Eagle Nickel Limited

ABN 94 128 256 888

Interim Report - 31 December 2013

Eagle Nickel Limited
Directors' report
31 December 2013

The directors present their report, together with the financial statements, on the company for the half-year ended 31 December 2013.

Directors
The following persons were directors of Eagle Nickel Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Xuefeng Mei (Non-executive Director and Chairman)
Benjamin Jarvis (resigned 9 January 2014)
Robert Sebek (Non-executive Director)
Hui Guo (Non-executive Director)

Principal activities
The principal activity of the company during the course of the half-year was mineral exploration.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $123,555 (31 December 2012: $222,284).

During the half-year, no exploration activity or fieldwork was undertaken on the company's tenements. The company continues to consider a number of opportunities with funding in place to commit to future growth.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

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 on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Hui Guo
Director

13 March 2014
Sydney

ROTHSAY

Level 1, 12 O'Connell Street, Sydney NSW 2000 G.P.O. Box 2759, Sydney NSW 2001
Phone 8815 5400 Facsimile 8815 5401 E-mail swan2000@bigpond.com

The Directors
Eagle Nickel Ltd
Suite 4, Level 9
341 George St
Sydney NSW 2000

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 31 December 2013 financial statements; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Graham R Swan (Lead auditor)

Rothsay Chartered Accountants

Dated 13 March 2014

Chartered Accountants

Liability limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW).

Eagle Nickel Limited
Financial report
31 December 2013

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General information

The financial report covers Eagle Nickel Limited as a consolidated entity consisting of Eagle Nickel Limited and the entities it controlled. The financial report is presented in Australian dollars, which is Eagle Nickel Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Eagle Nickel Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 4, Level 9
341 George Street
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 14 March 2014.

Eagle Nickel Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2013

	Note	31/12/2013 $	31/12/2012 $
Revenue	3	11,233	21,017
Expenses			
Depreciation and amortisation expense		(167)	(264)
Administration expenses		(79,114)	(90,034)
Exploration costs		-	(1,709)
Employment costs		(55,507)	(132,995)
Impairment of available for sale financial assets		-	(18,299)
Loss before income tax expense		(123,555)	(222,284)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Eagle Nickel Limited		(123,555)	(222,284)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Changes in the fair value of available for sale financial assets		12,052	-
Other comprehensive income for the half-year, net of tax		12,052	-
Total comprehensive income for the half-year attributable to the owners of Eagle Nickel Limited		(111,503)	(222,284)
		Cents	**Cents**
Basic earnings per share		(0.10)	(0.18)
Diluted earnings per share		(0.10)	(0.18)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Eagle Nickel Limited
Statement of financial position
As at 31 December 2013

	31/12/2013 $	30/06/2013 $
Assets		
Current assets		
Cash and cash equivalents	857,839	965,017
Trade and other receivables	4,406	3,124
Other	2,266	9,334
Total current assets	864,511	977,475
Non-current assets		
Available-for-sale financial assets	48,175	36,123
Property, plant and equipment	989	1,156
Total non-current assets	49,164	37,279
Total assets	913,675	1,014,754
Liabilities		
Current liabilities		
Trade and other payables	62,840	52,416
Total current liabilities	62,840	52,416
Total liabilities	62,840	52,416
Net assets	850,835	962,338
Equity		
Issued capital	4,911,661	4,911,661
Reserves	2,479,805	2,467,753
Accumulated losses	(6,540,631)	(6,417,076)
Total equity	850,835	962,338

The above statement of financial position should be read in conjunction with the accompanying notes

Eagle Nickel Limited
Statement of changes in equity
For the half-year ended 31 December 2013

	Contributed equity $	Asset revaluation reserve $	Option reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2012	4,911,661	-	2,467,753	(6,058,912)	1,320,502
Loss after income tax expense for the half-year	-	-	-	(222,284)	(222,284)
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	(222,284)	(222,284)
Balance at 31 December 2012	4,911,661	-	2,467,753	(6,281,196)	1,098,218

	Contributed equity $	Asset revaluation reserve $	Option reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2013	4,911,661	-	2,467,753	(6,417,076)	962,338
Loss after income tax expense for the half-year	-	-	-	(123,555)	(123,555)
Other comprehensive income for the half-year, net of tax	-	12,052	-	-	12,052
Total comprehensive income for the half-year	-	12,052	-	(123,555)	(111,503)
Balance at 31 December 2013	4,911,661	12,052	2,467,753	(6,540,631)	850,835

The above statement of changes in equity should be read in conjunction with the accompanying notes

Eagle Nickel Limited
Statement of cash flows
For the half-year ended 31 December 2013

	31/12/2013 $	31/12/2012 $
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of GST)	(118,411)	(156,460)
Payments for exploration and evaluation	-	(12,263)
	(118,411)	(168,723)
Interest received	11,233	21,017
Net cash used in operating activities	(107,178)	(147,706)
Cash flows from investing activities		
Net cash from investing activities	-	-
Cash flows from financing activities		
Share issue transaction costs	-	(20,114)
Net cash used in financing activities	-	(20,114)
Net decrease in cash and cash equivalents	(107,178)	(167,820)
Cash and cash equivalents at the beginning of the financial half-year	965,017	1,349,936
Cash and cash equivalents at the end of the financial half-year	857,839	1,182,116

The above statement of cash flows should be read in conjunction with the accompanying notes

Eagle Nickel Limited
Notes to the financial statements
31 December 2013

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2013 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2. Operating segments

The company's sole operations are within the mining industry within Australia.

Given the nature of the company, its size and current operations management does not treat any part of the company as a separate operating segment. Internal financial information used by the company's decision makers is presented on a "whole of entity" manner without dissemination to any separately identifiable reportable segments.

The company's managers operate the business as a whole without any special responsibilities for any separate identifiable reportable segments of the business.

Accordingly, the financial information reported elsewhere in these financial statements is representative of the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

Note 3. Revenue

	31/12/2013 $	31/12/2012 $
Interest	11,233	21,017

Note 4. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 5. Contingent liabilities

The Directors are not aware of any contingent liabilities as at 31 December 2013.

Note 6. Events after the reporting period

No matter or circumstance has arisen since 31 December 2013 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Eagle Nickel Limited
Directors' declaration

In the directors' opinion:

- the attached financial statements and notes thereto 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 thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2013 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.

On behalf of the directors



Hui Guo
Director

13 March 2014
Sydney

ROTHSAY

Level 1, 12 O'Connell Street, Sydney NSW 2000 G.P.O. Box 2759, Sydney NSW 2001
Phone 8815 5400 Facsimile 8815 5401 E-mail swan2000@bigpond.com

Independent Review Report to the Members of Eagle Nickel Ltd

The financial report and directors' responsibility
The interim financial report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, cashflow statement, accompanying notes to the financial statements, and the directors' declaration for Eagle Nickel Ltd for the half-year ended 31 December 2013.

The Company's directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach
We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim 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 interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the financial position as at 31 December 2013 and the performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Eagle Nickel Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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*.

Conclusion
Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Eagle Nickel Ltd is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the financial position as at 31 December 2013 and of the performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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Graham R Swan
Partner

Dated 13 March 2014

Chartered Accountants

Liability limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW).