



BATTERY MINERALS

and its Controlled Entities

ABN 75 152 071 095

**Half Year Accounts
30 June 2017**

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These half-yearly financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, these half-yearly financial statements are to be read in conjunction with the 31 December 2016 annual report and any public announcements made by Battery Minerals Limited during the period from 1 January 2017 to the date of this report in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Directors' Report

Your Directors present their half-yearly report on the consolidated entity consisting of Battery Minerals Limited ("Battery Minerals" or "the Company") and the entities it controlled at the end of, or during, the period 1 January 2017 to 30 June 2017 ("the Group").

Directors

The persons who were Directors of Battery Minerals Limited during the interim reporting period and up to the date of this report are:

Mr David Flanagan	Executive Chairman
Ms Cherie Leeden	Executive Director
Mr Brett Smith	Non- Executive Director
Mr Paul Glasson	Non- Executive Director
Mr Gilbert George	Non-Executive Director

Review of Operations

The Group's operating loss for the period of 1 January 2017 to 30 June 2017 was \$3,242,094 (30 June 2016: \$4,393,576).

During the period the Company released a maiden ore reserve and mineral resource update at its high grade Montepuez Project, completed a Definitive Feasibility Study at the Montepuez Project and a Lithium-Ion battery anode Pre-Feasibility Study, boosted its management and executive team with key appointments and commenced a 1,800 tonne bulk sample program.

On 30 March 2017, Mr David Flanagan agreed to commence employment with the Company as an Executive Chairman.

Events Subsequent to Balance Date

On 1 September 2017 the Company's joint venture partner in Gabon, Trek Metals (ASX: TKM), exercised its option to continue exploration and earn-in to the Kroussou Project, as per Trek's ASX announcement on that date. Under the earn-in agreement, Battery Minerals is free carried until completion of any pre-feasibility study by Trek, and therefore has no ongoing financial obligations in respect of the Kroussou Project until that point in time.

The Company has continued to provide investors with exploration updates since 30 June 2017, and these announcements can be viewed on the Company's website and also the ASX website. These updates include the securing of a port allocation in Mozambique and investor presentations at Diggers and Dealers and the Noosa Mining Conference.

No other matters or circumstances have arisen since the end of the financial period which 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.

Auditor's Independence Declaration

The Auditor's Independence Declaration under section 307C of the Corporation Act 2001 can be found on the following page.

This report is signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read 'David Flanagan', with a long horizontal line extending to the right.

David Flanagan
Executive Chairman

Perth, Western Australia
12 September 2017

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF BATTERY MINERALS LIMITED

As lead auditor for the review of Battery Minerals Limited for the half-year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Battery Minerals Limited and the entities it controlled during the period.



Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 12 September 2017

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the half-year ended 30 June 2017

	Note	Consolidated 6 months ended 30 June 2017 \$	Consolidated 6 months ended 30 June 2016 \$
Revenue and other income	2	19,004	10,377
Accounting and audit fees		(23,123)	(50,829)
Consulting & corporate expenses		(491,344)	(135,864)
Corporate advisory		(55,568)	(30,500)
Salaries and wages		(250,940)	(124,034)
Share based payments	8	(1,264,871)	(94,098)
Travel and entertainment		(294,846)	(57,634)
Compliance fees		(79,035)	(57,143)
Director fees		(218,056)	(178,214)
Equipment hire		(4,631)	(2,213)
Legal fees		(20,723)	(30,320)
Office costs		(57,059)	(3,968)
Rent		(6,149)	(6,000)
Disposal of subsidiary		387	-
Other operational expense		(495,140)	(144,453)
EE&E write off	5	-	(3,488,683)
Loss before income tax		(3,242,094)	(4,393,576)
Income tax expense		-	-
Net loss for the period attributable to the owners of Battery Minerals Limited		(3,242,094)	(4,393,576)
Other comprehensive income/(loss)			
<i>Items that may be classified to profit or loss</i>			
Exchange differences on translation of foreign operations		1,007,664	(564,583)
Other comprehensive income/(loss) for the period, net of tax		1,007,664	(564,583)
Total comprehensive loss for the period attributable to the owners of Battery Minerals Limited		(2,234,430)	(4,958,159)
Loss per share from continuing operations attributable to the ordinary equity holders of Battery Minerals Limited			
Basic loss per share (cents)		(0.76)	(1.95)

