

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

Half-Year Report and Appendix 4D
For the half-year ended 31 December 2012

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

Results for Announcement to the Market for the Half-year ended 31 December 2012

Current Reporting Period: Half-year ended 31 December 2012
Previous Reporting Period: Half-year ended 31 December 2011

1. Revenue and Net Profit

| | | Percentage change (%) | | Amount \$ |
|----------|------|-----------------------------|----|--------------|
| Revenue | down | 49 | to | 137,405 |
| Net loss | up | 51 | to | (81,919) |

2. Brief Explanation of Revenue and Net Profit

The net loss after income tax attributable to members of the Company for the half-year ended 31 December 2012 was \$81,919 (31 December 2011: \$54,260).

During the half-year, the Company successfully completed a placement to raise \$2,500,000 before costs.

The Board continues to review corporate opportunities and potential projects of both industrial and resource nature in Australia and overseas, to complement the Company's investment portfolio. In the meantime the Board continues to implement a program of prudent cost control and hold its investment in listed securities and cash reserves to ensure the company's strong liquidity position.

At the end of the half-year period ending 31 December 2012 the Company had net assets of \$9,108,234.

3. Dividends Paid and Declared

No dividends were paid during the half-year and the directors recommend that no dividends be paid or declared for the half-year ended 31 December 2012.

There were no dividends declared or paid for the previous corresponding half-year period.

4. Net Tangible Asset per Security

| NTA Backing | 31 December 2012 | 31 December 2011 |
|---|---------------------|---------------------|
| Net Tangible Assets | 9,108,234 | 7,367,131 |
| Securities on issue | 45,000,000 | 32,500,000 |
| Net Tangible Asset Backing per Security (cents/security) | 20.24 | 22.67 |

5. Details of Entities Over Which Control Has Been Gained or Lost

6. Details of Associates and Joint Venture Entities

7. Information on Audit or Review

The Half-year accounts of Oakajee Corporation have been subject to review.

Description of dispute or qualification if the accounts have been audited or subjected to review.

None



OAKAJEE
CORPORATION

ACN 123 084 453

INTERIM FINANCIAL REPORT
31 DECEMBER 2012

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

| Contents | Page |
|---|-------------|
| Corporate Directory | 1 |
| Directors' Report | 2 |
| Auditor's Independence Declaration | 3 |
| Condensed Statement of Comprehensive Income | 4 |
| Condensed Statement of Financial Position | 5 |
| Condensed Statement of Changes in Equity | 6 |
| Condensed Statement of Cash Flows | 7 |
| Notes to the Condensed Financial Statements | 8-11 |
| Directors' Declaration | 12 |
| Independent Auditor's Review Report | 13-14 |

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

CORPORATE DIRECTORY

| | |
|---|---|
| DIRECTORS: | Mr Graham Anderson (Chairman) Mr Mark Jones Mr Garry Thomas |
| COMPANY SECRETARY: | Mr Graham Anderson |
| REGISTERED AND PRINCIPAL OFFICE: | 14 Emerald Terrace WEST PERTH WA 6005 Tel: +61 8 9322 2700 Fax: +61 8 9322 7211 email: admin@oakajeecorp.com.au |
| POSTAL ADDRESS: | PO Box 389 WEST PERTH WA 6872 |
| WEBSITE: | www.oakajeecorp.com.au |
| SHARE REGISTRY: | Advanced Share Registry Services Unit 2/150 Stirling Highway NEDLANDS WA 6009 |
| HOME STOCK EXCHANGE: | Australian Securities Exchange Limited Level 2 Exchange Plaza 2 The Esplanade PERTH WA 6000 ASX Code: OKJ |
| AUDITOR: | HLB Mann Judd Chartered Accountants Level 4 130 Stirling Street PERTH WA 6000 |

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

DIRECTORS' REPORT

Your directors submit the financial report of the Company for the half-year ended 31 December 2012. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors who held office during or since the end of the half-year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated.

| | |
|-------------------------|--|
| Graham Douglas Anderson | Chairman |
| Mark Wesley Jones | Managing Director |
| Garry Thomas | Non-executive Director (<i>appointed 1 March 2012</i>) |
| Zaffer Soemya | Non-executive Director (<i>resigned 1 March 2012</i>) |

Review of Operations

The net loss after income tax attributable to members of the Company for the half-year ended 31 December 2012 was \$81,919 (31 December 2011: \$54,260).

During the half-year, the Company successfully completed a placement to raise \$2,500,000 before costs.

The Board continues to review corporate opportunities and potential projects of both industrial and resource nature in Australia and overseas, to complement the Company's investment portfolio. In the meantime the Board continues to implement a program of prudent cost control and hold its investments in listed securities and cash reserves to ensure the company's strong liquidity position.

At the end of the half-year period ended 31 December 2012 the Company had net assets of \$9,108,234.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on the following page and forms part of this directors' report for the half-year ended 31 December 2012.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s306(3) of the Corporations Act 2001.



Graham Anderson
Chairman
28 February 2013

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Oakajee Corporation for the half-year ended 31 December 2012, 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
28 February 2013



M R W OHM
Partner, HLB Mann Judd

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

| | Note | Half-Year ended 31 December 2012 \$ | Half-Year ended 31 December 2011 \$ |
|---|------|--|--|
| Revenue | 2 | 137,405 | 284,974 |
| Expenses | | | |
| Administration expenses | | 79,967 | 109,352 |
| Employee benefits expense | 2 | 139,891 | 136,367 |
| Legal and professional expenses | | 3,691 | 70,821 |
| Depreciation and amortisation expense | 2 | 1,354 | 764 |
| Share of loss of associate accounted for using the equity method | | - | 6,807 |
| Lease expense | | - | 9,272 |
| Travel expenses | | 23,361 | 20,348 |
| Loss on disposal of subsidiary | | - | 2,329 |
| Loss before income tax | | (110,859) | (71,086) |
| Income tax benefit | | 28,940 | 16,826 |
| Loss after tax for the period | | (81,919) | (54,260) |
| Other comprehensive income | | | |
| <i>Items that may be reclassified to profit or loss</i> | | | |
| Net change in the fair value of available-for-sale financial assets | | (1,207,688) | (1,479,400) |
| <i>Reclassification adjustment:</i> | | | |
| Reclassification to profit or loss on disposal of available-for-sale financial assets | | (177,077) | (250,900) |
| Income tax relating to components of other comprehensive income | | 412,286 | 519,090 |
| Other comprehensive income (loss) for the period, net of tax | | (972,479) | (1,211,210) |
| Total comprehensive income (loss) for the period | | (1,054,398) | (1,265,470) |
| Basic and Diluted Loss per share (cents per share) | 3 | (0.20) | (0.17) |

The accompanying notes form part of these financial statements.

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2012

| | Note | 31 December 2012 \$ | 30 June 2012 \$ |
|--------------------------------------|------|---------------------------|-----------------------|
| Current assets | | | |
| Cash and cash equivalents | | 7,326 | 19,432 |
| Trade and other receivables | | 21,746 | 122,946 |
| Other assets | | 3,164 | 7,438 |
| Total current assets | | 32,236 | 149,816 |
| Non-current assets | | | |
| Property, plant and equipment | | 7,774 | 2,696 |
| Available-for-sale financial assets | | 10,216,750 | 9,149,200 |
| Total non-current assets | | 10,224,524 | 9,151,896 |
| Total assets | | 10,256,760 | 9,301,712 |
| Current liabilities | | | |
| Trade and other payables | | 86,804 | 136,132 |
| Total current liabilities | | 86,804 | 136,132 |
| Non-current Liabilities | | | |
| Deferred tax liability | | 1,061,722 | 1,502,948 |
| Total non-current liabilities | | 1,061,722 | 1,502,948 |
| Total liabilities | | 1,148,526 | 1,639,080 |
| Net assets | | 9,108,234 | 7,662,632 |
| Equity | | | |
| Issued capital | 3 | 6,531,169 | 4,031,169 |
| Reserves | | 377,527 | 1,350,006 |
| Retained earnings | | 2,199,538 | 2,281,457 |
| Total equity | | 9,108,234 | 7,662,632 |

The accompanying notes form part of these financial statements.

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

| | Issued Capital | Unrealised Gains Reserve | Retained Earnings | Total Equity |
|---|------------------|--------------------------------|----------------------|------------------|
| | \$ | \$ | \$ | \$ |
| At 30 June 2012 | 4,031,169 | 1,350,006 | 2,281,457 | 7,662,632 |
| Net loss for the period | - | - | (81,919) | (81,919) |
| Net change in the fair value of available-for-sale financial assets | - | (1,207,688) | - | (1,207,688) |
| Reclassification to profit or loss on disposal of available-for-sale financial assets | - | (177,077) | - | (177,077) |
| Income tax relating to components of other comprehensive income | - | 412,286 | - | 412,286 |
| Issue of share capital | 2,500,000 | - | - | 2,500,000 |
| At 31 December 2012 | 6,531,169 | 377,527 | 2,199,538 | 9,108,234 |

| | Issued Capital | Unrealised Gains Reserve | Accumulated Losses | Total Equity |
|---|------------------|--------------------------------|-----------------------|------------------|
| | \$ | \$ | \$ | \$ |
| At 30 June 2011 | 4,031,169 | 4,872,476 | (271,044) | 8,632,601 |
| Net loss for the period | - | - | (54,260) | (54,260) |
| Net change in the fair value of available-for-sale financial assets | - | (1,479,400) | - | (1,479,400) |
| Reclassification to profit or loss on disposal of available-for-sale financial assets | - | (250,900) | - | (250,900) |
| Income tax relating to components of other comprehensive income | - | 519,090 | - | 519,090 |
| At 31 December 2011 | 4,031,169 | 3,661,266 | (325,304) | 7,367,131 |

The accompanying notes form part of these financial statements.

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

CONDENSED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

| | Half Year ended 31 December 2012 \$ | Half Year ended 31 December 2011 \$ |
|---|--|--|
| | Inflows/(Outflows) | |
| Cash flows from operating activities | | |
| Receipts from sub rental income | 8,132 | 34,723 |
| Payments to suppliers and employees | (296,238) | (277,022) |
| Interest received | 12,343 | 2,093 |
| Net cash flows used in operating activities | (275,763) | (364,910) |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (6,432) | - |
| Dividend received | 110,000 | - |
| Payments on purchase of investments | (2,510,330) | - |
| Proceeds from disposal of available-for-sale financial assets | 170,419 | 260,595 |
| Net cash flows provided by investing activities | (2,236,343) | 260,595 |
| Cash flows from financing activities | | |
| Proceeds from issue of ordinary shares | 2,500,000 | 260,595 |
| Net cash flows provided by financing activities | 2,500,000 | 260,595 |
| Net decrease in cash held | (12,106) | (104,315) |
| Cash at the beginning of the period | 19,432 | 177,583 |
| Cash at the end of the period | 7,326 | 73,268 |

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

1. Statement of Significant Accounting Policies

(a) Statement of compliance

These interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2012 and any public announcements made by Oakajee Corporation Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

(b) Basis of preparation

The interim report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

(c) Significant accounting judgements, estimates and assumptions

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

In preparing this interim report, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2012.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

1. Statement of Significant Accounting Policies (continued)

(d) Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2012, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2011.

It has been determined 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.

The Directors have also reviewed all new standards and interpretations that have been issued but are not yet effective for the half-year ended 31 December 2012. 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 its business and therefore, no change necessary to Company accounting policies.

(e) Going concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern which assumes the commercial realisation of the future potential of the Company's assets and the discharge of its liabilities in the normal course of business.

The Company has cash and cash equivalents at 31 December 2012 of \$7,326, a loss after income tax benefit of \$81,919 and net operating cash outflows for the half year ended 31 December 2012 of \$275,763.

Notwithstanding the above, the accounts have been prepared on a going concern basis for the following reason.

The Company has available-for-sale financial assets with a market value of \$10,216,750 at 31 December 2012. These available-for-sale financial assets represent investments in listed companies which are traded on ASX. The Company has the ability to sell these investments in a liquid market as and when the need for additional working capital arises.

Accordingly, the Directors believe that Oakajee Corporation Limited has access to sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the financial report.

| | 31 December 2012 | 31 December 2011 |
|--|------------------|------------------|
| | \$ | \$ |

2. Loss before Income Tax Expense

The following revenue and expense items are relevant in explaining the financial performance for the half-year:

(a) Revenue

| | | |
|------------------------------------|---------|---------|
| Interest income | 12,344 | 15,682 |
| Sub-lease income | 1,814 | 32,697 |
| Gain on sale of listed investments | 123,247 | 236,595 |
| | 137,405 | 284,974 |

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

| | | | |
|-----|--|---------|---------|
| (b) | Depreciation | | |
| | Property plant and equipment | 1,354 | 764 |
| (c) | Employee and directors' benefits expenses | | |
| | Directors' fees and salaries | 101,507 | 99,291 |
| | Employees' salaries | 21,557 | 19,880 |
| | Superannuation | 9,996 | 10,365 |
| | Annual leave expense | 6,831 | 6,831 |
| | | 139,891 | 136,367 |
| (d) | Office rent expense | 11,110 | 42,667 |

3. Issued Capital

(a) **Movements in fully paid ordinary shares during the period**

| | No. of Shares | \$ |
|---------------------------------|---------------|-----------|
| At 1 July 2012 | 32,500,000 | 4,031,169 |
| Issue of shares under placement | 12,500,000 | 2,500,000 |
| At 31 December 2012 | 45,000,000 | 6,531,169 |

(b) **Loss per Share**

| | Half-year ended 31 December 2012 | Half-year ended 31 December 2011 |
|--|-------------------------------------|-------------------------------------|
| Basic loss per share (cents per share) | (0.20) | (0.17) |
| Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share | 41,385,869 | 32,500,000 |
| Loss used in the calculation of basic loss per share (\$) | (81,919) | (54,260) |

4. Dividends

No dividends have been paid or proposed as at 31 December 2012.

As at 31 December 2012 the Company has no franking credits available for use in future years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

5. Segment Reporting

The Company has adopted AASB 8 *Operating Segments* which requires operating segments to be identified on the basis of internal reports about components of the Company that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance. The chief operating decision maker for Oakajee Corporation Limited reviews internal reports prepared as financial statements and strategic decisions of the Company are determined upon analysis of these internal reports. During the period, the Company operated predominantly in one segment being the limestone extraction sector in Australia. Accordingly, under the “management approach” outlined only one operating segment has been identified and no further disclosure is required in the notes to the financial statements.

6. Contingent Liabilities

There has been no change in contingent liabilities since 30 June 2012.

7. Related Party Transactions

During the period, Oakajee Corporation Limited paid \$2,445 to Dogmeat Pty Ltd for rental of office premises. Mr Mark Jones is a Director of Dogmeat Pty Ltd.

During the period, Oakajee Corporation paid \$14,500 to GDA Corporate Pty Ltd for accounting and company secretarial services. The Company paid \$12,000 to Graham D Anderson & Co. for Chairman’s fees. Mr Graham Anderson is a Director of GDA Corporate Pty Ltd and Graham D Anderson & Co. and Chairman of Oakajee Corporation. There was a balance of \$2,000 outstanding to GDA Corporate Pty Ltd as at 31 December 2012.

There were no other related party transactions during the half year ended 31 December 2012.

8. Events Subsequent to Reporting Date

No matters or events have arisen since 31 December 2012 which have significantly affected, or may significantly affect, the operations of the Company, the results of the operations, or the state of affairs of the Company in future years.

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

DIRECTORS' DECLARATION

In the opinion of the directors of Oakajee Corporation Limited ("the Company"):

1. the financial statements and notes set out on pages 4 to 11 are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the Company's financial position as at 31 December 2012 and of its performance for the half-year then ended.
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



Graham Anderson
Chairman
28 February 2013

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Oakajee Corporation Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Oakajee Corporation Limited ("the company"), which comprises the condensed statement of financial position as at 31 December 2012, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary 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 2012 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.

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*.

Matters relating to the electronic presentation of the reviewed half-year financial report

This review report relates to the half-year financial report of the company for the half-year ended 31 December 2012 included on the company's website. The company's directors are responsible for the integrity of the company's website. We have not been engaged to report on the integrity of this website. The review report refers only to the half-year financial report identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the half-year financial report. If users of the half-year financial report are concerned with the inherent risks arising from publication on a website they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information contained in this website version of the half-year financial 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 Oakajee Corporation 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 2012 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*.

HLB Mann Judd

HLB MANN JUDD
Chartered Accountants



M R W OHM
Partner

Perth, Western Australia
28 February 2013