Nex Metals Explorations Limited

ABN: 63 124 706 449

Interim Financial Report

for the half-year ended 31 December 2018

Contents

Corporate Directory

DIRECTORS

Thomas F Percy QC
Kenneth M Allen
Hock Hoo Chua
Raja Mohd Azmi bin Raja Razali (Alternate Director to Hock Hoo Chua)

COMPANY SECRETARY

Kenneth M Allen

PRINCIPAL OFFICE

45 Guthrie Street
OSBORNE PARK WA 6017

REGISTERED OFFICE

45 Guthrie Street
OSBORNE PARK WA 6017

AUDITORS

HLB Mann Judd
Level 4, 130 Stirling Street
PERTH WA 6000

SOLICITORS

Lawton Gillon
Level 7, 16 St George's Terrace
PERTH WA 6000

SHARE REGISTRY

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009

STOCK EXCHANGE LISTING

Australian Securities Exchange
Home Exchange: PERTH, Western Australia
Code: NME

Directors' Report

The directors of Nex Metals Explorations Ltd ("Company") and its controlled entity ("Consolidated Entity") submit herewith the financial report for the half-year ended 31 December 2018. In order to comply with the provisions of the *Corporations Act 2001*, the Directors' Report as follows:

Directors

The names of the directors who held office during or since the end of the half-year are:

Thomas F Percy
Kenneth M Allen
Hock Hoo Chua
Raja Mohd Azmi bin Raja Razali (Alternate Director to Hock Hoo Chua)

Operating Results

The operating loss of the Consolidated Entity for the half-year after providing for income tax amounted to $1,607,463 (31 December 2017 – $139,002).

Review of Operations

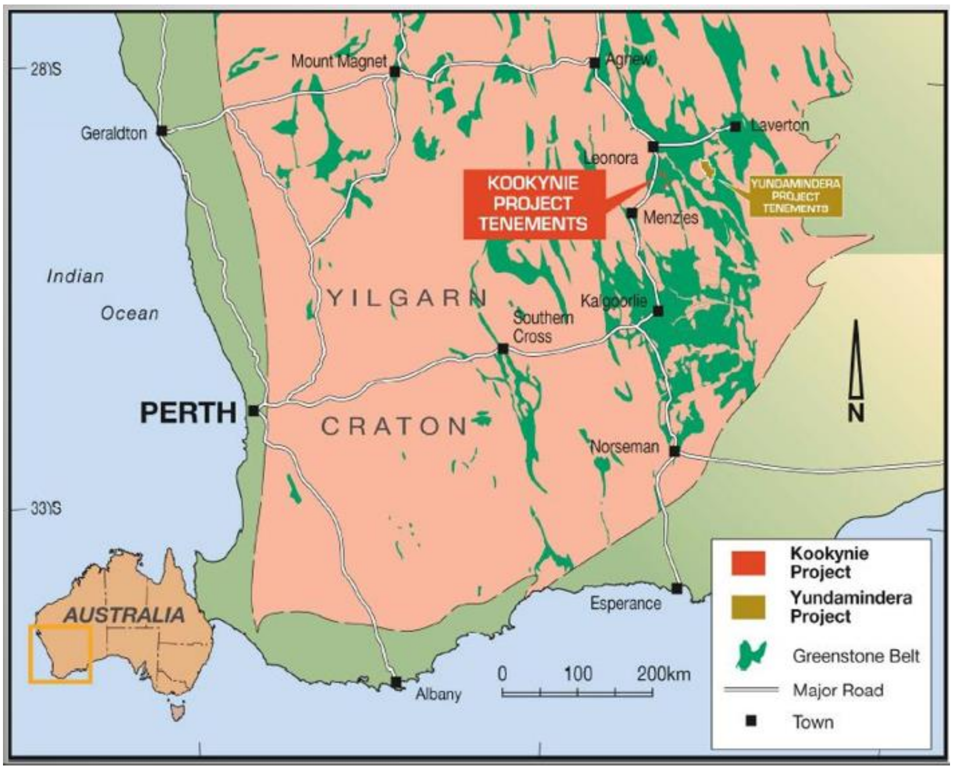

Fig 1. Nex Project Location Map

<u>Operating Plan/Processing Mill/Funding</u>

The Company, with completion of the 5-year operating plan has been in discussions with potential funders during the half year to source capital to cover the cost of the plant and installation, drilling and working capital. This is a work in progress in a tight capital market. Both Kookynie and Yundermindera tenements are being kept in good standing with field work being undertaken in preparedness for future mining.

Directors' Report (cont'd)

Review of Operations (cont')

The Company engaged a qualified consultant during the half year to advise the Company with respect to a valuation of all the Company tenements a report has been received by the Company and is being considered by the Directors the market will advised once suitable for release.

Applications for Forfeiture on Yundamindera

Applications for forfeiture on Yundamindera tenements M39/84, M39/274, M39/406, M39/407, M39/408, M39/409, M39/410, M39/839, M39/840 have been lodged by MCA Nominees Pty Ltd who hold the tenements immediately north of Nex Yundamindera Tenements. Whilst the applications are in process the Company is exempted from undertaking expenditure on the tenements. Although exempted the Company continues to maintain the tenements in good standing with drilling proposed in the first half of 2019. The Company believes there is no basis or merit in the claim and will defend the matter in the normal course. During the half year, the Company attended mention hearings with a further hearing scheduled for 27 March 2019.

Responsibility Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Rob L'Heureux, who is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta (Canada). Mr. L'Heureux M.Sc., P.Geol., who is a full-time employee of APEX Geoscience Australia Pty Ltd., has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. L'Heureux consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Subsequent Events

Subsequent to balance date, the Company received confirmation that the convertible note of $1,500,000 would be extended to 30 June 2020.

There are no other matters or circumstances that have arisen since 31 December 2018 that have or may significantly affect the operations, results, or state of affairs of the Consolidated Entity in future financials periods.

Auditor's independence declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* has been received and is included within this financial report.

Signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors

Kenneth Allen
Managing Director
Perth, 15 March 2019

Consolidated Condensed Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2018

	Note	31 December 2018 $	31 December 2017 $
Revenue	2	-	2
Other income	2	159,647	178,892
Occupancy expenses		(29,266)	(18,844)
Administration expenses		(43,494)	(57,553)
Consultants expenses		(218,257)	(10,582)
Depreciation		(5,606)	(8,099)
Employment and contractor expenses		(277,103)	(370,789)
Borrowing expenses		(75,618)	(75,248)
Travel expenses		(15,226)	(50,113)
Exploration and evaluation expenses		(696,683)	(25,531)
Research and development costs		(176,116)	(246,500)
Provision for doubtful debts	3	(229,741)	-
Loss before income tax expense		(1,607,463)	(684,365)
Income tax benefit		-	545,363
Loss for the period		(1,607,463)	(139,002)
Other comprehensive income for the period		-	-
Total comprehensive loss attributable to owners of Nex Metals Explorations Limited		(1,607,463)	(139,002)
Earnings per share:			
Basic and diluted loss per share (cents)		(0.86)	(0.09)

The accompanying notes form part of this interim financial report.

Consolidated Condensed Statement of Financial Position
As at 31 December 2018

	Note	31 December 2018 $	30 June 2018 $
Current assets			
Cash and cash equivalents		38,199	56,349
Receivables	3	67,768	329,121
Other current assets		13,734	3,754
Total current assets		119,701	389,224
Non-current assets			
Plant and equipment		33,682	39,289
Capitalised exploration and evaluation expenditure	4	269,664	269,664
Total non-current assets		303,346	308,953
Total assets		423,047	698,177
Current liabilities			
Payables	5	2,445,009	2,081,901
Interest-bearing liabilities	6	10,898	1,500,000
Provisions		220,915	205,728
Total current liabilities		2,676,822	3,787,629
Non-current liabilities			
Interest-bearing liabilities	6	1,500,000	-
Total non-current liabilities		1,500,000	-
Total liabilities		4,176,822	3,787,629
Net liabilities		(3,753,775)	(3,089,452)
Equity			
Issued capital	7	19,827,247	18,884,107
Option reserve		2,260,245	2,260,245
Accumulated losses		(25,841,267)	(24,233,804)
Total deficiency in equity		(3,753,775)	(3,089,452)

The accompanying notes form part of this interim financial report.

Consolidated Condensed Statement of Changes in Equity
For the half-year ended 31 December 2018

	Consolidated Attributable to equity holders			
	Issued Capital $	Option Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2017	18,884,107	2,260,245	(23,584,110)	(2,439,758)
Loss for the period	-	-	(139,002)	(139,002)
Total comprehensive loss for the period	-	-	(139,002)	(139,002)
Balance at 31 December 2017	18,884,107	2,260,245	(23,723,112)	(2,578,760)

	Consolidated Attributable to equity holders			
	Issued Capital $	Option Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2018	18,884,107	2,260,245	(24,233,804)	(3,089,452)
Loss for the period	-	-	(1,607,463)	(1,607,463)
Total comprehensive loss for the period	-	-	(1,607,463)	(1,607,463)
Transactions with owners in their capacity as owners				
Shares issued	948,565	-	-	948,565
Share issue costs	(5,425)	-	-	(5,425)
Total contributions by owners	943,140	-	-	943,140
Balance at 31 December 2018	19,827,247	2,260,245	(25,841,267)	(3,753,775)

The accompanying notes form part of this interim financial report

Consolidated Condensed Statement of Cash Flows
For the half-year ended 31 December 2018

	31 December 2018 $	31 December 2017 $
Cash flows from operating activities		
Other receipts	254,392	164,010
Payments to suppliers and employees	(292,117)	(873,305)
Interest received	-	3
Income tax refund	-	545,363
Net cash (used in) operating activities	(37,725)	(163,929)
Cash flows from investing activities		
Net cash from investing activities	-	-
Cash flows from financing activities		
Proceeds from borrowings	50,000	-
Repayment of borrowings	(25,000)	-
Share issue costs	(5,425)	-
Net cash provided by financing activities	19,575	-
Net (decrease) in cash and cash equivalents	(18,150)	(163,929)
Cash and cash equivalents at the beginning of the period	56,349	718,647
Cash and cash equivalents at the end of the period	38,199	554,718

The accompanying notes form part of this interim financial report.

Notes to the condensed interim financial statements
For the half-year ended 31 December 2018

1. Basis of preparation

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include full disclosures of the type normally included in an annual financial report. It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2018 and any public announcements made by Nex Metals Explorations Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The half-year financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable by the measurement at fair value for certain classes of assets. The accounting policies and methods of computation have been followed in this half-year financial report as were applied in the most recent annual financial report, except for the impact of the new and revised Standards effective 1 July 2018 as outlined below.

New and Revised Accounting Standards and Interpretations

Standards and Interpretations applicable to 31 December 2018

In the period ended 31 December 2018, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current reporting periods beginning on or after 1 July 2018.

As a result of this review, the Group has applied AASB 9 and AASB 15 from 1 July 2018.

AASB 9 Financial Instruments

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement and makes changes to a number of areas including classification of financial instruments, measurement, impairment of financial assets and hedge accounting model.

Financial instruments are classified as either held at amortised cost or fair value.

Financial instruments are carried at amortised cost if the business model concept can be satisfied.

All equity instruments are carried at fair value and the cost exemption under AASB 139 which was used where it was not possible to reliably measure the fair value of an unlisted entity has been removed. Equity instruments which are non-derivative and not held for trading may be designated as fair value through other comprehensive income (FVOCI).

Previously classified available-for-sale investments, now carried at fair value are exempt from impairment testing and gains or loss on sale are no longer recognised in profit or loss.

The AASB 9 impairment model is based on expected loss at day 1 rather than needing evidence of an incurred loss, this is likely to cause earlier recognition of bad debt expenses. Most financial instruments held at fair value are exempt from impairment testing.

The Group has applied AASB 9 retrospectively with the effect of applying this standard recognised at the date of initial application, being 1 July 2018 and has elected not to restate comparative information. Accordingly, the information presented for 31 December 2017 and 30 June 2018 has not been restated.

There is no material impact to profit or loss or net assets on the adoption of this new standard in the current or comparative periods.

Notes to the condensed interim financial statements
For the half-year ended 31 December 2018 (cont'd)

1. Basis of preparation (cont'd)

AASB 15 Revenue from Contracts with Customers
AASB 15 replaces AASB 118 Revenue and AASB 111 Construction Contracts and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards.

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised, including in respect of multiple element arrangements. The core principle of AASB 15 is that it requires identification of discrete performance obligations within a transaction and associated transaction price allocation to these obligations, Revenue is recognised upon satisfaction of these performance obligations, which occur when control of goods or services is transferred, rather than on transfer of risks or rewards. Revenue received for a contract that includes a variable amount is subject to revised conditions for recognition, whereby it must be highly probable that no significant reversal of the variable component may occur when the uncertainties around its measurement are removed.

The Group has adopted AASB 15 from 1 July 2018 which has no material impact to the amounts recognised in the financial statements.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the period ended 31 December 2018.

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will change as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the consolidated entity.

Other than the above, there is no material impact of the new and revised Standards and Interpretations on the Company and therefore, no material change is necessary to Group accounting policies.

Notes to the condensed interim financial statements
For the half-year ended 31 December 2018 (cont'd)

1. Basis of preparation (cont'd)

Going concern

The half-year financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the half-year financial report, the Consolidated Entity incurred a loss of $1,607,463 and had net cash outflows from operating activities of $37,725 for the half-year ended 31 December 2018. As at that date, the Consolidated Entity had net current liabilities of $2,557,121 and net liabilities of $3,753,775.

The Directors believe that there are reasonable grounds to believe that consolidated entity will be able to continue as a going concern after consideration of the following factors:

- $328,000 of share application monies received from a Director, shown as a current liability in the statement of financial position as at 31 December 2018, will be transferred to equity when the shares are issued;
- Convertible notes with a face value of $1,500,000 are recognised in non-current liabilities as it is repayable by 2 February 2020. Subsequent to balance date, the Company received confirmation that the convertible note of $1,500,000 would be extended to 30 June 2020 (refer to Note 6). In addition, at the election of the note holder, the note holder can convert the entire balance or part thereof to equity;
- A research and development rebate claim will be lodged during the financial year ended 30 June 2019 with respect to research and development costs incurred for the year ended 30 June 2018;
- The possible sale of mining tenements if required, recognised as exploration and evaluation assets in the statement of financial position as at 31 December 2018, for cash as has occurred in the prior years; and
- Issue of shares for cash from capital raising to be conducted in accordance with the Corporations Act 2001; and
- Included in current payables is an amount of $1,503,033 payable to the Directors of the consolidated entity. The Directors have agreed to not seek cash payments for their unpaid balances until the consolidated entity is in a financial position to pay.

Accordingly, the Directors believe that the Consolidated Entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the half-year financial report.

The Consolidated Entity's ability to continue as a going concern is mainly dependent on the following factors:

- Obtaining cash through a successful research and development rebate claim;
- Raising further equity; and
- Continual on-going support of the Directors.

Should the Consolidated Entity not achieve the factors set out above, there is significant uncertainty whether the Consolidated Entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half-year financial report.

The half-year financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Consolidated Entity does not continue as a going concern.

Notes to the condensed interim financial statements
For the half-year ended 31 December 2018 (cont'd)

2. Revenue and Other Income

	31 December 2018 $	31 December 2017 $
Revenue		
Interest revenue	-	2
Other Income		
Mine management fees	159,465	178,892
Other	182	-
	159,647	178,892

3. Receivables

	31 December 2018 $	30 June 2018 $
Current		
Trade receivables	42,542	137,469
Sundry receivables	189,882	189,540
Less: Provision for doubtful debts[1]	(229,741)	-
Other receivables – GST receivable	65,085	2,112
	67,768	329,121

[1] During the period ended 31 December 2018, an allowance for doubtful debts was recognised as trade and sundry receivables exceeded 120 days. An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts.

4. Capitalised Exploration and Evaluation Expenditure

	31 December 2018 $	30 June 2018 $
Opening balance	269,664	269,664
Current period expenditure	696,683	293,339
Current period expenditure written off	(696,683)	(293,339)
Closing balance	269,664	269,664

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation stage is dependent on the successful development and commercial exploitation or the sale of the respective areas.

Notes to the condensed interim financial statements
For the half-year ended 31 December 2018 (cont'd)

5. Payables

	31 December 2018 $	30 June 2018 $
Current		
Trade payables	153,107	6,859
Sundry payables	15,338	31,978
Loans – other[1]	420,444	395,444
Accrued expenses – director fees[2]	1,503,033	1,402,017
Accrued expenses – interest payable	220,435	145,435
Accrued expenses – other	132,652	100,168
	2,445,009	2,081,901

[1] The loans from unrelated parties are unsecured and interest free.
[2] The Directors have agreed not to seek cash payments for their unpaid balances until the consolidated entity is in a financial position to pay.

6. Interest-bearing Liabilities

	31 December 2018 $	30 June 2018 $
Current		
Convertible note[1]	-	1,500,000
Insurance premium funding	10,898	-
	10,898	1,500,000
Non-current		
Convertible note[1]	1,500,000	-
	1,500,000	-

[1] On 28 September 2018, the Company received confirmation that the convertible note would be extended to 2 February 2020. Subsequent to balance date, the Company received confirmation that the convertible note of $1,500,000 would be extended to 30 June 2020. The principal sum in respect of the convertible note and related unpaid interest are secured by a charge over the assets of the consolidated entity.

7. Issued Capital

Ordinary Shares

Movements in share capital during the six months periods were as follows:

Period ended 30 June 2018

		Fully Paid Ordinary Shares	$
1 July 2017	Opening balance	152,716,956	18,884,107
30 June 2018	Closing balance	152,716,956	18,884,107

Notes to the condensed interim financial statements
For the half-year ended 31 December 2018 (cont'd)

7. Issued Capital (cont'd)

Period ended 31 December 2018

		Issue Price	Fully Paid Ordinary Shares	$
1 July 2018	Opening balance		152,716,956	18,884,107
	Issue of shares for debt consideration, loan and interest payments	$0.025	37,942,596	948,565
	Share issue costs		-	(5,425)
31 December 2018	Closing balance		190,659,552	19,827,247

8. Segment Reporting

The consolidated entity has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The consolidated entity operates predominantly in one business segment which is mineral mining and exploration and predominantly in one geographical area which is Western Australia.

The company is domiciled in Australia. All revenue from external parties in generated from Australia only. All the assets are located in Australia.

9. Contingencies

On 4 May 2018, the Company advised that they had received applications for forfeiture on Yundamindera tenements M39/84, M39/274, M39/406, M39/407, M39/408, M39/409, M39/410, M39/839, M39/840. The applicant is by MCA Nominees Pty Ltd who hold the tenements immediately north of Nex Yundamindera Tenements.

The applications for forfeiture lodged by MCA Nominees Pty Ltd over the Yundamindera tenements returned to the Wardens Court during the period for mention. The Court has scheduled a further mention for 27 March 2019 with the Company required to give responses by the scheduled date.

The Company believes there is no basis for the claim and continue to defend the matter in the normal course.

Other than the above, there are no other known contingencies as at 31 December 2018.

10. Subsequent events

Subsequent to balance date, the Company received confirmation that the convertible note of $1,500,000 would be extended to 30 June 2020.

There are no other matters or circumstances that have arisen since 31 December 2018 that have or may significantly affect the operations, results, or state of affairs of the Consolidated Entity in future financials periods.

Notes to the condensed interim financial statements
For the half-year ended 31 December 2018 (cont'd)

11. Financial Instruments

The methods and valuation techniques used for the purpose of measuring fair values are unchanged compared to the previous reporting period.

The carrying amounts of the current receivables and current payables are considered to be a reasonable approximation of their fair value.

Directors' Declaration

The directors of the Company declare that:

- The attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- The attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 31 December 2018 and of its performance for the financial half-year ended on that date; and

- There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Kenneth Allen
Managing Director
Perth, 15 March 2019

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Nex Metals Explorations Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Nex Metals Explorations Limited ("the company") which comprises the consolidated condensed statement of financial position as at 31 December 2018, the consolidated condensed statement of profit or loss and other comprehensive income, the consolidated condensed statement of changes in equity and the consolidated condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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 Nex Metals Explorations 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 2018 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter - material uncertainty related to going concern (if applicable, refer ASA 570)

We draw attention to Note 1 in the half-year financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half-year financial report

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

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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 2018 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 the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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HLB MANN JUDD
ADVISORY AND ACCOUNTING

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
15 March 2019

B G McVeigh
Partner

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Nex Metals Explorations Limited for the half-year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia	**B G McVeigh**
15 March 2019	**Partner**

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