

## APPENDIX 4D

### Half-year Report for the period ending 31 December 2014

#### 1. Name of entity

<b>RECLAIM INDUSTRIES LIMITED</b>
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ABN	Reporting Period	Previous Corresponding Period
47 090 671 819	Half-year ended 31 December 2014	Half-year ended 31 December 2013

#### 2. Results for Announcement to the Market

Financial Results				31 December 2014
Revenues from ordinary activities ( <i>item 2.1</i> )	-	-	to	-
Loss from ordinary activities after tax attributable to members ( <i>item 2.2</i> )	Up	27.9 %	to	(309,512)
Net loss for the period attributable to members ( <i>item 2.3</i> )	Up	27.9 %	to	(309,512)
Final and interim dividends ( <i>item 2.4</i> )	It is not proposed that either a final or interim dividend be paid .			
Record date for determining entitlements to the dividend ( <i>item 2.5</i> )	N/A			
Brief explanation of any of the figures reported above ( <i>item 2.6</i> ):	The current year loss is attributable to operational costs and costs associated with the proposed acquisition of Skill Connect Pty Ltd.  The prior year loss was attributable to operational costs.			

#### 3. NTA Backing

	Current Period	Previous Corresponding Period
Net tangible assets per ordinary share ( <i>Item 3</i> )	0.27 cents	0.15 cents

#### 4. Loss of control over entities

Details of entities over which control has been gained or lost ( <i>item 4</i> )	N/A
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#### 5. Dividends paid and payable

Details of dividends or distribution payments ( <i>item 5</i> )	No dividends or distributions are payable.
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## 6. Dividend reinvestment plans

Details of dividend or distribution reinvestment plans (item 6)	There is no dividend reinvestment program in operation for Reclaim Industries Limited
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## 7. Details of associates and joint venture entities

Details of associates and joint venture entities (item 7)	N/A
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## 8. Foreign entities

Foreign entities to disclose which accounting standards are used in compiling the report (item 8)	N/A
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## 9. Audit qualification or review

Details of any audit dispute or qualification (item 9)
<p><b>Emphasis of matter on going concern:</b> Without modifying our conclusion, we draw attention to Note 1 in the half-year financial report, which indicates that the ability of the company to continue as a going concern is dependent upon the future successful raising of necessary funding through equity to be conducted under a Prospectus. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.</p> <p><b>Emphasis of matter on recoverability of loan receivable:</b> Without modifying our conclusion, we draw attention to Note 3 in the half-year financial report, which indicates that the ability of the company to recover the loan receivable with Skills Connect Pty Ltd is dependent upon the proposed transaction proceeding and the future cash generating ability of Skills Connect Pty Ltd. If the proposed transaction does not proceed, Skills Connect Pty Ltd may need to source additional funding to repay the loan. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to recover the loan receivable with Skills Connect Pty Ltd</p>



**RECLAIM INDUSTRIES LIMITED**

**ACN 090 671 819**

**Interim financial report for the half-year ended 31 December 2014**

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<b>Directors</b>	Stephen Hewitt-Dutton KC Ong David Scoggin
<b>Company Secretary</b>	Deborah Ho
<b>Registered Office</b>	Level 24, 44 St Georges Terrace PERTH WA 6000
<b>Share Registry</b>	Security Transfer Registrars Pty Limited 770 Canning Highway, APPLECROSS WA 6153 Telephone: (08) 9315 2333 Facsimile: (08) 9315 2233
<b>Website</b>	<a href="http://www.reclaimindustries.com.au">www.reclaimindustries.com.au</a>
<b>Place of Incorporation</b>	Western Australia
<b>Principal Place of Business</b>	Level 24, 44 St Georges Terrace PERTH WA 6000 Telephone: (08) 6211 5099 Facsimile: (08) 9218 8875
<b>Auditors</b>	BDO (WA) Pty Ltd 38 Station Street Subiaco WA 6008 Telephone: (08) 6382 4600 Facsimile: (08) 6382 4601
<b>Solicitors</b>	Price Sierakowski Corporate Level 24, 44 St Georges Terrace PERTH WA 6000
<b>Banker</b>	National Australia Bank Limited Ground Floor, 100 St Georges Terrace PERTH WA 6000  Suncorp-Metway Ltd Level 2, 66 St George's Terrace Perth WA 6000
<b>Stock Exchange</b>	ASX Limited Exchange Plaza, 2 The Esplanade PERTH WA 6000
<b>ASX Code</b>	RCM

## Directors' report

The directors of Reclaim Industries Limited ("**the Company**") submit herewith the interim financial report of the Company for the half-year ended 31 December 2014. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

### Directors

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

#### Name

- Stephen Hewitt-Dutton
- KC Ong
- David Scoggin

### Company Secretary

- Deborah Ho

### Operating Results

The loss after tax of the Company for the half year ended 31 December 2014 was \$309,512 (2013: loss \$242,011).

### Principal Activities and Review of Operations

#### *Reinstatement*

On 30 November 2012, the Company was reinstated to official quotation with the Australian Securities Exchange following its successful recapitalisation.

In line with the strategy outlined by the Company in its May 2012 prospectus, the Company has continued to review investment opportunities. To date the review of the opportunities in the tyre collection and recycling industry has not resulted in directors believing that its re-entry into that industry is warranted. However, the directors had continued to monitor opportunities and developments in that market.

#### *Share Sale Agreement*

On 22<sup>nd</sup> September 2014, the Company executed a Share Sale Agreement with Employment Management Systems Pty Ltd (now renamed Rision Pty Ltd ("**Rision**")), Skills Connect Pty Ltd ("**Skills Connect**") and Rision's Shareholders, to acquire 100% of all rights and title in all the issued capital of Rision. Rision is the legal owner and beneficial owner of SCL.

Rision is focused on providing human resourcing solutions for organisations that manage contingent workers and their employees. Rision's mobile and HTML 5 product is currently completing development, with expected completion of the first version of the mobile product in the first quarter of 2015. It will be available and ready for use by small, medium and large organisations during the second quarter of 2015 in both English and Spanish.

Rision's platform is designed for use by job seekers, businesses and their employees, and human resources professionals. The platform enables transparent, efficient connectivity that drives improved work practices and productivity. Rision will commercialise its products by engaging strategic channel partners and value-added resellers, as well as through developing a direct sales team, in dynamic, large scale employment industries including fast food, retail, hospitality, commercial property services, construction, events management and healthcare.

#### *Share Issues*

On 1<sup>st</sup> July 2014, the Company held a General Meeting at which shareholders approved the following resolutions:

- Ratify the issue of 56,000,000 fully paid ordinary shares at \$0.006 per share to Sophisticated and Professional Investors under the Tranche 1 Placement; and
- Approval of the issue of 41,000,000 fully paid ordinary shares at \$0.006 per share to Sophisticated and Professional Investors under the Tranche 2 Placement.

On 2<sup>nd</sup> July 2014, the Tranche 2 Placement shares were issued.

On 31<sup>st</sup> July 2014, a further 67,999,996 fully paid ordinary shares were issued under a completed Sophisticated Placement raising \$1,020,000 at \$0.015 per share. The funds raised enable the Company to advance further loan funds of \$900,000 to Skills Connect as well as provide additional working capital for the Company.

### **Matters Subsequent to Reporting Period**

On 30 January 2015, the Company completed a placement to Sophisticated Investors raising \$1,225,500 at \$0.015 per share. The funds raised are to enable the Company to advance further loan funds to Skills Connect as well as provide additional working capital.

### **Dividends**

No dividend has been proposed or paid during the period.

### **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.

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

On behalf of the Directors



Stephen Hewitt-Dutton

Chairman

Perth 27<sup>th</sup> day of February 2015

DECLARATION OF INDEPENDENCE BY PETER TOLL TO THE DIRECTORS OF RECLAIM INDUSTRIES LIMITED

As lead auditor for the review of Reclaim Industries Limited for the half-year ended 31 December 2014, 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.



Peter Toll

Director

BDO Audit (WA) Pty Ltd

Perth, 27 February 2015



## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Reclaim Industries Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Reclaim Industries Limited, which comprises the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement of significant accounting policies and other explanatory information, and the directors' declaration.

#### 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 company's financial position as at 31 December 2014 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 Reclaim Industries 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 Reclaim Industries 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 Reclaim Industries Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

## Emphasis of matter - Going Concern

Without modifying our conclusion, we draw attention to Note 1 in the half-year financial report, which indicates that the ability of the company to continue as a going concern is dependent upon the future successful equity raising to be conducted under a Prospectus. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

## Emphasis of matter - Recovery of Loan Receivable

Without modifying our conclusion, we draw attention to Note 3 in the half-year financial report, which indicates that the ability of the company to recover the loan receivable with Skills Connect Pty Ltd is dependent upon the proposed transaction proceeding and the future cash generating ability of Skills Connect Pty Ltd. If the proposed transaction does not proceed, Skills Connect Pty Ltd may need to source additional funding to repay the loan. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to recover the loan receivable with Skills Connect Pty Ltd.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Peter Toll', with the BDO logo above it.

Peter Toll

Director

Perth, 27 February 2015

## **Directors' declaration**

In the directors' opinion:

- (a) the attached financial statements and notes thereto comply with the *Corporation Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporation Regulation 2001* and other mandatory professional reporting requirements;
- (b) the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2014 and of its performance for the financial half-year ended on that date; and
- (c) 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 the directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Stephen Hewitt-Dutton

Chairman

Perth 27<sup>th</sup> day of February 2015

**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2014**

	Note	31 Dec 2014 \$	31 Dec 2013 \$
Revenue		-	-
Other income		2,158	12,619
Directors fees		(60,000)	(60,000)
Administration expenses		(239,304)	(182,291)
Rent		(12,000)	(12,000)
Finance costs		(366)	(339)
Loss before tax		(309,512)	(242,011)
Income tax expense		-	-
Loss after income tax for the period		(309,512)	(242,011)
Other comprehensive income		-	-
<b>Total comprehensive loss for the period</b>		<b>(309,512)</b>	<b>(242,011)</b>
<b>Loss per share for the year attributable to the members of Reclaim Industries Limited</b>			
<b>Continued operations:</b>			
Basic and Diluted loss per share (cents per share)		(0.06) cents	(0.06) cents

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

**Statement of financial position  
As at 31 December 2014**

	Note	31 Dec 2014 \$	30 June 2014 \$
<b>Current assets</b>			
Cash and cash equivalents		87,828	437,085
Other receivables		55,268	43,625
Other financial asset	3	1,400,000	500,000
<b>Total assets</b>		<b>1,543,096</b>	<b>980,710</b>
<b>Current liabilities</b>			
Other payables		54,666	376,224
<b>Total liabilities</b>		<b>54,666</b>	<b>376,224</b>
<b>Net assets</b>		<b>1,488,430</b>	<b>604,486</b>
<b>Equity</b>			
Issued capital	4	4,451,333	3,257,877
Accumulated losses		(2,962,903)	(2,653,290)
		1,488,430	604,486
<b>Total equity</b>		<b>1,488,430</b>	<b>604,486</b>

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

**Statement of changes in equity  
For the half-year ended 31 December 2014**

	Issued capital \$	Accumulated losses \$	Attributable to the owners of the parent \$	Total \$
Balance as at 1 July 2013	2,951,341	(2,121,278)	830,063	830,063
Loss for the period	-	(242,011)	(242,011)	(242,011)
Total comprehensive loss for the period	-	(242,011)	(242,011)	(242,011)
Balance as at 31 December 2013	2,951,341	(2,363,289)	588,052	588,052

	Issued capital \$	Accumulated losses \$	Attributable to the owners of the parent \$	Total \$
Balance as at 1 July 2014	3,257,877	(2,653,391)	-	604,486
Loss for the period	-	(309,512)	-	(309,512)
Total comprehensive loss for the period	-	(309,512)	-	(309,512)
<i>Transactions with owners in their capacity as owners:</i>				
Share placements	1,266,000	-	-	1,266,000
Share issue costs	(72,544)	-	-	(72,544)
Balance as at 31 December 2014	4,451,333	(2,962,903)	-	1,488,430

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

**Statement of cash flows**  
**For the half-year ended 31 December 2014**

	Note	Half-year ended	
		31 Dec 2014 \$	31 Dec 2013 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(398,388)	(267,139)
Interest and other costs of finance paid		(366)	(339)
Net cash used in operating activities		(398,754)	(267,478)
<b>Cash flows from investing activities</b>			
Interest received		2,041	12,619
Loan to Employment Management Systems		(900,000)	-
Net cash provided by investing activities		(897,959)	12,619
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		1,020,000	-
Payment for share issue costs		(72,544)	-
Net cash provided by financing activities		947,456	-
<b>Net increase/decrease in cash and cash equivalents</b>		(349,257)	(254,859)
<b>Cash and cash equivalents at 1 July</b>		437,085	828,459
<b>Cash and cash equivalents at the end of the period</b>		87,828	573,600

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

## Notes to the financial statements

### 1. Significant accounting policies

#### Statement of compliance

The interim 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 interim report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

#### Basis of preparation

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. 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 and rounded to the nearest dollar.

Reclaim Industries Limited is a listed public company, incorporated and domiciled in Australia and is a for-profit entity for the purposes of preparing the financial statements.

In the application of the Company's accounting policies, as set out below, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### New accounting standards and interpretations

The following applicable accounting standards and interpretations have been issued or amended. Some of these standards are not yet effective. The impact of these standards for the year ended 30 June 2015, has been noted below. It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

Reference	Title	Summary	Impact on Company's financial report	Application date for Company
AASB 9	Financial Instruments	<p>Amends the requirements for classification and measurement of financial assets. The available-for-sale and held-to-maturity categories of financial assets in AASB 139 have been eliminated.</p> <p>Under AASB 9, there are three categories of financial assets:</p> <ul style="list-style-type: none"> <li>• Amortised cost</li> <li>• Fair value through profit or loss</li> <li>• Fair value through other comprehensive income.</li> </ul> <p>AASB 9 requires that gains or losses on financial liabilities measured at fair value are recognised in profit or loss, except that the effects of changes in the liability's credit risk are recognised in other comprehensive income.</p>	<p>Adoption of AASB 9 is only mandatory for the year ending 30 June 2018.</p> <p>The Company has not yet made an assessment of the impact of these amendments.</p>	1 July 2017
IFRS 15	Revenue from contracts with customers	<p>An entity will recognise revenue to depict the transfer of promised good or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue.</p>	<p>Due to the recent release of this standard, the Company has not yet made an assessment of the impact of these amendments.</p>	1 July 2017



## 1. Significant accounting policies (continued)

### New accounting standards and interpretations (continued)

Reference	Title	Summary	Impact on Company's financial report	Application date for Company
AASB 2012-6	Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures	Defers the effective date of AASB 9 to 1 January 2015. Entities are no longer required to restate comparatives on first time adoption. Instead, additional disclosures on the effects of transition are required.	As comparatives are no longer required to be restated, there will be no impact on amounts recognised in the financial statements. However, additional disclosures will be required on transition, including the quantitative effects of reclassifying financial assets on transition.	1 July 2015
AASB 2014-1	Amendments to Australian Accounting Standards	Non-urgent but necessary changes to standards arising from Annual Improvements to IFRSs 2010–2012 Cycle and Annual Improvements to IFRSs 2011–2013 Cycle	There will be no impact on the financial statements when these amendments are first adopted because they apply prospectively or are disclosure impacts only.	1 July 2014, 1 July 2015, 1 July 2016
Improvements to IFRSs	Annual Improvements 2011-2013 Cycle	Non-urgent but necessary changes to standards <ul style="list-style-type: none"> <li>• IFRS13 – Clarifies portfolio exception in relation to contracts under IAS 39</li> <li>• IAS 40 – Clarifies interrelationship between IFRS 3 &amp; IAS 40 when classifying the acquisition of property as investment or owner occupied</li> </ul>	There will be no impact on the financial statements when these amendments are first adopted.	1 July 2014

### Going Concern

These financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Company incurred an operating loss of \$309,512 for the year ended 31 December 2014 (31 December 2013: \$242,011) and has net assets of \$1,488,430 (30 June 2014: net assets of \$604,486). The Company had a net cash outflow from operating activities amounting to \$398,754 (31 December 2013: \$267,478) and a cash balance as at 31 December 2014 of \$87,828 (30 June 2014: \$437,085).

The ability of the Company to continue as a going concern is principally dependent upon the Company's ability to raise funds under a prospectus capital raising as required for the Company to acquire Rision.

The directors of the Company are confident that the entity will be able to continue its operations as a going concern, however, the above conditions indicate the existence of a material uncertainty which may cast significant doubt about the entity's ability to continue as a going concern and therefore, the entity may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

### 2. Segment information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. There were no reportable operating segments at 31 December 2014 (31 December 2013: nil).

### 3. Other financial assets

As at 31 December 2014, loan advancements totalling \$1,400,000 have been made to SCL under loan agreements. The advancements are repayable within 2 years of the agreement (subject to the Proposed Transaction not proceeding). The advancement is also subject to interest of 7% per annum. This will become payable if the Proposed Transaction does not proceed.

The loan is repayable in the event that the Proposed Transaction does not proceed or an event of default occurs. In the event that the Proposed Transaction does proceed, SCL will become wholly-owned by the Company and recoverability of the loan will be dependent upon the future cash generating ability of the SCL. In the event that the Proposed Transaction does not proceed or an event of default occurs, the Company shall become immediately entitled to secure the advancements by the registration of a first ranking charge over the assets of SCL, and SCL must use its best endeavours to ensure that the Company is able to obtain and register such security. In the event that the Proposed Transaction does not proceed, SCL may need to source additional funding to repay the loan and there may be uncertainty around the timing and ability of SCL to undertake this.

### 4. Share capital

	<b>31 December 2014</b>	<b>31 December 2013</b>	<b>31 December 2014</b>	<b>31 December 2013</b>
	<b>Number</b>	<b>Number</b>	<b>\$</b>	<b>\$</b>
Fully paid ordinary shares	544,999,469	379,999,473	4,451,333	2,951,341
<b>Movement</b>				
At the beginning of the period	435,999,473	379,999,473	3,257,877	2,951,341
Share transactions:	-	-	-	-
2 July 2014	41,000,000	-	246,000	-
31 July 2014	67,999,996	-	1,020,000	-
Transaction costs:	-	-	(72,544)	-
<b>Balance at the end of period</b>	<b>544,999,469</b>	<b>379,999,473</b>	<b>4,451,333</b>	<b>2,951,341</b>

- (i) On 2 July 2014, the Company completed the second tranche of a Sophisticated Placement and issued 41,000,000 fully paid ordinary shares at \$0.006 per share.
- (ii) On 31 July 2014, the Company completed a Sophisticated Placement and issued 67,999,996 fully paid ordinary shares at \$0.015 per share.

### 5. Results for the period

Reclaim Industries Limited generated a loss after tax for the half year ended 31 December 2014 of \$309,512 (31 December 2013: loss of \$242,011). This loss for the half year ended 31 December 2014 was the result is due to administrative and operational working costs incurred.

### 6. Contingencies and commitments

There are no contingent liabilities as at 31 December 2014 (30 June 2014: nil). There have been no changes to the commitments since the last annual reporting date.

### 7. Key management personnel

There have been no changes to the remuneration arrangements of key management personnel since the year ended 30 June 2014.

### 8. Fair value of financial instruments

The Company does not have any financial instruments that are subject to recurring fair value measurements.

Due to their short-term nature, the carrying amounts of current receivables and current trade and other payables is assumed to approximate their fair value.

**9. Events occurring after report period**

On 30 January 2015, the Company completed a placement to Sophisticated Investors raising \$1,225,500 at \$0.015 per share. The funds raised are to enable the Company to advance further loan funds to Skills Connect as well as provide additional working capital.