference to the fair value of the equity instruments issued, which amounted to CA\$ 38,000. This amount has been recognised in the Statement of Profit or Loss under exploration expense;

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 13 SHARE BASED PAYMENTS (continued)

#### Significant accounting estimates, assumptions and judgements

##### *Estimation of fair value of share based payments*

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes or Monte-Carlo model taking into account the assumptions detailed within this note.

##### *Probability of vesting conditions being achieved*

Inputs to pricing models may require an estimation of reasonable expectations about achievement of future vesting conditions. Vesting conditions must be satisfied for the counterparty to become entitled to receive cash, other assets or equity instruments of the entity, under a share based payment arrangement.

Vesting conditions include service conditions, which require the other party to complete a specified period of service, and performance conditions, which require specified performance targets to be met (such as a specified Increase in the entity's profit over a specified period of time) or completion of performance hurdles.

The Company recognises an amount for the goods or services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and shall revise that estimate, if necessary, if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates. On vesting date, the entity shall revise the estimate to equal the number of equity instruments that ultimately vested.

The achievement of future vesting conditions are reassessed each reporting period.

### 14 FINANCIAL AND CAPITAL RISK MANAGEMENT

#### Overview

The financial risks that arise during the normal course of the Group's operations comprise market risk, credit risk and liquidity risk. In managing financial risk, it is policy to seek a balance between the potential adverse effects of financial risks on financial performance and position, and the "upside" potential made possible by exposure to these risks and by taking into account the costs and expected benefits of the various risk management methods available to manage them.

##### *General objectives, policies and processes*

The Board is responsible for approving policies on risk oversight and management and ensuring management has developed and implemented effective risk management and internal control. The Board receives reports as required from the Managing Director in which they review the effectiveness of the processes implemented and the appropriateness of the objectives and policies it sets. The Board oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced.

These disclosures are not, nor are they intended to be an exhaustive list of risks to which the Group is exposed.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 14 FINANCIAL AND CAPITAL RISK MANAGEMENT (continue)

#### Financial Instruments

The Group has the following financial instruments:

|                              | 2018<br>\$ | 2017<br>\$ |
|------------------------------|------------|------------|
| <b>Financial assets</b>      |            |            |
| Cash and cash equivalents    | 3,299,194  | 1,090,846  |
| Trade and other receivables  | 28,341     | 19,286     |
| Security deposits            | 15,607     | 15,607     |
| Available for sale asset     | 6,289      | 3,377      |
|                              | 3,349,431  | 1,129,116  |
| <b>Financial liabilities</b> |            |            |
| Trade and other payables     | 241,444    | 203,322    |
|                              | 241,444    | 203,322    |

#### (a) Market Risk

Market risk can arise from the Group's use of interest bearing financial instruments, foreign currency financial instruments and equity security instruments and exposure to commodity prices. It is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rate (currency risk), equity securities price risk (price risk) and fluctuations in commodity prices (commodity price risk).

##### (i) Interest rate risk

The Board manages the Group's exposure to interest rate risk by regularly assessing exposure, taking into account funding requirements and selecting appropriate instruments to manage its exposure. As at the 30 June 2018, the Group has interest-bearing assets, being cash at bank (30 June 2017 cash at bank).

As such, the Group's income and operating cash flows is not highly dependent on material changes in market interest rates.

#### Sensitivity analysis

The Group does not consider this to be a material risk/exposure to the Group and have therefore not undertaken any further analysis.

The weighted average effective interest rate of funds on deposit is 1.91% (30 June 2017: 2.032%).

##### (ii) Currency risk

The Group operates in Canada and maintains a corporate listing in Australia. As a result of various operating locations, the Group is exposed to foreign exchange risk arising from fluctuations, primarily in the Canadian Dollar (CAD).

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Group manages risk by matching receipts and payments in the same currency and monitoring movements in exchange rates. The exposure to risks is measured using sensitivity analysis and cash flow forecasting.

The Group's exposure to foreign currency risk at year end, expressed in Australian dollars, was as follows:

|                              | 2018<br>CAD<br>\$ | 2017<br>CAD<br>\$ |
|------------------------------|-------------------|-------------------|
| <b>Financial assets</b>      |                   |                   |
| Cash                         | 76,968            | -                 |
| <b>Financial liabilities</b> |                   |                   |
| Trade and other payables     | 86,580            | -                 |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 14 FINANCIAL AND CAPITAL RISK MANAGEMENT (continue)

#### *Sensitivity analysis*

The Group does not consider this to be a material risk/exposure to the Group and have therefore not undertaken any further analysis.

#### (iii) Price risk

The Group's only equity investments are publicly traded on the ASX.

To manage its price risk arising from investments in equity securities, management monitors the price movements of the investment and ensures that the investment risk falls within the Group's framework for risk management.

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the statement of financial position as available for sale (Note 8).

#### *Sensitivity analysis*

The Group does not consider this to be a material risk/exposure to the Group and have therefore not undertaken any further analysis.

#### (iv) Commodity price risk

As the Group has not yet entered into mineral or energy production, the risk exposure to changes in commodity price is not considered significant.

#### (b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with financial institutions, as well as trade receivables. Credit risk is managed on a Group basis. For cash balances held with bank or financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

The Board are of the opinion that the credit risk arising as a result of the concentration of the Group's assets is more than offset by the potential benefits gained.

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets as summarised, none of which are impaired or past due.

#### *Exposure to credit risk*

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

|                           | 2018<br>\$ | 2017<br>\$ |
|---------------------------|------------|------------|
| Cash and cash equivalents | 3,299,194  | 1,090,846  |
| Other receivables         | 28,341     | 19,286     |
| Security deposits         | 15,607     | 15,607     |
|                           | 3,343,142  | 1,125,739  |

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 14 FINANCIAL AND CAPITAL RISK MANAGEMENT (continue)

|                                                              | 2018<br>\$ | 2017<br>\$ |
|--------------------------------------------------------------|------------|------------|
| <b>Cash at bank and short-term deposits</b>                  |            |            |
| <i>Held with Australian banks and financial institutions</i> |            |            |
| AA- S&P rating                                               | -          | -          |
| A+ S&P rating                                                | 3,297,792  | 1,090,846  |
| Unrated                                                      | 1,402      | -          |
| Total                                                        | 3,299,194  | 1,090,846  |
| <b>Other receivables</b>                                     |            |            |
| <i>Counterparties with external credit ratings</i>           | 43,948     | 34,893     |

#### (c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Through continuous monitoring of forecast and actual cash flows the Group manages liquidity risk by maintaining adequate reserves to meet future cash needs. The decision on how the Group will raise future capital will depend on market conditions existing at that time.

#### *Maturities of financial liabilities*

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

|                          | Less than<br>6 months<br>\$ | 6 - 12<br>months<br>\$ | 1 - 5<br>years<br>\$ | Over 5<br>years<br>\$ | Total<br>contractual<br>cash flows<br>\$ | Carrying<br>amount of<br>liabilities<br>\$ |
|--------------------------|-----------------------------|------------------------|----------------------|-----------------------|------------------------------------------|--------------------------------------------|
| <b>At 30 June 2018</b>   |                             |                        |                      |                       |                                          |                                            |
| Trade and other payables | 241,444                     | -                      | -                    | -                     | 241,444                                  | 241,444                                    |
| <b>At 30 June 2017</b>   |                             |                        |                      |                       |                                          |                                            |
| Trade and other payables | 203,322                     | -                      | -                    | -                     | 203,322                                  | 203,322                                    |

#### (d) Capital risk management

The Group's objective when managing capital is to safeguard the ability to continue as a going concern. This is to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Board monitors capital on an ad-hoc basis. No formal targets are in place for return on capital, or gearing ratios, as the Group has not derived any income from operations.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 15 LOSS PER SHARE

|                                                               | 2018           | 2017         |
|---------------------------------------------------------------|----------------|--------------|
| <b>Basic and diluted loss per share</b>                       |                |              |
| Net loss after tax attributable to the members of the Company | \$ (6,731,507) | \$ (449,444) |
| Weighted average number of ordinary shares                    | 499,204,562    | 227,980,313  |
| Basic and diluted loss per share (cents)                      | (1.35)         | (0.20)       |

### 16 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity and items which are more likely to be materially adjusted. Detailed information about each of these estimates and judgements is included in the Notes together with information about the basis of calculation for each affected line item in the financial statements.

#### Significant accounting estimates and judgements

The areas involving significant estimates or judgements are:

- Recognition of deferred tax asset for carried forward tax losses — Note 3;
- Asset acquisition not constituting a business combination – Note 4;
- Fair value of assets acquisition – Note 4;
- Fair value of available for sale assets – Note 8;
- Classification of available for sale assets – Note 8;
- Probability of vesting conditions being achieved– Note 13;
- Estimation of fair value of share based payments – Note 13; and
- Estimation of contingent liabilities – Note 18.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

There have been no actual adjustments this year as a result of an error and of changes to previous estimates.

### 17 TENEMENT EXPENDITURES CONDITIONS AND LEASING COMMITMENTS

The Company has certain obligations to perform minimum exploration work on the tenements in which it has an interest. These obligations may in some circumstances, be varied or deferred. Tenement rentals and minimum expenditure obligations which may be varied or deferred on application are expected to be met in the normal course of business.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 17 TENEMENT EXPENDITURES CONDITIONS AND LEASING COMMITMENTS (continued)

|                                                  | 2018 <sup>(1)</sup><br>\$ | 2017<br>\$ |
|--------------------------------------------------|---------------------------|------------|
| Within one year                                  | 130,319                   | 20,000     |
| Later than one year but no later than five years | 236,080                   | -          |
| Later than five years                            | 7,257                     | -          |
|                                                  | 373,656                   | 20,000     |

1 The CA\$ commitments have been translated at a rate of 1.0273 to AUD

The Company has the ability to diminish its exposure under these commitments through the application of a variety of techniques including applying for exemptions from the regulatory expenditure obligations, surrendering tenements, relinquishing portions of tenements or entering into farm-out agreements whereby third parties bear the burdens of such obligation in whole or in part.

#### Australian Projects

The Group has certain obligations to perform minimum exploration work on tenements held. These obligations may vary over time, depending on the Group's exploration programmes and priorities. As at reporting date, total exploration expenditure commitments on tenements held is shown in the above table. These obligations are also subject to variations by farm-out arrangements, dilution with current partners or sale of the relevant tenements. This commitment does not include the expenditure commitments which are the responsibility of the joint venture partners.

#### Canadian Projects

The Group has certain obligations to perform minimum exploration work on tenements held. These obligations may vary over time, depending on the Group's exploration programmes and priorities. As at reporting date, total exploration expenditure commitments on tenements held less amount already spent is shown in the above table. These obligations are also subject to variations by farm-out arrangements or sale of the relevant tenements. Other commitments specific to projects have been detailed below.

##### Joyce Lake project

On 16 May 2018, the company exercised the claim sale agreement to acquire the Joyce Lake project. In consideration for the acquisition 1,000,000 shares and CA\$ 38,000 is payable on settlement. Further payments of CA\$ 15,000, CA\$ 20,000 and CA\$ 25,000 are due on the first, second and third anniversaries of the settlement date respectively.

##### Lorraine project

On 16 May 2018, the company exercised the claim sale agreement to acquire the Lorraine project. In consideration for the acquisition 1,000,000 shares and CA\$ 38,000 is payable on settlement. Further payments of CA\$ 15,000, CA\$ 20,000 and CA\$ 25,000 are due on the first, second and third anniversaries of the settlement date respectively.

### 18 CONTINGENT LIABILITIES

#### Native Title

##### (a) Contingent liabilities

Tenements are commonly (but not invariably) affected by native title.

The Company is not in a position to assess the likely effect of any native title impacting the Company.

The existence of native title and heritage issues represent, as a general proposition, a serious threat to explorers and miners, not only in terms of delaying the grant of tenements and the progression of exploration development and mining operations, but also in terms of costs arising consequent upon dealing with aboriginal interest groups, claims for native title and the like.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 18 CONTINGENT LIABILITIES (continued)

As a general proposition, a tenement holder must obtain the consent of the owner of freehold before conducting operations on the freehold land. Unless it already has secured such rights, there can be no assurance that the Company will secure rights to access those portions (if any) of the Tenements encroaching freehold land but, importantly, native title is extinguished by the grant of freehold so if and whenever the Tenements encroach freehold the Company is in the position of not having to abide by the Native Title Act in respect of the area of encroachment albeit aboriginal heritage matters still be of concern.

The Group currently has no contingent liabilities as at 30 June 2018 (30 June 2017: Nil).

#### (b) Contingent assets

The Group has no contingent assets as at 30 June 2018 (30 June 2017: Nil).

#### Significant judgments

##### *Contingencies & commitments*

As the Group is subject to various laws and regulations in the jurisdictions in which it operates, significant judgment is required in determining whether any potential contingencies are required to be disclosed and/or whether any capital or operating leases require disclosure (refer to Note 16).

### 19 RELATED PARTY TRANSACTIONS

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

#### Key management personnel compensation

|                              | 2018<br>\$ | 2017<br>\$ |
|------------------------------|------------|------------|
| Short-term employee benefits | 340,265    | 186,630    |
| Post-employment benefits     | 17,376     | 14,250     |
| Termination                  | 35,897     | -          |
| Share based payments         | 122,503    | -          |
|                              | 516,041    | 200,880    |

Detailed remuneration disclosures are provided within the remuneration report.

#### Parent entity

The ultimate parent entity and ultimate controlling party is Meteoric Resources NL (incorporated in Australia).

#### Subsidiaries

Interests in subsidiaries are set out in Note 22.

#### Transactions with related parties

##### *Payment of fees*

- Dr Andrew Tunks, Executive Director, is a director of Tunks Geo Consulting Pty Ltd, which received Dr Tunks's director and fees during the period. At year end the Company had an outstanding payable balance of \$16,666.67 (ex GST) (30 June 2017: nil).
- Ms Shastri Ramnath, Non-Executive Director, is a director of Ram Jam Holding Inc. which received Ms Ramnath's director fees during the period. At year end the Company had an outstanding balance payable of \$7,558.08 (30 June 2017: nil).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 19 RELATED PARTY TRANSACTIONS (continued)

#### *Purchases of services*

The Group acquired the following services from entities in which the group's key management personnel have an interest:

- Office/storage rent sharing and office facilities
- Geological services

A director, Mr. G Sakalidis, is a Director in the firm of Magnetic Resources NL which have provided Office/storage rent sharing and office facilities to Meteoric Resources NL on normal commercial terms and conditions. The amount recognised as an expense during the period from 1 July 2017 to 29 November 2017 was \$10,767 (excluding GST) (30 June 2017: \$54,750).

A director, Ms. Ramnath, is Managing Director of the firm of Orix Geoscience Inc. (**Orix**). Orix have been a partner to Meteoric in providing geological services and support for the Canadian projects. All services provided have been on normal commercial terms and conditions. The amount recognised as an expense during the period from 1 October 2017 to 30 June 2018 was \$521,011.

#### *Purchase of tenements*

On 22 August 2017, the company exercised its right to acquire the Iron Mask project. In consideration for the acquisition CA\$ 70,000 was payable in the form of CA\$ 20,000 cash and CA\$ 50,000 of shares. On 22 August 2017, in settlement of the CA\$ 50,000, 1,587,199 shares were issued to Exiro Minerals Corp. The fair value of the shares recognised was by direct reference to the fair value of assets received. This was determined by the corresponding claim sale agreement which was made on normal on normal commercial terms and conditions. Ms Ramnath is the founder and CEO of Exiro Minerals Corp.

On 22 August 2017, the company exercised its right to acquire the Mulligan project. As part of the consideration for the acquisition CA\$ 20,000 was payable Exiro Minerals Corp. Ms Ramnath is the founder and CEO of Exiro Minerals Corp.

#### **Share based payments**

During the year the following performance rights were granted:

- Mr Bassett was granted 1,750,000 rights,
- Mr Clatworthy was granted 1,750,000 rights
- Mr Sakalidis was granted 500,000 rights
- Dr Tunks was granted 11,000,000 rights
- Mr Burke was granted 5,500,000 rights
- Ms Ramnath was granted 2,000,000 rights.

Details of the valuation pertaining to the above-mentioned equity instruments are set out in Note 13.

There were no other related party transactions during the period.

### 20 EVENTS SUBSEQUENT TO REPORTING DATE

On 9 July 2018, the Company advised that it had changed shareholder registry services provider from Security Transfer Australia to Automic Registry Services.