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

Consolidated Statement of Financial Position As at 30 June 2017

	Note	Consolidated as at 30 June 2017 \$	Consolidated as at 31 December 2016 \$
ASSETS			
Current Assets			
Cash & cash equivalents		5,353,545	9,755,258
Trade & other receivables	4	618,111	582,084
Total Current Assets		5,971,656	10,337,342
Non-Current Assets			
Property, plant & equipment		272,607	225,266
Exploration & evaluation expenditure	5	8,385,976	5,854,955
Total Non-Current Assets		8,658,583	6,080,221
TOTAL ASSETS		14,630,239	16,417,563
LIABILITIES			
Current Liabilities			
Trade & other payables	6	233,947	1,309,288
Total Current Liabilities		233,947	1,309,288
TOTAL LIABILITIES		233,947	1,309,288
NET ASSETS		14,396,292	15,108,275
EQUITY			
Issued capital	7	35,802,711	35,545,134
Reserves	8	4,157,504	1,884,969
Accumulated losses		(25,563,923)	(22,321,828)
TOTAL EQUITY		14,396,292	15,108,275

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

Consolidated Statement of Changes in Equity

For the half year ended 30 June 2017

Consolidated 6 months ended 30 June 2016	Issued	Share Based	Foreign	Accumulated	Total
	Capital	Payment Reserve	Currency Translation Reserve	Losses	
	\$	\$	\$	\$	\$
Balance at 1 January 2016	21,073,643	2,107,370	20,092	(14,797,882)	8,403,223
Loss for the period	-	-	-	(4,393,576)	(4,393,576)
Other comprehensive income/(loss)	-	-	(564,584)	-	(564,584)
Total comprehensive income/(loss) for the period	-	-	(564,584)	(4,393,576)	(4,958,160)
Transactions with owners in their capacity as owners:					
Shares issued, net of transaction costs (note 7(a))	4,396,668	-	-	-	4,396,668
Share based payments (note 8(a))	-	94,098	-	-	94,098
Balance at 30 June 2016	25,470,311	2,201,468	(544,492)	(19,191,458)	7,935,829

Consolidated 6 months ended 30 June 2017	Issued	Share Based	Foreign	Accumulated	Total
	Capital	Payment Reserve	Currency Translation Reserve	Losses	
	\$	\$	\$	\$	\$
Balance at 1 January 2017	35,545,134	2,505,297	(620,328)	(22,321,829)	15,108,275
Loss for the period	-	-	-	(3,242,094)	(3,242,094)
Other comprehensive income/(loss)	-	-	1,007,664	-	1,007,664
Total comprehensive income/(loss) for the period	-	-	1,007,664	(3,242,094)	(2,234,430)
Transactions with owners in their capacity as owners:					
Shares issued, net of transaction costs (note 7(a))	257,577	-	-	-	257,577
Share based payments (note 8(a))	-	1,264,871	-	-	1,264,871
Balance at 30 June 2017	35,802,711	3,770,168	387,336	(25,563,922)	14,396,292

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

Consolidated Statement of Cash Flows

For the half year ended 30 June 2017

	Consolidated 6 months ended 30 June 2017 \$	Consolidated 6 months ended 30 June 2016 \$
Cash flows from operating activities		
Payments to suppliers and employees	(2,974,516)	(1,068,814)
Interest received	19,004	7,938
Net cash (outflow) from operating activities	(2,955,512)	(1,060,876)
Cash flows from investing activities		
Payments for exploration and evaluation expenditure	(1,390,945)	(613,258)
Net cash (outflow) from investing activities	(1,390,945)	(613,258)
Cash flows from financing activities		
Proceeds from share issue	-	4,545,103
Capital raising costs	-	(148,435)
Net cash inflow from financing activities	-	4,396,668
Net increase/(decrease) in cash and cash equivalents	(4,346,457)	2,722,534
Cash and cash equivalents at beginning of the financial period	9,755,258	1,479,605
Effect of exchange rate fluctuations on cash held	(55,255)	(12,591)
Cash and cash equivalents at end of the period	5,353,545	4,189,548

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

Notes to the Consolidated Financial Statements

1. Basis of preparation

These general purpose interim financial statements for the half-year reporting period ended 30 June 2017 have been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001. The consolidated entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report to be read in conjunction with the annual financial report for the year ended 31 December 2016 and any public announcements made by Battery Minerals Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, except in relation to the matters disclosed below.

The consolidated entity has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

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

The directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 30 June 2017. As a result of this review the directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the company and, therefore, no change is necessary to Group accounting policies.

Notes to the Consolidated Financial Statements (continued)

2. Revenue and Other Income

	Consolidated 6 months ended 30 June 2017	Consolidated 6 months ended 30 June 2016
Bank interest	18,996	7,938
Other income	8	2,439
Total other income	19,004	10,377

3. Segment Information

Operating Segments

The Group has two operating segments being mineral exploration within Africa and evaluation within Australia. For this division the Group's Executive Chairman is responsible for overseeing the operations of the division. The Group is domiciled in Australia.

Information regarding the results of each reportable segment is included below.

Segment Performance 30 June 2017	Exploratio n Africa \$	Evaluation \$	Unallocated \$	Total \$
Revenue and other income	-	-	19,004	19,004
Reportable segment (loss)	(44,930)	-	(3,197,164)	(3,242,094)

Segment Assets 30 June 2017	Exploration Africa \$	Evaluation \$	Unallocated \$	Total \$
Segment assets				
Cash	25,451	-	5,328,095	5,353,546
Exploration and evaluation	7,565,814	820,162	-	8,385,976
Other	781,830	-	108,887	890,717
Total segment assets	8,373,095	820,162	5,436,982	14,630,239

Segment Liabilities 30 June 2017	Exploration Africa \$	Evaluation \$	Unallocated \$	Total \$
Segment liabilities				
Creditors	4,778	-	229,169	233,947
Other	-	-	-	-
Total segment liabilities	4,778	-	229,169	233,947

Notes to the Consolidated Financial Statements (continued)

3. Segment Information (continued)

Segment Performance 30 June 2016	Exploration		Total \$
	Africa \$	Corporate \$	
Revenue and other income	2,466	7,911	10,377
Reportable segment (loss)	(3,804,269)	(589,307)	(4,393,576)

Segment Assets 31 December 2016	Exploration		Total \$
	Africa \$	Corporate \$	
Segment assets			
Cash	62,235	9,693,023	9,755,258
Exploration and evaluation	5,854,955	-	5,854,955
Other	547,851	259,499	807,350
Total segment assets	6,465,041	9,952,522	16,417,563

Segment Liabilities 31 December 2016	Exploration		Total \$
	Africa \$	Corporate \$	
Segment liabilities			
Creditors	990,317	318,971	1,309,288
Other	-	-	-
Total segment liabilities	990,317	318,971	1,309,288

4. Trade & other receivables

	Consolidated as at 30 June 2017 \$	Consolidated as at 31 December 2016 \$
Trade receivable	19,501	25,829
GST receivable	76,482	183,343
Other Receivables	522,128	372,912
Total other receivables	618,111	582,084

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

Notes to the Consolidated Financial Statements (continued)

5. Exploration & Evaluation Expenditure

	Consolidated 6 months ended 30 June 2017 \$	Consolidated 31 December 2016 \$
Non-Current		
Exploration and Evaluation at cost	8,385,976	5,854,955
Movement		
Opening balance	5,854,955	6,697,811
Exploration & evaluation expenditure capitalised during the period	1,648,522	3,517,783
Refund received	-	(47,928)
Exploration expenditure written off during the period	-	(3,533,708)
Foreign exchange difference	882,499	(779,003)
Total Exploration & Evaluation Expenditure	8,385,976	5,854,955

Recovery of the carrying amount of exploration & evaluation expenditure is dependent on the continuance of the group's rights to tenure of the areas of interest, successful development and commercial exploration or sale of the respective tenement areas.

During the period, an impairment loss of NIL (2016: \$3,488,682) was recognised. The impairment in the prior period was in relation to certain non-core asset tenements held in Mozambique following a decision to relinquish these tenements as the economic viability of the licenses was unknown.

6. Trade and Other Payables

	Consolidated as at 30 June 2017 \$	Consolidated as at 31 December 2016 \$
Trade and other payables	85,078	513,034
Accruals	148,869	796,254
Total other payables	233,947	1,309,288

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

Notes to the Consolidated Financial Statements (continued)

7. Issued Capital

	Consolidated 6 months ended 30 June 2017 \$	Consolidated 31 December 2016 \$
Ordinary fully paid shares	35,802,711	35,545,134

(a) Movements for the half year ended 30 June 2017

Date	Details	No. of Shares	Issue Price	\$
1 January 2017	Opening Balance	425,622,490		35,545,134
22 June 2017	Shares issued in respect of final tranche for Balama Licence	4,440,293	\$0.058	257,577
		430,062,783		35,802,711

(b) Movements for the year ended 31 December 2016

Date	Details	No. of Shares	Issue Price	\$
1 January 2016	Opening Balance	210,916,509		21,073,643
18 April 2016	Shares issued to Mitchell Drilling ¹	1,938,352	-	-
16 May 2016	Placement – Tranche 1	53,213,714	\$0.055	2,926,754
27 June 2016	SPP	29,424,528	\$0.055	1,618,349
22 July 2016	Placement – Tranche 2	19,513,558	\$0.055	1,073,246
22 July 2016	Shares issued in lieu of directors fees	909,091	\$0.055	50,000
22 July 2016	Shares issued in lieu of salary	327,273	\$0.055	18,000
19 October 2016	Shares issued to Minново & Mitchell Drilling ¹	9,177,798	\$0.055	504,779
11 November 2016	Placement – Tranche 1	78,512,778	\$0.09	7,066,150
23 December 2016	Placement – Tranche 2	21,688,889	\$0.09	1,952,000
31 December 2016	Less: Share Issue Costs			(737,787)
		425,622,490		35,545,134

1. The Company entered into an agreement, subsequently approved by shareholders, whereby Mitchell Drilling agreed to subscribe for up to A\$1.5 million of shares in the Company, with BAT and Mitchell having the option in 2015, to settle monthly drilling charges; 50% by way of a cash payment and 50% by way of the issue of shares, with the relevant share price to be calculated via the 5 day volume weighted average price (VWAP) as at the date of invoicing. On 12 April 2016, shareholders' approval was obtained for the issue of shares to Mitchell drilling which was recognised in equity at 31 December 2015 amounting to \$123,279. Further, in 2016 an additional 9,177,798 shares were placed to Minново & Mitchell Drilling to settle charges.

Notes to the Consolidated Financial Statements (continued)

8. Reserves

	Consolidated 6 months ended 30 June 2017 \$	Consolidated 12 months ended 31 Dec 2016 \$
Foreign currency translation reserve	387,336	(620,328)
Share based payment reserve	3,770,168	2,505,297
	4,157,504	1,884,969

(a) Movements for the half year ended 30 June 2017

Date	Details	No. of Options	Recognised in Reserve \$
1 January 2017	Opening balance	111,954,396	2,505,297
7 January 2017	Expiry Listed Options	(57,854,396)	-
15 Feb 2017	Options issued to Employees	1,500,000	11,799
31 March 2017	Expiry Unlisted Options	(2,500,000)	-
8 April 2017	Options issued to Employees	1,000,000	6,507
6 April 2017	Options issued to Employees	2,500,000	16,819
26 May 2017	Options issued to Directors	10,000,000	8,773
26 May 2017	Options issued to Directors	5,000,000	3,644
26 May 2017	Options issued to Directors	3,000,000	9,145
30 June 2017	Vesting expense of prior year options	-	1,157,897
30 June 2017	Vesting expense of prior performance rights	-	50,333
30 June 2017		74,600,000	3,770,214

(b) Movements for the year ended 31 December 2016

Date	Details	No. of Options	Recognised in Reserve \$
1 January 2016	Opening Balance	66,359,563	2,107,370
31 May 2016	Issue of options	2,500,000	90,131
21 December 2016	Director options	36,000,000	50,769
23 December 2016	Employee options	6,400,000	184,081
31 December 2016	Existing options vesting expense	-	13,158
31 December 2016	Performance rights vesting expense	3,500,000	59,788
31 December 2016	Expired options for the year	(2,805,167)	-
31 December 2016		111,954,396	2,505,297

Notes to the Consolidated Financial Statements (continued)

8. Reserves (continued)

(c) Option Issue 30 June 2017

A summary of the options issued during the year is below.

Option	Recipient	Number of Options	Issue Date	Vesting Date	Expiry Date	Exercise Price	Total Fair Value
A	Employee	1,500,000	15/02/2017	Various ^{1,2}	23/12/2021	\$0.15	\$95,384
B	Employee	2,500,000	6/04/2017	Various ^{3,4}	22/05/2022	\$0.20	\$150,984
C	Employee	1,000,000	8/04/2017	Various ^{5,6}	22/05/2022	\$0.20	\$58,766
D	David Flanagan	10,000,000	26/05/2017	Various ⁷	26/05/2022	\$0.09	\$455,638
E	Cherie Leeden	5,000,000	26/05/2017	Various ⁸	26/05/2022	\$0.20	\$190,124
F	Paul Glasson	3,000,000	26/05/2017	Various ^{9,10}	26/05/2022	\$0.13	\$127,162

- 500,000 options subject to 12 months continuous engagement
- 1,000,000 subject to commencement of commercial production at the Company's graphite project in Mozambique. Management believe that there is a high probability in achieving the vesting conditions attached to the options. As a result, a probability of 100% should be applied to this particular risk security.
- 1,000,000 options subject to 12 months continuous engagement
- 1,500,000 subject to commencement of commercial production at the Company's graphite project in Mozambique. Management believe that there is a high probability in achieving the vesting conditions attached to the options. As a result, a probability of 100% should be applied to this particular risk security.
- 375,000 options subject to 12 months continuous engagement
- 625,000 subject to commencement of commercial production at the Company's graphite project in Mozambique. Management believe that there is a high probability in achieving the vesting conditions attached to the options. As a result, a probability of 100% should be applied to this particular risk security.
- 10,000,000 subject to the Company's Montepuez project achieving sales agreements and a commercial rate of production as agreed by the board. Management believe that there is a high probability in achieving the vesting conditions attached to the options. As a result, a probability of 100% should be applied to this particular risk security.
- 5,000,000 options are subject to commercial production and sale from the proposed Company owned, US based SPG processing plant. Management believe that there is a high probability in achieving the vesting conditions attached to the options. As a result, a probability of 100% should be applied to this particular risk security.
- 1,500,000 options subject to 12 months continuous engagement
- 1,500,000 options subject to 24 months continuous engagement

All options issued during the period were valued using Black-Scholes option pricing models with the following inputs :

Option	Recipient	Dividend Yield	Expected Volatility	Risk Free Rate	Expected Life of Options	Exercise Price	Share Price at Grant Date	FV per option
A	Employee	-	100% ¹	1.94%	4.85 years	\$0.15	\$0.09	\$0.06
B	Employee	-	100% ¹	1.94%	5.13 years	\$0.20	\$0.09	\$0.06
C	Employee	-	100% ¹	1.94%	5.12 years	\$0.20	\$0.09	\$0.06
D	David Flanagan	-	100% ¹	1.94%	5 years	\$0.09	\$0.07	\$0.05
E	Cherie Leeden	-	100% ¹	1.94%	5 years	\$0.20	\$0.07	\$0.04
F	Paul Glasson	-	100% ¹	1.94%	5 years	\$0.13	\$0.07	\$0.04

- The expected volatility is based on historic volatility (based on remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Notes to the Consolidated Financial Statements (continued)

9. Dividends

No dividend has been declared or paid during the period ended 30 June 2017 (30 June 2016: Nil).

10. Commitments

The Group has no other commitments other than those disclosed at 31 December 2016.

11. Events subsequent to Reporting Date

On 1 September 2017 the Company's joint venture partner in Gabon, Trek Metals (ASX: TKM), exercised its option to continue exploration and earn-in to the Kroussou Project, as per Trek's ASX announcement on that date. Under the earn-in agreement, Battery Minerals is free carried until completion of any pre-feasibility study by Trek, and therefore has no ongoing financial obligations in respect of the Kroussou Project until that point in time.

No other matters or circumstances have arisen since the end of the financial period which 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.

12. Contingent Assets and Liabilities

There are no identified contingent assets or liabilities as at reporting date (31 December 2016: Nil).

13. Related Party Disclosures

Other than the performance rights issued to the Executive Director and options issued to Executive & Non-executive Directors as disclosed at note 8, transactions with the related parties are consistent with those disclosed in the 31 December 2016 financial report.

On 30 March 2017, Mr David Flanagan agreed to commence employment with the Company as an Executive Chairman. The benefits of his employment are included in the ASX Announcement dated 30 March 2017.

All other Key Management Personnel service agreements remain as disclosed in the 31 December 2016 annual report.

Director's Declaration

The directors of the Company declare that:

- 1) The financial statements and notes are in accordance with the *Corporations Act 2001* and:
 - a) comply with the Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*;
 - b) give a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance, as represented by the results of its operations, changes in equity and its cash flows for the period from 1 January 2017 to 30 June 2017.
- 2) At the date of this statement there are reasonable grounds to believe that Battery Minerals Limited will be able to pay its debts when they become due and payable.

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

A handwritten signature in black ink, appearing to read 'David Flanagan', with a long horizontal stroke extending to the right.

Mr David Flanagan
Executive Chairman

12 September 2017
Perth, Western Australia



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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Battery Minerals Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Battery Minerals Limited, which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

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 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 30 June 2017 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 Battery 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.

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, which has been given to the directors of Battery Minerals Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



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 Battery Minerals Limited is not in accordance with the Corporations Act 2001 including:

- (i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink. The word 'BDO' is written in a simple, blocky font. Below it, the name 'J Prue' is written in a cursive, handwritten style.

Jarrad Prue

Director

Perth, 12 September 2017