

Caeneus Minerals Ltd

ABN 42 082 593 235

and its controlled entities

Half year report for the half-year ended

31 December 2016

Corporate directory

Board of Directors

Mr Keith Bowker	Non-Executive Chairman
Mr Steven Elliott	Managing Director
Mr Michael Nottas	Non-Executive Director

Company Secretary

Mr Keith Bowker

Registered Office and Principal Place of Business

Suite 1, 56 Kings Park Road
West Perth, Western Australia 6005

Tel: +61 8 9481 0544

Fax: +61 8 9481 0655

Postal Address

PO Box 964
West Perth, Western Australia 6872

Website

www.caeneus.com.au

Auditors

Stantons International
Level 2, 1 Walker Avenue
West Perth, Western Australia 6005

Share Registry

Advanced Share Registry Ltd
110 Stirling Highway
Nedlands, Western Australia 6009
Tel: +61 8 9389 8033
Fax: +61 8 9262 3723

Stock Exchange

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

ASX Code

CAD

CADO

Half year report for the half-year ended 31 December 2016

Contents

Directors' report.....	1
Auditor's independence declaration.....	3
Independent auditor's review report.....	4
Directors' declaration.....	6
Consolidated statement of profit or loss and other comprehensive income.....	7
Consolidated statement of financial position.....	8
Consolidated statement of changes in equity.....	9
Consolidated statement of cash flows.....	10
Condensed notes to the consolidated financial statements.....	11

Directors' report

The directors of Caeneus Minerals Ltd ("Caeneus" or "the Company") submit herewith the financial report of Caeneus Minerals Ltd and its subsidiaries ("the Group") for the half-year ended 31 December 2016. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Names of Directors

The names of the directors of the Company during or since the end of the half-year are:

Mr Steven Elliott
Mr Keith Bowker
Mr Michael Nottas

Review of operations

The consolidated loss of the Group for the half-year ended 31 December 2016 amounted to \$1,059,601 (31 December 2015: \$676,903).

The Company significantly expanded its Nevada lithium portfolio with the acquisition of three (3) key projects being the Scotty's South – Sarcobatus Flats lithium brine project, the Columbus Marsh lithium brine project and the New King lithium clay project. (refer ASX announcements on 19 July 2016, *Caeneus Expands its Nevada Lithium Portfolio* and on 17 October 2016, *Caeneus Acquires New King Lithium Clay Project* for acquisition terms).

The Company received a ground disturbance permit from the American Bureau of Land Management ("BLM"). The permit allows the Company to complete the proposed drilling program on the Lida Valley project (refer ASX announcement on 3 October 2016, *BLM Approval Received*).

On 5 September 2016, the Company acquired 51% of the highly prospective Pardoo Nickel Project in Western Australia via the issue of 35,000,000 fully paid ordinary shares at a deemed issue price of \$0.004 each.

During the half-year ended 31 December 2016, the Company raised a total of \$1,230,701.75 (before costs) via a placement and the issue of 410,233,917 fully paid ordinary shares at \$0.003 each with a 1 for 1 free attaching unlisted option exercisable at \$0.005 expiring on or before 30 June 2021 to sophisticated investors.

In addition, the Company raised a total of \$375,792.93 from the issue of 125,264,309 fully paid ordinary shares at \$0.003 each from the exercise of unlisted 31 December 2020 options.

Subsequent to the period under review, the Company completed a capital raising via a placement of 1,049,431,085 fully paid ordinary shares at an approximate subscription price of \$0.001 each together with a 1 for 1 free attaching unlisted option exercisable at \$0.003 expiring on or before 31 December 2020 for a total amount raised of \$1,049,431 to sophisticated investors.

The Company applied for the quotation of the options exercisable at \$0.003 expiring on or before 31 December 2020 and are currently trading under the ASX ticker CADO.

Auditor's independence declaration

The auditor's independence declaration is included on page 3 of the half-year report.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the directors

A handwritten signature in black ink, appearing to be 'KB' followed by a stylized flourish.

Mr Keith Bowker

Non-Executive Director

16 March 2017

Perth, Western Australia

16 March 2017

Board of Directors
Caeneus Minerals Limited
Suite 1 Ground Floor,
56 Kings Park Road,
WEST PERTH WA 6005

Dear Directors

RE: CAENEUS MINERALS LIMITED

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

As Audit Director for the review of the financial statements of Caeneus Minerals Limited for the six months ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

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



Samir Tirodkar
Director

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
CAENEUS MINERALS LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Caeneus Minerals Limited, which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Caeneus Minerals Limited (the consolidated entity). The consolidated entity comprises both Caeneus Minerals Limited (the Company) and the entity it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Caeneus Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

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

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Caeneus Minerals Limited on 16 March 2017.

Conclusion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

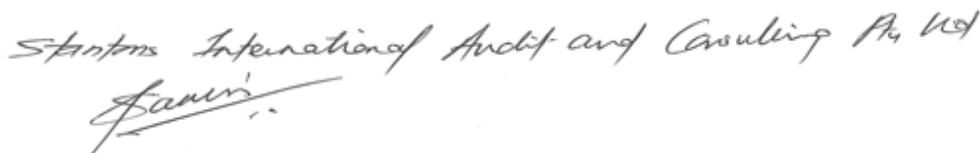
Inherent Uncertainty Regarding Going Concern

Without qualification to the review conclusion expressed, attention is drawn to the following matters.

As referred to in note 1 to the interim financial report, the half year report has been prepared on a going concern basis. At 31 December 2016 the group had net assets of \$4,788,119, cash and cash equivalents of \$241,584 and working capital deficit of \$152,390. The group had incurred a loss of \$1,059,601 for the period ended 31 December 2016. The ability of the group to continue as a going concern and meet its planned exploration, administration, and other commitments is dependent upon the group raising further working capital, and/or commencing profitable operations.

In the event that the consolidated entity is not successful in raising further equity or successfully exploiting its mineral assets, the consolidated entity may not be able to meet its liabilities as and when they fall due and the realisable value of the consolidated entity's current and non-current assets may be significantly less than book values.

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



Stantons International Audit and Consulting Pty Ltd
Samir

Samir Tirodkar
Director

West Perth, Western Australia
16 March 2017

Directors' declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standard AASB 134 '*Interim Financial Reporting*' and giving a true and fair view of the financial position and performance of the Group for the period ended 31 December 2016.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the directors

A handwritten signature in black ink, appearing to be 'KB' followed by a stylized flourish.

Mr Keith Bowker

Non-Executive Chairman

16 March 2017

Perth, Western Australia

Consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2016

	Note	Consolidated	
		Half-year ended	
		31 Dec 2016	31 Dec 2015
		\$	\$
Continuing operations			
Other income	3	3,510	351
Administration costs		(82,276)	(367,272)
Consultants costs		(371,011)	(242,714)
Compliance costs		(49,123)	(49,466)
Impairment expenses	5	(19,719)	(17,802)
Other costs		(65,469)	-
Share based payments		(459,408)	-
Foreign exchange losses		(16,105)	-
Loss before income tax		(1,059,601)	(676,903)
Income tax expense		-	-
Loss for the period		(1,059,601)	(676,903)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the period, net of income tax		-	-
Total comprehensive loss for the period		(1,059,601)	(676,903)
Loss attributable to:			
Owners of Caeneus Minerals Ltd		(1,059,601)	(676,903)
Total comprehensive loss attributable to:			
Owners of Caeneus Minerals Ltd		(1,059,601)	(676,903)
Loss per share:			
Basic and diluted (cents per share)		(0.03)	(0.08)

Condensed notes to the consolidated financial statements are included on pages 11 to 25.

Consolidated statement of financial position as at 31 December 2016

	Note	Consolidated	
		31 Dec 2016 \$	30 Jun 2016 \$
Current assets			
Cash and cash equivalents		241,584	210,389
Trade and other receivables	4	131,715	37,015
Other assets		1,862	-
Total current assets		375,161	247,404
Non-current assets			
Exploration and evaluation expenditure	5	5,448,242	2,892,242
Total non-current assets		5,448,242	2,892,242
Total assets		5,823,403	3,139,646
Current liabilities			
Trade and other payables		178,000	366,526
Deferred considerations	10	349,551	375,262
Total current liabilities		527,551	741,788
Non-current liabilities			
Deferred considerations	10	507,733	200,000
Total non-current liabilities		507,733	200,000
Total liabilities		1,035,284	941,788
Net assets		4,788,119	2,197,858
Equity			
Issued capital	6	78,682,103	76,452,651
Shares yet to be issued		45,000	60,000
Reserves	7	1,775,353	339,943
Accumulated losses		(75,714,337)	(74,654,736)
Total equity		4,788,119	2,197,858

Condensed notes to the consolidated financial statements are included on pages 11 to 25.

Consolidated statement of changes in equity for the half-year ended 31 December 2016

Consolidated

	Issued Capital \$	Shares yet to be issued \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2015	73,348,924	-	1,000	(73,535,013)	(185,089)
Loss for the period	-	-	-	(676,903)	(676,903)
Other comprehensive income, net of income tax	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(676,903)	(676,903)
Issue of ordinary shares	868,130	-	-	-	868,130
Issue of ordinary shares and options related to subsidiary acquired (<i>refer to note 8.3</i>)	750,000	-	338,943	-	1,088,943
Issue of shares in settlement of claims by Poseidon Nickel Ltd	300,000	-	-	-	300,000
Share issue costs	(47,800)	-	-	-	(47,800)
Balance at 31 December 2015	75,219,254	-	339,943	(74,211,916)	1,347,281
Balance at 1 July 2016	76,452,651	60,000	339,943	(74,654,736)	2,197,858
Loss for the period	-	-	-	(1,059,601)	(1,059,601)
Other comprehensive income, net of income tax	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(1,059,601)	(1,059,601)
Issue of ordinary shares	1,606,495	(60,000)	-	-	1,546,495
Ordinary shares yet to be issued	-	45,000	-	-	45,000
Issue of shares to Segue Resources Limited (<i>refer to note 6(v)</i>)	140,000	-	-	-	140,000
Issue of shares and options related to acquisition of ATC Resources Pty Ltd (<i>refer to note 8.1</i>)	480,000	-	193,704	-	673,704
Issue of shares and options related to acquisition of Nevada Clays Pty Ltd (<i>refer to note 8.2</i>)	525,000	-	271,186	-	796,186
Share based payments	72,000	-	387,408	-	459,408
Options issued for cash consideration	-	-	5,000	-	5,000
Share issue costs	(594,043)	-	578,112	-	(15,931)
Balance at 31 December 2016	78,682,103	45,000	1,775,353	(75,714,337)	4,788,119

Condensed notes to the consolidated financial statements are included on pages 11 to 25.

Consolidated statement of cash flows for the half-year ended 31 December 2016

	Consolidated	
	Half-year ended	
	31 Dec 2016	31 Dec 2015
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(886,307)	(283,153)
Interest received	1,008	351
Net cash (used in) operating activities	(885,299)	(282,802)
Cash flows from investing activities		
Payments for exploration and evaluation	(591,548)	(58,806)
Payment of deferred consideration	(72,540)	-
Cash acquired from acquisition of subsidiary	18	300
Net cash (used in) investing activities	(664,070)	(58,506)
Cash flows from financing activities		
Proceeds from shares and options issued	1,549,495	393,549
Proceeds from shares yet to be issued	45,000	-
Proceeds from issue of debt securities	-	150,000
Repayment of borrowings	-	(24,844)
Share issue costs	(13,931)	(4,800)
Net cash provided by financing activities	1,580,564	513,905
Net increase in cash and cash equivalents	31,195	172,597
Cash and cash equivalents at the beginning of the period	210,389	4,576
Cash and cash equivalents at the end of the period	241,584	177,173

Condensed notes to the consolidated financial statements are included on pages 11 to 25.

Condensed notes to the consolidated financial statements for the half-year ended 31 December 2016

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting*'. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with annual financial statements of the Company for the year ended 30 June 2016 together with any public announcements made during the following half year.

The half-year financial report was authorised for issue by the directors on 16 March 2017.

Basis of preparation

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

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2016 annual financial report for the financial year ended 30 June 2016, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Going concern basis

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

For the half-year ended 31 December 2016, the Group incurred a loss after tax of \$1,059,601 (31 December 2015: \$676,903) and a net cash outflow from operations of \$885,299 (31 December 2015: \$282,802). At 31 December 2016, the Group had net current liabilities of \$152,390 (30 June 2016: net current liabilities of \$494,384). Based upon the Group's existing cash resources of \$241,584 (30 June 2016: \$210,389), the additional capital raising of \$1,049,431 (before costs) on 10 January 2017, the ability to modify expenditure outlays if required, and to source additional funds, the Directors consider there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and therefore the going concern basis of preparation is considered to be appropriate for the Group's 31 December 2016 half-year consolidated financial statements. The board of directors is aware, having prepared a cash flow forecast, of the Group's working capital requirements and the need to access additional equity funding or asset divestment if required within the next 12 months. In the event that the Group is not able to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and perhaps at amounts different to those stated in its financial statements.

Principles of consolidation

The consolidated financial statements incorporate all assets, liabilities, and results of the parent and all of its subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Company. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112 'Income Taxes' and AASB 119 'Employee Benefits' respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with AASB 2 'Share-based Payment' at the acquisition date; and
- assets (or disposal groups) that are that are classified as held for sale in accordance with AASB 5 'Non-current Assets Held for Sale and Discontinued Operations' are measured in accordance with that Standard.

Significant accounting judgements and key estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these half-yearly statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial report for the year ended 30 June 2016.

Amendments to AASBs and the new Interpretation that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*

The adoption of the amending Standard does not have any impact on the disclosures or the amounts recognised in the Group's consolidated financial statements.

2. Segment information

2.1 Geographical segment

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group operates in two (2) principal geographical areas – Australia (country of domicile) and United States of America.

The table below presents the asset and liability information and operating results regarding the geographical segments for the period ended 31 December 2016

	Consolidated	
	31 Dec 2016	30 Jun 2016
	\$	\$
Assets		
Australia	1,806,943	1,517,289
United States of America	4,016,460	1,622,357
Total assets	5,823,403	3,139,646
Liabilities		
Australia	1,003,916	925,531
United States of America	31,368	16,257
Total liabilities	1,035,284	941,788
	31 Dec 2016	31 Dec 2015
	\$	\$
Operating result		
Australia	(1,056,751)	(676,903)
United States of America	(2,850)	-
Total loss from operations	(1,059,601)	(676,903)

3. Other income

	31 Dec 2016	31 Dec 2015
	\$	\$
Interest income	1,008	351
Other income	2,502	-
	3,510	351

4. Trade and other receivables

	31 Dec 2016	30 Jun 2016
	\$	\$
Prepayments	32,481	14,220
Other receivables (i)	99,234	22,795
	131,715	37,015

(i) This includes an amount of \$50,000 loaned to a third party. This amount has been received subsequent to 31 December 2016.

None of the trade and other receivables are past due at the reporting date.

5. Exploration and evaluation expenditure

	31 Dec 2016	30 Jun 2016
	\$	\$
Carrying value at beginning of the period	2,892,242	-
Arising on acquisition of ATC Resources Pty Ltd (i)	1,044,132	-
Arising on acquisition of Nevada Clays Pty Ltd (ii)	988,744	-
Arising on acquisition of Port Exploration Pty Ltd (iii)	-	1,089,752
Arising on acquisition of Nevada Metals Pty Ltd (iv)	-	1,488,896
Expenditure incurred during the period	542,843	332,144
Impairment of exploration and evaluation expenditure (v)	(19,719)	(18,550)
Carrying value at end of the period	5,448,242	2,892,242

(i) This represents the excess of purchase consideration over net assets acquired on acquisition of ATC Resources Pty Ltd which was capitalised to exploration and evaluation expenditure (refer to note 8.1).

(ii) This represents the excess of purchase consideration over net liabilities assumed on acquisition of Nevada Clays Pty Ltd which was capitalised to exploration and evaluation expenditure (refer to note 8.2).

(iii) This represents the excess of purchase consideration over net liabilities assumed on acquisition of Port Exploration Pty Ltd which was capitalised to exploration and evaluation expenditure (refer to note 8.3).

(iv) This represents the excess of purchase consideration over net liabilities assumed on acquisition of Nevada Metals Pty Ltd which was capitalised to exploration and evaluation expenditure (refer to note 8.4).

(v) An impairment expense of \$19,719 has been recognised in profit or loss for the half-year ended 31 December 2016 (30 June 2016: \$18,550). This is consistent with the Group's policy on exploration and evaluation expenditure. Refer to the 2016 annual financial report.

6. Issued capital

	31 Dec 2016 \$	30 Jun 2016 \$
4,197,724,343 fully paid ordinary shares (30 June 2016: 3,268,226,117)	78,682,103	76,452,651

Fully paid ordinary shares	31 Dec 2016		30 Jun 2016	
	No.	\$	No.	\$
Balance at beginning of period	3,268,226,117	76,452,651	646,515,616	73,348,924
Placement (i)	410,233,917	1,230,702	-	-
Exercise of options (ii)	125,264,309	375,793	-	-
Issue of shares (iii)	50,000,000	150,000	-	-
Issue of shares (iv)	30,000,000	90,000	-	-
Issue of shares (v)	35,000,000	140,000	-	-
Issue of shares (vi)	50,000,000	150,000	-	-
Issue of shares (vii)	30,000,000	90,000	-	-
Issue of shares (viii)	24,000,000	72,000	-	-
Issue of shares (ix)	140,000,000	420,000	-	-
Issue of shares (x)	35,000,000	105,000	-	-
Issue of shares (xi)	-	-	100,000,000	300,000
Issue of shares (xii)	-	-	50,914,618	101,829
Issue of shares (xiii)	-	-	75,000,000	150,000
Issue of shares (xiv)	-	-	8,150,660	16,301
Placement (xv)	-	-	300,000,000	600,000
Issue of shares (xvi)	-	-	750,000,000	750,000
Placement (xvii)	-	-	482,645,223	482,645
Issue of shares (xviii)	-	-	600,000,000	600,000
Issue of shares (xix)	-	-	225,000,000	225,000
Issue of shares (xx)	-	-	30,000,000	30,000
Share issue costs	-	(594,043)	-	(152,048)
	4,197,724,343	78,682,103	3,268,226,117	76,452,651

(i) Issue of fully paid ordinary shares at \$0.003 each on 15 July 2016 pursuant to a placement to sophisticated investors of the Company.

(ii) Issue of fully paid ordinary at \$0.003 each on 25 July 2016, 1 August 2016 and 3 August 2016 following the exercise of unlisted options.

(iii) Issue of fully paid ordinary at a deemed issue price of \$0.003 each on 3 August 2016 to Vendors of ATC Resources Pty Ltd for non-cash as part of the consideration for the acquisition of 100% of the issued capital of ATC Resources Pty Ltd (refer to ASX announcement on 19 July 2016).

(iv) Issue of fully paid ordinary at a deemed issue price of \$0.003 each on 3 August 2016 to Gold Exploration Management Inc. for non-cash as part of the acquisition of ATC Resources Pty Ltd (refer to ASX announcement on 19 July 2016).

(v) Issue of fully paid ordinary at a deemed issue price of \$0.004 each on 12 September 2016 to Segue Resources Limited (ASX: SEG) pursuant to a Deed of Variation to acquire 51% of the Pardoo Nickel Project (refer to ASX announcement on 5 September 2016).

(vi) Issue of fully paid ordinary at a deemed issue price of \$0.003 each on 2 December 2016 to Vendors of ATC Resources Pty Ltd for non-cash as final consideration for the acquisition of 100% of the issued capital of ATC Resources Pty Ltd.

(vii) Issue of fully paid ordinary at a deemed issue price of \$0.003 each on 2 December 2016 to Gold Exploration Management Inc. for non-cash as part of the acquisition of ATC Resources Pty Ltd.

(viii) Issue of fully paid ordinary at a deemed issue price of \$0.003 each on 2 December 2016 to Venex Capital Corp Ltd pursuant to a corporate advisory mandate.

(ix) Issue of fully paid ordinary shares at a deemed issue price of \$0.003 each on 2 December 2016 for non-cash consideration for the acquisition of 100% of the issued capital of Nevada Clays Pty Ltd (refer to ASX announcement on 17 October 2016).

(x) Issue of fully paid ordinary at a deemed issue price of \$0.003 each on 2 December 2016 to Gold Exploration Management Inc. for non-cash as part of the acquisition of Nevada Clays Pty Ltd (refer to ASX announcement on 17 October 2016).

6. Issued capital (cont'd)

(xi) Issue of fully paid ordinary shares at a deemed issue price of \$0.003 each on 28 October 2015 to Poseidon Nickel Limited (ASX: POS) pursuant to a Deed of Release for settlement consideration to the value of \$300,000 in relation to the proposed acquisition of contractual rights to mine at the Silver Swan Nickel mine.

(xii) Issue of fully paid ordinary shares at \$0.002 each on 28 October 2015 to sophisticated investors of the Company.

(xiii) Issue of fully paid ordinary shares at \$0.002 each on 1 December 2015 following the conversion of convertible notes totaling \$150,000.

(xiv) Issue of fully paid ordinary shares at a deemed issue price of \$0.002 each on 1 December 2015 to a creditor of the Company for services rendered.

(xv) Issue of fully paid ordinary shares at \$0.002 each on 17 December 2015 pursuant to a placement to sophisticated investors of the Company.

(xvi) Issue of fully paid ordinary shares at \$0.001 each on 17 December 2015 for non-cash consideration for the acquisition of 100% of the issued capital of Port Exploration Pty Ltd (refer to ASX announcement on 17 December 2015).

(xvii) Issue of fully paid ordinary shares at \$0.001 each on 30 March 2016 to sophisticated investors of the Company.

(xviii) Issue of fully paid ordinary shares at a deemed issue price of \$0.001 each on 30 June 2016 for non-cash consideration for the acquisition of 100% of the issued capital of Nevada Metals Pty Ltd (refer to ASX announcement on 30 June 2016).

(xix) Issue of fully paid ordinary shares to DG Resource Management Ltd at a deemed issue price of \$0.001 each on 30 June 2016 as part of the consideration payable under the Mining Claims Acquisition.

(xx) Issue of fully paid ordinary shares at a deemed issue price of \$0.001 each on 30 June 2016 to a creditor of the Company for services rendered.

7. Reserves

	31 Dec 2016	30 Jun 2016
	\$	\$
Balance at beginning of the period	339,943	1,000
Options issued on acquisition of ATC Resources Pty Ltd (i)	193,704	-
Options issued on acquisition of Nevada Clays Pty Ltd (ii)	271,186	-
Share based payments (iii)	387,408	-
Options issued for cash consideration during the period	5,000	-
Options issued on acquisition of Port Exploration Pty Ltd (iv)	-	338,943
Options issued to Barclay Wells Limited (v)	578,112	-
Carrying value at end of the period	1,775,353	339,943

(i) This represent the value attributed to 100,000,000 unlisted options issued as part of the consideration for the acquisition of ATC Resources Pty Ltd. Refer to note 8.1.

(ii) This represent the value attributed to 140,000,000 unlisted options issued as part of the consideration for the acquisition of Nevada Clays Pty Ltd. Refer to note 8.2.

(iii) This represents the value attributed to 200,000,000 unlisted options exercisable at \$0.005 on or before 30 June 2021 to directors of the Company pursuant to an Employee Equity Incentive Plan.

(iv) This represent the value attributed to 375,000,000 unlisted options issued as part of the consideration for the acquisition of Port Exploration Pty Ltd. Refer to note 8.3.

(v) This represent the value attributed to 300,000,000 unlisted options issued to Barclay Wells Limited (or its nominees) pursuant to a capital raising mandate. The options were valued using the Black-Scholes valuation model.

8. Acquisition of exploration assets

8.1 Acquisition of ATC Resources Pty Ltd

On 19 July 2016, the Company entered into a binding terms sheet with ATC Resources Pty Ltd (“ATC Resources”) to acquire a 100% interest in the Scotty’s South-Sarcobatus Flats and Columbus Marsh lithium brine projects (“Acquisition”). The Acquisition became effective as from 30 November 2016 when shareholder approval was obtained at the Annual General Meeting of the Company. The consideration for the Acquisition was satisfied via the issue of 100,000,000 fully paid ordinary shares in Caeneus at a deemed issue price of \$0.003 each and 100,000,000 unlisted options exercisable at \$0.005 on or before 30 June 2021 to vendors of ATC Resources and 60,000,000 fully paid ordinary shares in Caeneus at a deemed issue price of \$0.003 each to Gold Exploration Management Inc. (“GEM”).

Consideration transferred

	Fair value
	\$
Non-cash (fully paid ordinary shares) (i)	480,000
Cash component (ii)	142,985
Deferred consideration (iii)	227,455
Non-cash (unlisted options) (iv)	193,704
	1,044,144

(i) This represents the issue of 100,000,000 Caeneus shares at a deemed issue price of \$0.003 to vendors of ATC Resources and 60,000,000 Caeneus shares at a deemed issue price of \$0.003 to GEM to acquire 100% of the issued capital of ATC Resources.

(ii) This represents US\$30,225 for Scotty’s South, US\$31,725 for Columbus Marsh and US\$40,000 to GEM. US\$30,225 for Scotty’s South (equivalent to A\$42,763) was paid on 3 June 2016, US\$31,725 for Columbus Marsh (equivalent to A\$43,915) and US\$40,000 to GEM (equivalent to A\$56,306) were paid on 20 July 2016.

(iii) This represents annual deferred payments for Scotty’s South (US\$85,000) and Columbus Marsh (US\$85,000) as per the binding terms sheet. The annual deferred payments have been converted to Australian dollars based on exchange rates prevailing as at 31 December 2016.

(iv) This represents the issue of 100,000,000 unlisted options exercisable at \$0.005 on or before 30 June 2021 valued at issue date. Refer to note 9.

Assets acquired and liabilities assumed at the date of acquisition (30 November 2016)

	ATC Resources Pty Ltd \$
Current assets	
Petty cash	12
Non-current assets	
Other assets	1,077
Exploration and evaluation expenditure	370,439
Current liabilities	
Trade and other payables	(1,077)
Loan – Caeneus Minerals Ltd	(370,439)
Net assets	12

The fair values of assets acquired and liabilities assumed approximate their carrying value.

8. Acquisition of exploration assets (cont'd)**8.1 Acquisition of ATC Resources Pty Ltd (cont'd)****Excess arising on acquisition**

	\$
Consideration transferred	1,044,144
Less: fair value of identifiable net assets acquired	(12)
Excess allocated to exploration and evaluation expenditure (i)	1,044,132

- (i) At 30 November 2016 (effective date of acquisition), the excess consideration over fair value of net assets acquired of \$1,044,132 was capitalised to exploration and evaluation expenditure.