In the opinion of the Directors, no other event of a material nature or transaction, has arisen since period end and the date of this report that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or its state of affairs.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 21 RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

|                                                              | Note  | 2018<br>\$  | 2017<br>\$ |
|--------------------------------------------------------------|-------|-------------|------------|
| Loss for the period                                          |       | (6,731,507) | (449,444)  |
| Add/(less) non-cash items:                                   |       |             |            |
| Depreciation                                                 |       | 363         | 235        |
| Disposal of PPE                                              |       | 1,010       | -          |
| Receipt from sale of tenement                                |       |             | (17,271)   |
| Asset acquisition                                            | 4     | 2,760,000   | -          |
| Acquisition of tenements                                     | 13(c) | 276,622     | -          |
| Acquisition of data base                                     | 13(c) | 295,200     | -          |
| Share based payments - Directors and employees               | 13(b) | 124,289     | -          |
| Share based payments - Vendors                               | 13(c) | 70,000      | -          |
| Unrealised foreign exchange loss                             |       | 5,714       | -          |
| Changes in assets and liabilities during the financial year: |       |             |            |
| Decrease/(increase) in receivables                           |       | (29,686)    | 8,598      |
| Increase/(decrease) in payables                              |       | 83,834      | 23,291     |
| Net cash outflow from operating activities                   |       | (3,144,161) | (434,591)  |

#### (a) Non-cash investing and financing activities

|                                                   | 2018<br>\$ | 2017<br>\$ |
|---------------------------------------------------|------------|------------|
| Acquisition of Cobalt Canada Pty Ltd (see Note 4) | 2,760,000  | -          |

### 22 INTEREST IN OTHER ENTITIES

#### (a) Investments in controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 25(a):

| Name of entity                             | Country of incorporation | 2018<br>Equity holding | 2017<br>Equity holding |
|--------------------------------------------|--------------------------|------------------------|------------------------|
| Cobalt Canada Pty Ltd <sup>(1)</sup>       | Australia                | 100%                   | -                      |
| Ressources Meteore Sub Inc. <sup>(2)</sup> | Canada                   | 100%                   | -                      |

1 Acquired on 14 August 2017 as part of the asset acquisition, see Note 4.

2 Incorporated on 18 August 2017.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 23 REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related parties and non-related audit firms:

|                                                  | 2018<br>\$    | 2017<br>\$    |
|--------------------------------------------------|---------------|---------------|
| (a) <u>Greenwich &amp; Co</u>                    |               |               |
| <i>Audit and assurance services</i>              |               |               |
| Greenwich & Co Audit Pty Ltd                     |               |               |
| Audit and review of financial statements         | 30,850        | 25,610        |
| <b>Total remuneration for Greenwich &amp; Co</b> | <b>30,850</b> | <b>25,610</b> |

From time to time the Consolidated Entity may decide to employ an external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Consolidated Entity are important. These assignments are principally tax advice and due diligence on acquisitions, which are awarded on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects. The Board is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

### 24 PARENT ENTITY INFORMATION

The following information relates to the parent entity, Meteoric Resources NL as at 30 June 2018. The information presented here has been prepared using consistent accounting policies as presented in Note 25.

#### (a) Summary of financial information

The individual aggregate financial information for the parent entity is shown in the table.

#### (b) Guarantees entered into by the parent entity

The parent entity did not have any guarantees as at 30 June 2018 or 30 June 2017.

#### (c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2018 or 30 June 2017.

#### (d) Contractual commitments for the acquisition of property, plant and equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2018 or 30 June 2017.

|                                 | Company            |                  |
|---------------------------------|--------------------|------------------|
|                                 | 2018<br>\$         | 2017<br>\$       |
| <b>Financial position</b>       |                    |                  |
| Current assets                  | 3,298,398          | 1,111,467        |
| <b>Total assets</b>             | <b>3,371,397</b>   | <b>1,130,451</b> |
| Current liabilities             | 241,444            | 203,322          |
| <b>Total liabilities</b>        | <b>241,444</b>     | <b>203,322</b>   |
| <b>Equity</b>                   |                    |                  |
| Contributed equity              | 21,563,533         | 13,727,199       |
| Reserves                        | 1,129,878          | 36,677           |
| Accumulated losses              | (19,563,458)       | (12,836,747)     |
| <b>Total equity</b>             | <b>3,129,953</b>   | <b>927,129</b>   |
| <b>Financial performance</b>    |                    |                  |
| Loss for the year               | (6,726,711)        | (449,444)        |
| <b>Total comprehensive loss</b> | <b>(6,726,711)</b> | <b>(449,444)</b> |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### 25 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Meteoric Resources NL (**Company** or **Meteoric**) is a company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. Meteoric Resources NL is the ultimate parent entity of the Group.

The consolidated financial statements of Meteoric Resources NL for the year ended 30 June 2018 comprise the Company and its controlled subsidiaries (together referred to as the **Group** and individually as **Group entities**).

#### *Statement of compliance*

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Group Interpretations and the *Corporations Act 2001*. Meteoric Resources NL is a for-profit entity for the purpose of preparing the financial statements.

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

#### *Historical cost convention*

These financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

#### *Critical accounting estimates and significant judgements*

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within Note 16.

#### *New and amended standards adopted by the Group*

The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to their operations and effective for the current annual reporting period. New and revised Standards and amendments thereof and Interpretations effective for the first time for the annual reporting period commencing 1 July 2014 that are relevant to the Group include:

- AASB 2013-3 Amendment to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets; and
- AASB 2014-1 Amendments to Australian Accounting Standards.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported

for the current or prior years. However, the above standards have affected the disclosures in the notes to the financial statements.

#### *AASB 9 Financial Instruments*

AASB 9 *Financial Instruments* (AASB 9) addresses the classification, measurement and derecognition of financial assets and financial liabilities. Since December 2013 it also sets out new rules for hedge accounting.

There may be a change to the Group's accounting for available for sale financial assets dependent on the accounting treatment elected on adoption. Under AASB 9, fair value movements, including gains and losses on disposal shall be recognised through profit or loss, unless the irrevocable election is adopted to recognise these movements in other comprehensive income.

There is no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities.

The new hedging rules align hedge accounting more closely with the Group's risk management practices. As a general rule it will be easier to apply hedge accounting going forward. The new standard also introduces expanded disclosure requirements and changes in presentation.

AASB 9 has been adopted from 1 July 2018.

#### *AASB 15 Revenue from Contracts with Customers*

The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.

The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (e.g. 1 July 2017), i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.

There will be no impact on the Group's accounting as currently the Group does not have any contract with customers.

AASB 15 has been adopted from 1 July 2018.

#### *New standards and interpretations not yet adopted*

##### *AASB 16 Leases*

AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases onto its balance sheet in a similar way to how existing finance leases are treated under AASB 117. An entity be required to recognise a lease

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

liability and a right of use asset in its balance sheet for most leases. There are some optional exemptions for leases with a period of 12 months or less and for low value leases.

Lessor accounting remains largely unchanged from AASB 117.

The entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

There are no other standards that are not yet effective and that are expected to have a material impact on the Group in the current or future reporting period and in the foreseeable future.

### Accounting policies

In order to assist in the understanding of the financial statements, the following summary explains the principle accounting policies that have been adopted in the preparation of the financial report. These policies have been applied consistently to all of the periods presented, unless otherwise stated.

#### (a) Principles of Consolidation

##### *Subsidiaries*

The consolidated financial statements incorporate the assets and liabilities of subsidiaries of the Company at the end of the reporting period. Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Where a subsidiary has entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of subsidiaries is contained in Note 22 to the financial statements.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

##### *Changes in ownership interests*

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Meteoric Resources NL.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

#### (b) Going Concern

During the year the consolidated entity incurred a net loss of \$6,731,507 (2017: \$449,444) and incurred net cash outflows from operating activities of \$3,144,161 (2017: \$434,591). The consolidated entity held cash assets at 30 June 2018 of \$3,299,194 (2017: \$1,090,846).

Management believe there are sufficient funds to meet the consolidated entity's working capital requirements as at the date of this report.

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

#### (c) Segment Reporting

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker, which has been identified by the company as the Board.

#### (d) Foreign Currency Translation

##### *Functional and presentation currency*

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

Australian dollars, which is Meteoric Resources NL's functional and presentation currency.

### *Transactions and balances*

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

No dividends were paid or proposed during the year.

### *Group companies*

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange difference is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### **(e) Revenue Recognition**

Revenue is measured as the fair value of the consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured it is probable that future economic benefits will flow to the entity.

Revenue for other business activities is recognised on the following basis:

#### *Interest income*

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

All revenue is stated net of Goods and Service Tax.

### **(f) Income Tax and Other Taxes**

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Meteoric Resources NL and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### **(g) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flow arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

### **(h) Exploration and Evaluation Expenditure**

The Group expenses exploration and evaluation expenditure as incurred in respect of each identifiable area of interest until a time where an asset is in development.

#### *Exploration and Evaluation expenditure*

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area as well as the determination of the technical feasibility and commercial viability of extracting mineral resource.

Exploration and evaluation expenditure is expensed to the profit or loss as incurred except when existence of a commercially viable mineral reserve has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure.

### **(i) Impairment of Non-Financial Assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash

inflows that are largely independent of those from other assets or groups of assets and the asset's values in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a revaluation decrease).

As assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had the impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at the re-valued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

### **(j) Cash and Cash Equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank accounts, money market investments readily convertible to cash within two working days, and bank bills but net of outstanding bank overdrafts.

### **(k) Trade and Other Receivables**

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Current receivables for GST are due for settlement within 30 days and other current receivables within 12 months.

### **(l) Investments and Other Financial Assets**

The Group classifies its financial assets in the following categories: loans and receivables and available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the statement of financial position date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

### *Available for sale financial assets*

Available for sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period. Investments are designated as available for sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

#### *(i) Recognition and de-recognition*

Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available for sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

#### *(ii) Subsequent measurement*

Loans and receivables are carried at amortised cost using the effective interest method.

Available for sale financial assets are subsequently carried at fair value.

#### *(iii) Impairment*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or Group of financial assets is impaired. A financial asset or a Group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

### *Assets classified as available for sale*

If there is objective evidence of impairment for available for sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available for sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

### **(m) Property, Plant and Equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

The depreciation methods and periods used by the group are disclosed in Note 7.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

### **(n) Acquisition of Assets**

Where an entity or operation is acquired, the identifiable assets acquired (and, where applicable, identifiable liabilities assumed) are to be measured at the acquisition date at their relative fair values of the purchase consideration.

Where the acquisition is a group of assets or net assets, the cost of acquisition will be apportioned to the individual assets acquired (and, where applicable, liabilities assumed). Where a group of assets acquired does not form an entity or operation, the cost of acquisition is apportioned to each asset in proportion to the fair values of the assets as at the acquisition date.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

### (o) Share Based Payment Transactions

#### *Benefits to Employees and consultants (including Directors)*

The Group provides benefits to employees and consultants (including directors) of the Group in the form of share based payment transactions, whereby employees render services in exchange for shares or rights over shares or options ("equity-settled transactions").

The costs of these equity settled transactions are measured by reference to the fair value of the equity instruments at the date on which they are granted. The fair value of performance rights granted is determined using the single barrier share option pricing model. The fair value of options granted is determined by using the Black-Scholes option pricing technique. Further details of options and performance rights granted are disclosed in Note 17.

The cost of these equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period).

At each subsequent reporting date until vesting, the cumulative charge to the profit or loss is the product of: (i) the fair value at grant date of the award; (ii) the current best estimate of the number of equity instruments that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

The charge to the profit or loss for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an equity instrument has vested, any amounts recorded are contingent and will be adjusted if more or fewer equity instruments vest than were originally anticipated to do so. Any equity instrument subject to a market condition is valued as if it will vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

If the terms of an equity-settled award are modified, as a minimum, an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share based payment arrangement, or is otherwise beneficial to the recipient of the award, as measured at the date of modification.

If an equity-settled transaction is cancelled (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied), it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new equity instrument is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new equity instrument are treated as if they were a

modification of the original award, as described in the preceding paragraph.

#### *Benefits to Vendors*

The Group provides benefits to vendors of the Group in the form of share based payment transactions, whereby the vendor has render services in exchange for shares or rights over shares or options ("equity-settled transactions").

The fair value is measured by reference to the value of the goods or services received. If these cannot be reliably measured, then by reference to the fair value of the equity instruments granted.

The cost of these equity-settled transactions is recognised over the period in which the service was received.

### (p) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision of trade receivables and payables are assumed to approximately their fair value due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

### (q) Employee Entitlements

The Group's liability for employee entitlements arising from services rendered by employees to reporting date is recognised in other payables. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, and annual leave which will be settled within one year, have been measured at their nominal amount and include related on-costs.

### (r) Loss Per Share

#### *Basic loss per share*

Basic earnings per share is determined by dividing the operating loss attributable to the equity holder of the Group after income tax by the weighted average number of ordinary shares outstanding during the financial year.

#### *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will arise from the exercise of options outstanding during the year.

### (s) Trade and Other Payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 30 June 2018

respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

### **(t) Contributed Equity**

Issued and paid up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

### **(u) Dividends**

No dividends were paid or proposed during the year.

### **(v) Comparatives**

Comparative figures have been restated to conform with the current year's presentation. This has had no impact on the financial statements.

### **(w) Parent Entity Financial Information**

The financial information for the parent entity, Meteoric Resources NL, disclosed in Note 24 has been prepared on the same basis as the consolidated financial statements except as set out below:

#### *Investments in subsidiaries*

Investments in subsidiaries are accounted for at cost and subject to an annual impairment review.

## DIRECTORS' DECLARATION

The directors of the Group declare that:

1. the accompanying financial statements and notes are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards and the *Corporations Act 2001*;
  - (b) give a true and fair view of the financial position as at 30 June 2018 and performance for the year ended on that date of the Group; and
  - (c) the audited remuneration disclosures set out in the Remuneration Report section of the Directors' Report for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*;
2. the Chief Financial Officer has declared pursuant to section 295A.(2) of the *Corporations Act 2001* that:
  - (a) the financial records of the Group for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
  - (b) the financial statements and the notes for the financial year comply with Australian Accounting Standards; and
  - (c) the financial statements and notes for the financial year give a true and fair view;
3. in the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;
4. the directors have included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors.



**Patrick Burke**

Non-Executive Chairman

Perth, Western Australia

29 September 2018

## Independent Audit Report to the members of Meteoric Resources NL

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Meteoric Resources NL (the "Company") and its controlled entities (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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Exploration Expenditure

Refer to Exploration Expenditure (\$5,340,817) the accounting policy Note 1(c) and Note 1

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | How our audit addressed the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Expenditure is a substantial figure in the financial statements of the Group, representing a significant component of cost incurred in relation to the acquisition of overseas mining tenements during the financial year.</p> <p>Given this represents a significant volume of transactions, we considered it necessary to assess whether the Group's expenses had been accurately recorded, whether the services provided had been delivered in the appropriate period, and whether all expenses related to activities undertaken by Meteoric Resources NL.</p> | <p>Our audit work included, but was not restricted to, the following:</p> <ul style="list-style-type: none"><li>• We completed walkthrough testing on the Group's expenses system and assessed related controls.</li><li>• We selected a systematic sample of expenses using the dollar unit sampling method, and vouched each item selected to invoices and other supporting documentation.</li><li>• We tested a random sample of cash payments throughout the year to supporting documentation, to ensure no expenses had been paid but not recognised.</li><li>• We reviewed post year end payments and invoices to ensure that all goods and services provided during the financial year were recognised in expenses for the same period.</li></ul> |

### Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report (but does not include the financial report and our auditor's report thereon).

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

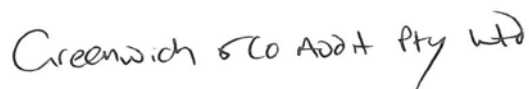
From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on the Remuneration Report**

We have audited the Remuneration Report included in pages 20 to 25 of the directors' report for the year ended 30 June 2018. The directors of the Meteoric Resources NL are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit in accordance with Australian Auditing Standards.

#### *Opinion*

In our opinion, the Remuneration Report of Meteoric Resources NL for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*.



**Greenwich & Co Audit Pty Ltd**



**Nicholas Hollens**

Managing Director

29 September 2018

## TENEMENT DETAILS

| Australian Tenements |                    |                           |               |
|----------------------|--------------------|---------------------------|---------------|
| Tenement             | Nature of Interest | Project                   | Equity (%)    |
| E80/4235             | Granted            | ELIZABETH HILLS (Webb JV) | 18.5%         |
| E80/4407             | Granted            | ANGAS HILL (Webb JV)      | 18.5%         |
| E80/4506             | Granted            | WEBB DIAMONDS (Webb JV)   | Rights to 13% |
| E80/4737             | Granted            | WEBB DIAMONDS (Webb JV)   | 18.5%         |
| E80/4815             | Granted            | LAKE MACKAY (Webb JV)     | 18.5%         |
| E80/5071             | Granted            | WEBB DIAMONDS (Webb JV)   | 18.5%         |
| E80/5121             | Granted            | WEBB DIAMONDS (Webb JV)   | 18.5%         |
| EL23764              | Granted            | WARREGO                   | 49%           |
| EL30701              | Granted            | BABBLER                   | 49%           |
| MLC217               | Granted            | PERSEVERANCE              | 68.43%        |
| MLC218               | Granted            | PERSEVERANCE              | 68.43%        |
| MLC219               | Granted            | PERSEVERANCE              | 68.43%        |
| MLC220               | Granted            | PERSEVERANCE              | 68.43%        |
| MLC221               | Granted            | PERSEVERANCE              | 68.43%        |
| MLC222               | Granted            | PERSEVERANCE              | 68.43%        |
| MLC223               | Granted            | PERSEVERANCE              | 68.43%        |
| MLC224               | Granted            | PERSEVERANCE              | 68.43%        |
| MLC57                | Granted            | PERSEVERANCE              | 68.43%        |
| EL28620              | Granted            | BARKLY                    | 30%           |

## TENEMENT DETAILS

| <b>Canadian Tenements</b>   |                 |                |                   |
|-----------------------------|-----------------|----------------|-------------------|
| <b>Tenement</b>             | <b>Province</b> | <b>Project</b> | <b>Equity (%)</b> |
| 1131335 to 1131337          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 1131339 to 1131341; 1131345 | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2402370 to 2402386          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2412147 to 2412207          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2499867 to 2499896          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2499900 to 2499960          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2500063 to 2500089          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2500771 to 2500776          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2501091 to 2501095          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2505025 to 2505027          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2505037 to 2505039          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2505048 to 2505053          | Quebec          | MIDRIM/LAFORCE | 100%              |
| 2505823 to 2505827          | Quebec          | MIDRIM/LAFORCE | 100%              |
| Various                     | Ontario         | IRON MASK      | 100%              |
| Various                     | Ontario         | MULLIGAN       | 100%              |
| Various                     | Ontario         | MULLIGAN EAST  | 100%              |
| 504371 to 504383            | Ontario         | JOYCE RIVER    | 100%              |
| 518751 to 518760            | Ontario         | JOYCE RIVER    | 100%              |
| Various                     | Ontario         | LORRAIN        | 100%              |
| Various                     | Ontario         | BURT           | 100%              |
| 517797 to 517963            | Ontario         | BEAUCHAMP      | 100%              |

## OTHER INFORMATION

The following additional information is required by the Australian Securities Exchange Ltd in respect of listed public companies only.

Information as at 12 September 2018.

### Distribution of Shareholders

| Category (Size of Holding) | Number of Holders | Fully Paid Ordinary Shares |
|----------------------------|-------------------|----------------------------|
| 1 to 1,000                 | 77                | 28,014                     |
| 1,001 to 5,000             | 44                | 136,739                    |
| 5,001 to 10,000            | 157               | 1,315,548                  |
| 10,001 to 100,000          | 1,415             | 66,018,985                 |
| 100,001 and over           | 819               | 507,504,010                |
| <b>Total</b>               | <b>2,512</b>      | <b>575,003,296</b>         |

### Unmarketable Parcels

The number of holders of unmarketable parcels of shares is 641.

### Substantial shareholders:

The names of the substantial shareholders listed in the Company's register as at 12 September 2018.

| Shareholder Name      | Number of Shares | % of Issued Share Capital |
|-----------------------|------------------|---------------------------|
| SISU International PL | 29,975,000       | 5.21                      |

### Twenty largest shareholders – Quoted fully paid ordinary shares:

|     | Shareholder Name                                                                    | Number of Shares | % of Issued Share Capital |
|-----|-------------------------------------------------------------------------------------|------------------|---------------------------|
| 1.  | SISU INTERNATIONAL PTY LTD                                                          | 29,975,000       | 5.21%                     |
| 2.  | BILGI INVESTMENTS PTY LTD <BILGI INVESTMENTS A/C>                                   | 12,000,000       | 2.09%                     |
| 2.  | MR LACHLAN JAMES WALDEN                                                             | 12,000,000       | 2.09%                     |
| 3.  | ALITIME NOMINEES PTY LTD <HONEYHAM FAMILY A/C>                                      | 9,870,000        | 1.72%                     |
| 4.  | MR DAVID CHARLES NEESHAM & MRS PAMELA CHRISTINE NEESHAM <DC & PC NEESHAM SUPER A/C> | 9,200,000        | 1.60%                     |
| 5.  | J P MORGAN NOMINEES AUSTRALIA LIMITED                                               | 8,240,108        | 1.43%                     |
| 6.  | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED                                           | 6,980,025        | 1.21%                     |
| 7.  | CITICORP NOMINEES PTY LIMITED                                                       | 6,798,314        | 1.18%                     |
| 8.  | BRADKE SUPER CO PTY LTD <BRADKE SUPER FUND A/C>                                     | 6,100,000        | 1.06%                     |
| 9.  | KITARA INVESTMENTS PTY LTD <KUMOVA #1 FAMILY A/C>                                   | 6,000,000        | 1.04%                     |
| 10. | RICHSHAM NOMINEES PTY LTD                                                           | 5,554,400        | 0.97%                     |
| 11. | KLARE PTY LTD <THE KLARE SUPER FUND A/C>                                            | 5,550,000        | 0.97%                     |
| 12. | GREG EXPLORATION                                                                    | 5,000,000        | 0.87%                     |
| 13. | MR JEFFREY GRAHAM WOODS                                                             | 4,376,559        | 0.76%                     |

## OTHER INFORMATION

|     | Shareholder Name                                           | Number of Shares   | % of Issued Share Capital |
|-----|------------------------------------------------------------|--------------------|---------------------------|
| 14. | BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP> | 4,174,255          | 0.73%                     |
| 15. | BROWN BRICKS PTY LTD <HM A/C>                              | 4,025,147          | 0.70%                     |
| 16. | MS NICOLE GALLIN & MR KYLE HAYNES <GH SUPER FUND A/C>      | 4,000,000          | 0.70%                     |
| 17. | MR SAM CAROBENE                                            | 3,724,783          | 0.65%                     |
| 18. | NAIL BITER PTY LTD <NAILBITER SUPER FUND A/C>              | 3,672,012          | 0.64%                     |
| 19. | MR EMMANOUEL ROVAS                                         | 3,172,831          | 0.55%                     |
| 20. | DR SALIM CASSIM                                            | 3,050,000          | 0.53%                     |
|     | <b>Totals: Top 20 holders of MEI ORDINARY FULLY PAID</b>   | <b>153,463,434</b> | <b>26.69%</b>             |
|     | <b>Total Remaining Holders Balance</b>                     | <b>421,539,862</b> | <b>73.31%</b>             |
|     | <b>Total Holders Balance</b>                               | <b>575,003,296</b> | <b>100%</b>               |

### Unquoted Securities

As at 12 September 2018 the following convertible securities over un-issued shares were on issue:

- 3,500,000 Options exercisable at 1.2¢ each on or before 9 September 2020;
- 5,000,000 Class A Options exercisable at 1.1¢ each on or before 25 October 2020;
- 30,000,000 Class B Options exercisable at 1.1¢ each on or before 25 October 2020 that vest and become exercisable following the volume weight average price (**VWAP**) of the Company's shares trading on ASX over 20 consecutive trading days is at least 8¢;
- 4,000,000 Class A Performance Rights that vest and become available to convert into ordinary shares following the VWAP of the Company's shares trading on ASX over 20 consecutive trading days is at least 8¢;
- 9,500,000 Class B Performance rights that vest and become available to convert into ordinary shares following the VWAP of the Company's shares trading on ASX over 20 consecutive trading days is at least 8¢ with a three year term;
- 11,000,000 Class C Performance Rights that vest and become available to convert into ordinary shares following the VWAP of the Company's shares trading on ASX over 20 consecutive trading days is at least 12¢ with a three year term; and
- 11,000,000 Class D Performance Rights that vest and become available to convert into ordinary shares upon the market capitalisation of the Company being at least \$100 million calculated using the 5-day VWAP with a three year term.

### Unquoted Equity Security Holders with Greater than 20% of an Individual Class

As at 12 September 2018 no class of unquoted securities had holders with greater than 20% of the class on issue.

|                                                                       | Class/Name         | Number of Securities Held | % Held |
|-----------------------------------------------------------------------|--------------------|---------------------------|--------|
| <i>Options exercisable at 1.2¢ each on or before 9 September 2020</i> |                    |                           |        |
| 1.                                                                    | Mandevilla Pty Ltd | 2,5000,000                | 71%    |

## OTHER INFORMATION

|                                                                              | Class/Name                   | Number of Securities Held | % Held |
|------------------------------------------------------------------------------|------------------------------|---------------------------|--------|
| <i>Class A Options exercisable at 1.1¢ each on or before 25 October 2020</i> |                              |                           |        |
| 1.                                                                           | Alitime Nominees Pty Ltd     | 3,000,000                 | 60%    |
| 2.                                                                           | Tirumi Pty Ltd               | 1,500,000                 | 30%    |
| <i>Class B Options exercisable at 1.1¢ each on or before 25 October 2020</i> |                              |                           |        |
| 1.                                                                           | TR Nominees Pty Ltd          | 6,000,000                 | 20%    |
| <i>Class A Performance Rights</i>                                            |                              |                           |        |
| 1.                                                                           | Mandevilla Pty Ltd           | 1,750,000                 | 44%    |
| 2.                                                                           | Graeme Clatworthy            | 1,750,000                 | 44%    |
| <i>Class B Performance Rights</i>                                            |                              |                           |        |
| 1.                                                                           | Tunks Geo Consulting Pty Ltd | 3,000,000                 | 32%    |
| <i>Class C Performance Rights</i>                                            |                              |                           |        |
| 1.                                                                           | Tunks Geo Consulting Pty Ltd | 4,000,000                 | 36%    |
| <i>Class D Performance Rights</i>                                            |                              |                           |        |
| 1.                                                                           | Tunks Geo Consulting Pty Ltd | 4,000,000                 | 36%    |

### Buy-Back Plans

The Company does not have any current on-market buy-back plans.

### Voting Rights

The voting rights attaching to ordinary shares are governed by the Constitution. On a show of hands every person present who is a Member or representative of a member shall have one vote and on a poll, every member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each fully paid ordinary share held. None of the options have any voting rights.

There are no voting rights attached to any class of options or performance rights that are on issue.

### Restricted Securities

There are no restricted securities currently on issue.

### Corporate Governance

Pursuant to the ASX Listing Rules, the Company's Corporate Governance Statement will be released in conjunction with this report. The Company's Corporate Governance Statement is available on the Company's website at: <http://www.meteoric.com.au/corporate-governance>