8.2 Acquisition of Nevada Clays Pty Ltd

On 17 October 2016, the Company entered into a binding terms sheet with Nevada Clays Pty Ltd ("Nevada Clays") to acquire a 100% interest in the New King Lithium Project ("New King") ("Acquisition"). The Acquisition became effective as from 30 November 2016 when shareholder approval was obtained at the Annual General Meeting of the Company. The consideration for the Acquisition was satisfied via the issue of 140,000,000 fully paid ordinary shares in Caeneus at a deemed issue price of \$0.003 each and 140,000,000 unlisted options exercisable at \$0.005 on or before 30 June 2021 to vendors of Nevada Clays and 35,000,000 fully paid ordinary shares in Caeneus at a deemed issue price of \$0.003 each to Gold Exploration Management Inc. ("GEM").

Consideration transferred

	Fair value
	\$
Non-cash (fully paid ordinary shares) (i)	525,000
Cash component (ii)	65,445
Deferred consideration (iii)	127,107
Non-cash (unlisted options) (iv)	271,186
	988,738

- (i) This represents the issue of 140,000,000 Caeneus shares at a deemed issue price of \$0.003 to vendors of Nevada Clays and 35,000,000 Caeneus shares at a deemed issue price of \$0.003 to GEM to acquire 100% of the issued capital of Nevada Clays.

- (ii) This represents US\$47,725 (equivalent to A\$65,445) paid on 13 September 2016.

- (iii) This represents annual deferred payments (US\$95,000) as per the binding terms sheet. The annual deferred payments have been converted to Australian dollars based on exchange rates prevailing as at 31 December 2016.

- (iv) This represents the issue of 140,000,000 unlisted options exercisable at \$0.005 on or before 30 June 2021 valued at issue date. Refer to note 9.

8. Acquisition of exploration assets (cont'd)**8.2 Acquisition of Nevada Clays Pty Ltd (cont'd)****Assets acquired and liabilities assumed at the date of acquisition (30 November 2016)**

	Nevada Clays Pty Ltd
	\$
Current assets	
Petty cash	6
Non-current assets	
Other assets	785
Exploration and evaluation expenditure	192,551
Current liabilities	
Trade and other payables	(797)
Loan – Caeneus Minerals Ltd	(192,551)
Net assets/(liabilities)	(6)

The fair values of assets acquired and liabilities assumed approximate their carrying value.

Excess arising on acquisition

	\$
Consideration transferred	988,738
Add: fair value of identifiable net liabilities assumed	6
Excess allocated to exploration and evaluation expenditure (i)	988,744

- (i) At 30 November 2016 (effective date of acquisition), the excess consideration over fair value of net liabilities assumed of \$988,744 was capitalised to exploration and evaluation expenditure.

8.3 Acquisition of Port Exploration Pty Ltd

On 17 December 2015, the Company completed the transaction to acquire 100% of the issued capital of private company Port Exploration Pty Ltd (“Port Exploration”) (“Acquisition”). The Acquisition became effective as from 30 November 2015 when shareholder approval was sought and obtained at the 2015 Annual General Meeting of the Company. The consideration for the Acquisition was satisfied by the issue of 750,000,000 fully paid ordinary shares in Caeneus at a deemed issue price of \$0.001 each with a 1 for 2 free attaching unlisted options exercisable at \$0.003 on or before 31 December 2020.

Consideration transferred

	Fair value
	\$
Non-cash (fully paid ordinary shares) (i)	750,000
Non-cash (unlisted options) (ii)	338,943
	1,088,943

- (i) This represents the issue of 750,000,000 Caeneus shares at a deemed issue price of \$0.001 to acquire 100% of the issued capital of Port Exploration.

- (ii) This represents the issue of 375,000,000 unlisted options exercisable at \$0.003 on or before 31 December 2020 valued at issue date.

8. Acquisition of exploration assets (cont'd)**8.3 Acquisition of Port Exploration Pty Ltd (cont'd)****Assets acquired and liabilities assumed at the date of acquisition (30 November 2015)**

	Port Exploration Pty Ltd
	\$
Current assets	
Cash	300
Other current assets	38
Non-current assets	
Exploration and evaluation expenditure	63,697
Current liabilities	
Unsecured loans	(64,844)
Net assets/(liabilities)	(809)

The fair values of assets acquired and liabilities assumed approximate their carrying value.

Excess arising on acquisition

	\$
Consideration transferred	1,088,943
Add: fair value of identifiable net liabilities assumed	809
Excess allocated to exploration and evaluation expenditure (i)	1,089,752

- (i) At 30 November 2015 (effective date of acquisition), the excess consideration over fair value of net liabilities assumed of \$1,089,752 was capitalised to exploration and evaluation expenditure.

8.4 Acquisition of Nevada Metals Pty Ltd

On 28 June 2016, the Company completed the transaction to acquire 100% of the issued capital of private company Nevada Metals Pty Ltd ("Nevada Metals") ("Transaction"). The Transaction became effective as from 30 June 2016. The consideration for the Transaction was satisfied by the issue of 600,000,000 fully paid ordinary shares in Caeneus at a deemed issue price of \$0.001 each with a 1 for 2 free attaching unlisted options exercisable at \$0.003 on or before 31 December 2020.

Consideration transferred

	Fair value
	\$
Non-cash (fully paid ordinary shares) (i)	600,000
Cash component (ii)	224,124
Shares already issued (iii)	225,000
Deferred consideration (iv)	425,000
Non-cash (unlisted options) (v)	-
	1,474,124

- (i) This represents the issue of 600,000,000 Caeneus shares at a deemed issue price of \$0.001 to acquire 100% of the issued capital of Nevada Metals.

(ii) This represents CAD\$65,000 for Lida Valley, CAD\$75,000 for Muddy Mountain and an additional CAD\$75,000. CAD\$32,500 for Lida Valley (equivalent to A\$34,291.38) and CAD\$37,500 for Muddy Mountain (equivalent to A\$39,571.15) was paid on 4 April 2016. The remaining amounts (CAD\$32,500 for Lida Valley, CAD\$37,500 for Muddy Mountain and the additional CAD\$75,000) have been converted to Australian dollars based on exchange rates prevailing as at 30 June 2016.

8. Acquisition of exploration assets (cont'd)**8.4 Acquisition of Nevada Metals Pty Ltd (cont'd)**

(iii) This represents value of shares already issued being 100,000,000 shares at a deemed issue price of \$0.001 for Lida Valley consideration and 125,000,000 shares at a deemed issue price of \$0.001 for Muddy Mountain consideration. Shares were issued on 30 June 2016 following approval of shareholders at a General Meeting of the Company held on 28 June 2016.

(iv) This represents value of deferred shares yet to be issued pursuant to a waiver of ASX Listing Rule 7.3.2. A total of 425,000,000 shares at a deemed issue price of \$0.001 each are yet to be issued for the Lida Valley and Muddy Mountain considerations.

(v) This represents the issue of 300,000,000 unlisted options exercisable at \$0.003 on or before 31 December 2020. A nil value is ascribed to the options.

Assets acquired and liabilities assumed at the date of acquisition (30 June 2016)

	Nevada Metals Pty Ltd \$
Current assets	
Cash	6
Other current assets	1,479
Non-current assets	
Exploration and evaluation expenditure	874,124
Total assets	875,609
Current liabilities	
Trade and other payables	16,256
Non-current liabilities	
Loan – Caeneus Minerals Ltd	298,863
Loan – DGRM (<i>refer to note 17</i>)	575,262
Total liabilities	890,381
Net assets/(liabilities)	(14,772)

The fair values of assets acquired and liabilities assumed approximate their carrying value.

Excess arising on acquisition

	\$
Consideration transferred	1,474,124
Add: fair value of identifiable net liabilities assumed	14,772
Excess allocated to exploration and evaluation expenditure (i)	1,488,896

- (i) At 30 June 2016 (effective date of acquisition), the excess consideration over fair value of net liabilities assumed of \$1,488,896 was capitalised to exploration and evaluation expenditure.

9. Options

The following options arrangements were in existence at the reporting date:

Option series	Number	Grant date	Grant date fair value \$	Exercise price \$	Expiry date	Vesting date
CADAJ	1,181,515,612	Various	-	0.003	31 Dec 2020	Vested
CADAM	1,150,233,917	Various	0.0019	0.005	30 Jun 2021	Vested
CADAK	306,150,001	28 Feb 2014	0.0100	0.030	27 Feb 2017	Vested

There has been no alteration of the terms and conditions of the above options arrangements since the grant date.

9.1 Options granted during the half year

Option series	Number	Exercise price \$	Expiry date	Purpose of Grant
CADAM	410,233,917	0.005	30 Jun 2021	Pursuant to placement dated 15 July 2016
CADAM	300,000,000	0.005	30 Jun 2021	Issued to Lead Manager pursuant to a Mandate
CADAM	100,000,000	0.005	30 Jun 2021	Issued to Vendors of ATC Resources Pty Ltd
CADAM	200,000,000	0.005	30 Jun 2021	Issued to Directors pursuant to Equity Incentive Plan
CADAM	140,000,000	0.005	30 Jun 2021	Issued to Vendors of Nevada Clays Pty Ltd

9.2 Options exercised during the half year

125,264,309 share options were exercised during the half-year ended 31 December 2016 (31 Dec 2015: nil).

31 Dec 2016 Options series	Number exercised	Exercise date
CADAJ	40,264,309	25 Jul 2016
CADAJ	47,500,000	1 Aug 2016
CADAJ	37,500,000	3 Aug 2016

9.3 Fair value of options granted during the half year

The fair value of options issued during the half-year ended 31 December 2016 has been determined using the Black-Scholes option pricing model.

Inputs into the model

Input	CADAM
Grant date share price	\$0.002
Exercise price	\$0.005
Expected volatility	215%
Option life	4.58 years
Dividend yield	n/a
Risk-free interest rate	2.21%

10. Deferred considerations

	31 Dec 2016	30 Jun 2016
	\$	\$
Current		
Deemed value of shares and cash consideration to be issued to DGRM (i)(ii)(a)	302,722	375,262
Cash consideration payable to GEM for acquisitions of ATC Resources and Nevada Clays(v)(ix)	46,829	-
	349,551	375,262
Non-current		
Deemed value of shares to be issued to DGRM (iii)(iv)	200,000	200,000
Deemed value of cash consideration to GEM for acquisition of ATC Resources and Nevada Clays(vi)(vii)(viii)(ix)(x)(xi)(xii)	307,733	-
	507,733	200,000

Deferred consideration to DG Resource Management Ltd (“DGRM”) arising from acquisition of Nevada Metals Pty Ltd

On 15 June 2016, ASX Limited (“ASX”) granted the Company a waiver from ASX Listing Rule 7.3.2 (“Waiver”). The Waiver was in connection with the acquisition of 100% of the issued capital of Nevada Metals Pty Ltd (“Acquisition”), in particular with the deferred issue of the following shares to DG Resource Management Ltd (“DGRM”) pursuant to a binding Heads of Agreement:

- (i) 100,000,000 shares at a deemed issue price of \$0.001 each on the date that is 12 months after the date of receipt of shareholder approval (being 12 months from 28 June 2016);
- (ii) 125,000,000 shares at a deemed issue price of \$0.001 each on the date that is 12 months after the date of settlement of the Acquisition (being 12 months from 28 June 2016);
- (iii) 75,000,000 shares at a deemed issue price of \$0.001 each on the date that is 24 months after the date of receipt of shareholder approval (being 24 months from 28 June 2016); and
- (iv) 125,000,000 shares at a deemed issue price of \$0.001 each on that date that is 24 months after the date of settlement of the Acquisition (being 24 months from 28 June 2016).

In addition to the above deferred shares and as at 31 December 2016, the Company had the following cash commitments to DGRM:

- (a) CAD\$75,000 as an additional payment for Lida Valley and Muddy Mountain claims. This amount is in Canadian Dollars and is equivalent to A\$77,722. The amount has been converted to Australian dollars based on exchange rate prevailing as at 31 December 2016.

For the purpose of reporting, the total deemed value of the above deferred shares (i) to (iv) being \$425,000 and total cash commitment above (a) have been recorded in the accounts. All the above deferred shares remain to be issued as at 31 December 2016 and the cash commitment as per (a) above still remains to be paid as at 31 December 2016.

10. Deferred considerations (cont'd)

Deferred consideration to Gold Exploration Management Inc. ("GEM") arising from acquisition of ATC Resources Pty Ltd and Nevada Clays Pty Ltd

Following the acquisitions of 100% of ATC Resources Pty Ltd (refer to note 8.1) and Nevada Clays Pty Ltd (refer to note 8.2), Caeneus is liable to pay Gold Exploration Management Inc. deferred cash payments spread out as follows:

ATC Resources Pty Ltd

(v) US\$20,000 on the date that is 12 months after the settlement of the acquisition (being 12 months from 23 June 2016);

(vi) US\$30,000 on the date that is 24 months after the settlement of the acquisition (being 24 months from 23 June 2016);

(vii) US\$50,000 on the date that is 36 months after the settlement of the acquisition (being 36 months from 23 June 2016); and

(viii) US\$70,000 on the date that is 48 months after the settlement of the acquisition (being 48 months from 23 June 2016).

Nevada Clays Pty Ltd

(ix) US\$15,000 on the date that is 12 months after the settlement of the acquisition (being 12 months from 13 September 2016);

(x) US\$20,000 on the date that is 24 months after the settlement of the acquisition (being 24 months from 13 September 2016);

(xi) US\$25,000 on the date that is 36 months after the settlement of the acquisition (being 36 months from 13 September 2016); and

(xii) US\$35,000 on the date that is 48 months after the settlement of the acquisition (being 48 months from 13 September 2016).

For the purpose of reporting, the total value of the above deferred cash payments (v) to (xii) have been converted to Australian dollars based on the exchange rate prevailing at 31 December 2016.

11. Commitments for expenditure

Exploration expenditure on granted tenements

	31 Dec 2016*	30 Jun 2016*
	\$	\$
Not longer than 1 year	292,387	325,202
Longer than 1 year and not longer than 5 years	1,266,162	2,293,290
	1,558,549	2,618,492

* The figures also include exploration commitments for the USA tenements pertaining to Nevada Metals Pty Ltd, ATC Resources Pty Ltd and Nevada Clays Pty Ltd.

In order to retain the rights of tenure to its granted tenements, the Group is required to meet the minimum statutory expenditure requirements but may reduce these at any time by reducing the size of the tenements. The figures quoted above assume that no new tenements are granted and that only compulsory statutory area reductions are made.

If the Group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the consolidated statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out exploration rights to third parties will reduce or extinguish these obligations.

12. Contingent liabilities and contingent assets

Upon acquiring 100% interest in the Scotty's South-Sarcobatus Flats and Columbus Marsh lithium projects ("ATC Projects"), Caeneus is liable to pay a 2% Net Smelter Royalty to GEM on production from the ATC Projects (to be documented with a standard industry royalty agreement). Caeneus has the right to buyback 1% of the royalty for the sum of US\$1,000,000.

Upon acquiring 100% interest in the New King lithium project ("New King Project"), Caeneus is liable to pay a 2% Net Smelter Royalty to GEM on production from the New King Project (to be documented with a standard industry royalty agreement). Caeneus has the right to buyback 1% of the royalty for the sum of US\$1,000,000.

13. Subsequent events

On 10 January 2017, the Company completed a capital raising via a Placement of 1,049,431,085 fully paid ordinary shares at an issue price of \$0.001 each for a total amount raised of \$1,049,431 (before costs). The Company also issued a 1 for 1 free attaching listed option exercisable at \$0.003 expiring on or before 31 December 2020 following shareholder approval at the General Meeting held on 24 February 2017.

On 1 March 2017, the Company announced the expiry of 306,150,001 unlisted options exercisable at \$0.03 each. The options expired on 27 February 2017.

On 1 March 2017, the Company sought and obtained quotation of 2,280,946,697 unlisted options exercisable at \$0.003 each and expiring on or before 31 December 2020 ("Options"). Shareholder approval to quote these Options was obtained at the General Meeting of the Company held on 24 February 2017.

There has not been any other matter or circumstance that has arisen since the end of the half-year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.