

# Oakland

**RESOURCES**  
**Limited**

ABN 52 137 606 476

Half-year Financial Report  
31 December 2012

**CORPORATE DIRECTORY**

**Directors**

Mr Matthew Wood

Mr Vernon Tidy

Mr Scott Funston

**Company Secretary**

Mr David McEntaggart

**Registered Office and Principal Place of Business**

Level 1

33 Richardson Street

West Perth WA 6005 Australia

Telephone: (61 8) 9200 4491

Facsimile: (61 8) 9200 4469

**Share Registry**

Computershare Investor Services Pty Ltd

Level 2, Reserve Bank Building

45 St Georges Terrace

Perth WA 6000 Australia

Telephone: + 61 8 9323 2000

Facsimile: + 61 8 9323 2033

**Auditors**

RSM Bird Cameron Partners

8 St Georges Terrace

Perth WA 6000 Australia

**Securities Exchange**

Australian Securities Exchange

(Home Exchange: Perth, Western Australia)

ASX Code: OKL

<b>Contents</b>	<b>Page</b>
Directors' Report	1
Auditor's Independence Declaration	3
Consolidated Statement of Comprehensive Income	4
Consolidated Statement of Financial Position	5
Consolidated Statement of Changes in Equity	6
Consolidated Statement of Cash Flows	7
Notes to the Consolidated Financial Statements	8
Directors' Declaration	10
Independent Auditor's Review Report	11

## DIRECTORS' REPORT

The directors of Oakland Resources Limited and its subsidiary ("Oakland" or the "Group") submit the financial report of the Group 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 as below. Directors were in office for this entire period unless otherwise stated.

Mr Matthew Wood	Executive Chairman (appointed 19 November 2012)
Mr Scott Funston	Executive Director (appointed 19 November 2012)
Mr Vernon Tidy	Non-Executive Director
Mr Mark Arundell	Former Managing Director (resigned 19 November 2012)
Mr Anthony Polglase	Former Non-Executive Director (resigned 19 November 2012)

### Results

The loss after tax for the half-year ended 31 December 2012 was \$361,406 (31 December 2011 loss of \$209,881).

### Review of Operations

Oakland Resources Limited is an Australian based company whose primary objective is to discover and acquire economic mineral deposits that can be readily brought into production.

#### *Wongoni Project*

The Company commenced preliminary exploration work on the Wongoni Project, which it believes has outstanding potential to host a Cadia type deposit (Newcrest Mining: 44 Million ounces Gold, 7.5 Million tonnes Copper<sup>1</sup>).

The Wongoni Project includes an area of historic small scale copper production which has received limited modern exploration. Previous explorers have focussed on targeting near surface or shallow mineralisation.

Work undertaken by the Company has identified that the Wongoni Project host rock sequence is similar in composition to those that host mineralisation at both Cadia and Northparkes (Rio Tinto: 2.2 Million ounces Gold, 1.5 Million tonnes Copper<sup>2</sup>). These host rocks are known to be associated with gold rich porphyry copper systems and the presence of these rocks at Wongoni significantly increases the prospectivity of the area.

Analysis of regional geophysical data indicates that the Wongoni Project has a gravity and magnetic signature akin to the North Parkes and Cadia Mines, further validating the Project's prospectivity.

An extensive alteration system indicative of porphyry Gold Copper mineralisation has also been identified at Wongoni. This alteration is similar to that which occurs above the massive Cadia East Mine currently under development by Newcrest. Re logging and analysis of historic drilling on the Project has enabled the Company to determine that this alteration is zoned and thus provides a vector to potential mineralisation. Geochemical analysis of historic drilling samples completed this half year has increased confidence in the interpretation of the alteration zonation and identified and enabled refining of the location of drill targets.

Two robust drill targets have been defined and the Company is currently developing a strategy on how to effectively test these targets.

**Corporate**

During the period the Company appointed Mr Matthew Wood as Executive Chairman and Mr Scott Funston as an Executive Director, Mr Vernon Tidy stepped down from the role of Chairman to become a Non-Executive Director and Mr David McEntaggart was appointed Company Secretary. Mr Mark Arundell and Mr Anthony Polglase resigned as Directors. Mr Arundell continues to consult to the Company.

The Company has rationalised its tenement holdings in New South Wales. Review of the prospectivity of all of the Company's assets is ongoing.

**Subsequent Events**

On 7 February 2013 the Company announced that it had entered into an implementation agreement to acquire 100% of Castillo Copper Limited. Castillo is an unlisted Chilean copper explorer that is focussed on discovering and/or acquiring and then developing economic Copper deposits in Chile. The Company expects to convene a general meeting of shareholders to be held as soon as practical to obtain shareholders' approval of the acquisition.

There are no other significant events subsequent to the end of the period.

**Auditor's Independence Declaration**

Section 307C of the Corporations Act 2001 requires our auditors, RSM Bird Cameron, to provide the directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 3 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.



**Scott Funston**

**Executive Director**

14 February 2013

1. Wood, D.G., *Crucial Challenges to Discovery and Mining: Tomorrow's Deeper Ore Bodies*, SEG 2012 Conference in Lima, Peru.
2. Newcrest Mining Ltd, Cadia Valley Operations Presentation, OzGold International Study Tour, November 2011.

*The information in this report that relates to Mineral Resources and Exploration Results are based on information compiled by Mr Mark Arundell who is a Member of the Australian Institute of Geoscientists. Mr Arundell is a consultant to Oakland Resources Limited. Mr Arundell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Arundell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

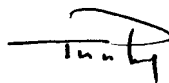
### AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Oakland Resources Limited 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:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

*RSM Bird Cameron Partners*

RSM BIRD CAMERON PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 14 February 2013

**Consolidated Statement of Comprehensive Income**

for the half-year ended 31 December 2012

	Note	Consolidated 2012 \$	Company 2011 \$
<b>Continuing operations</b>			
Interest revenue		14,343	38,760
Other revenue		-	364
<b>Revenue</b>		<b>14,343</b>	<b>39,124</b>
Listing and public company expenses		(25,546)	(18,563)
Accounting and audit expenses		(16,577)	(25,398)
Consulting and directors' fees		(107,625)	(108,452)
Insurance expenses		(13,428)	(14,452)
Occupancy expenses		(60,000)	(60,000)
Depreciation		(215)	(107)
Impairment of exploration expenditure	3	(130,681)	-
Legal expenses		(14,196)	(2,478)
Marketing expenses		(680)	-
Administrative expenses		(6,801)	(19,555)
<b>Loss before income tax</b>		<b>(361,406)</b>	<b>(209,881)</b>
Income tax expense		-	-
<b>Loss after income tax</b>		<b>(361,406)</b>	<b>(209,881)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the half-year</b>		<b>(361,406)</b>	<b>(209,881)</b>
<b>Loss per share</b>			
Basic and diluted loss per share (cents per share)		(1.20)	(0.70)

**Consolidated Statement of Financial Position**  
as at 31 December 2012

	Note	Consolidated 31 December 2012 \$	Company 30 June 2012 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		698,125	958,392
Trade and other receivables		93,047	75,485
<b>Total Current Assets</b>		<b>791,172</b>	<b>1,033,877</b>
<b>Non-Current Assets</b>			
Deferred exploration and evaluation expenditure	3	453,975	413,143
Plant and equipment		1,181	1,396
Other receivables		40,000	40,000
<b>Total Non-Current Assets</b>		<b>495,156</b>	<b>454,539</b>
<b>Total Assets</b>		<b>1,286,328</b>	<b>1,488,416</b>
<b>Current Liabilities</b>			
Trade and other payables		204,367	45,049
<b>Total Current Liabilities</b>		<b>204,367</b>	<b>45,049</b>
<b>Total Liabilities</b>		<b>204,367</b>	<b>45,049</b>
<b>Net Assets</b>		<b>1,081,961</b>	<b>1,443,367</b>
<b>Equity</b>			
Issued capital		3,402,780	3,402,780
Reserves		1,627,864	1,627,864
Accumulated losses		(3,948,683)	(3,587,277)
<b>Total Equity</b>		<b>1,081,961</b>	<b>1,443,367</b>



**Consolidated Statement of Changes in Equity**

for the half-year ended 31 December 2012

<b>Consolidated</b> Period ended 31 December 2012	<b>Issued Capital</b> \$	<b>Share Based</b> <b>Payment Reserve</b> \$	<b>Accumulated</b> <b>Losses</b> \$	<b>Total</b> \$
<b>Balance as at 1 July 2012</b>	<b>3,402,780</b>	<b>1,627,864</b>	<b>(3,587,277)</b>	<b>1,443,367</b>
<b>Total comprehensive loss for the half-year</b>				
Loss for the half-year	-	-	(361,406)	(361,406)
<i>Other comprehensive income</i>	-	-	-	-
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>-</b>	<b>(361,406)</b>	<b>(361,406)</b>
<b>Balance at 31 December 2012</b>	<b>3,402,780</b>	<b>1,627,864</b>	<b>(3,948,683)</b>	<b>1,081,961</b>

<b>Company</b> Period ended 31 December 2011	<b>Issued capital</b> \$	<b>Share Based</b> <b>Payment Reserve</b> \$	<b>Accumulated</b> <b>Losses</b> \$	<b>Total</b> \$
<b>Balance as at 1 July 2011</b>	<b>3,402,780</b>	<b>1,627,864</b>	<b>(1,999,597)</b>	<b>3,031,047</b>
<b>Total comprehensive loss for the half-year</b>				
Loss for the half-year	-	-	(209,881)	(209,881)
<i>Other comprehensive income</i>	-	-	-	-
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>-</b>	<b>(209,881)</b>	<b>(209,881)</b>
<b>Balance at 31 December 2011</b>	<b>3,402,780</b>	<b>1,627,864</b>	<b>(2,209,478)</b>	<b>2,821,166</b>

**Consolidated Statement of Cash Flows**  
for the half-year ended 31 December 2012

Note	Consolidated 2012 \$	Company 2011 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(109,070)	(296,871)
Interest received	14,343	38,760
<b>Net cash flows used in operating activities</b>	<u>(94,727)</u>	<u>(258,111)</u>
<b>Cash flows from investing activities</b>		
Payments for plant and equipment	-	(1,718)
Payments for tenement expenditure guarantees	(10,000)	-
Payments for exploration and evaluation expenditure	(155,540)	(762,397)
<b>Net cash used in investing activities</b>	<u>(165,540)</u>	<u>(764,115)</u>
<b>Net decrease in cash and cash equivalents</b>	(260,267)	(1,022,226)
Cash and cash equivalents at beginning of period	958,392	2,326,424
<b>Cash and cash equivalents at the end of the period</b>	<u>698,125</u>	<u>1,304,198</u>

**Notes to the Consolidated Financial Statements**

for the half-year ended 31 December 2012

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****Corporate Information**

This general purpose half-year financial report of Oakland Resources Limited and its subsidiary (the Group) for the half-year ended 31 December 2012 was authorised for issue in accordance with a resolution of the directors on 14 February 2013.

Oakland Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in the Director's Report.

**Basis of Preparation**

This financial report for the half-year ended 31 December 2012 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

These half-year financial statements do not include all notes of the type normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial statements.

It is recommended that the half-year financial statements be read in conjunction with the annual financial statements for the year ended 30 June 2012 and considered together with any public announcements made by Oakland Resources Limited during the half-year ended 31 December 2012 in accordance with the continuous disclosure obligations of the ASX listing rules.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period. The accounting policies adopted are consistent with those of the previous financial year.

**New and amending Accounting Standards and Interpretations**

In the half-year ended 31 December 2012, the Group has 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 2012.

It has been determined by the Group 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 the Group accounting policies.

The Group has 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 the Company accounting policies.

**Notes to the Consolidated Financial Statements**

for the half-year ended 31 December 2012

**NOTE 2: SEGMENT REPORTING**

For management purposes, the Group is organised into one main operating segment, which involves exploration for gold and other minerals. All of the Company's activities are interrelated, and discrete financial information is reported to the Executive Chairman (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

**NOTE 3: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE**

	31 December 2012 \$	30 June 2012 \$
At beginning of the period	413,143	857,141
Exploration expenditure during the period	171,513	764,798
Impairment	(130,681)	(1,208,796)
Total deferred exploration and evaluation expenditure	<u>453,975</u>	<u>413,143</u>

The ultimate recoupment of costs carried forward as exploration expenditure is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

**NOTE 4: DIVIDENDS**

No dividends have been paid or provided for during the half-year (2011: nil).

**NOTE 5: COMPARATIVE FIGURES**

The Group incorporated a subsidiary on 22 October 2012. The current period balances reflect the consolidated entity (Group) while the comparatives reflect only the balances of the parent entity.

**NOTE 6: CONTINGENT LIABILITIES**

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

**NOTE 7: SUBSEQUENT EVENTS**

On 7 February 2013 the Company announced that it had entered into an implementation agreement to acquire 100% of Castillo Copper Limited. Castillo is an unlisted Chilean copper explorer that is focussed on discovering and/or acquiring and then developing economic Copper deposits in Chile. The Company expects to convene a general meeting of shareholders to be held as soon as practical to obtain shareholders' approval of the acquisition.

There are no other significant events subsequent to the end of the period.

**DIRECTORS' DECLARATION**

In the opinion of the directors of Oakland Resources Limited and its subsidiary (the 'Group'):

1. The financial statements and notes thereto, as set out on pages 4 to 9, are in accordance with the Corporations Act 2001 including:
  - a. complying with Accounting Standards and the Corporations Regulations 2001; and
  - b. giving a true and fair view of the Group'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 Group 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.



**Scott Funston**  
**Executive Director**  
14 February 2013

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
OAKLAND RESOURCES LIMITED**

We have reviewed the accompanying half-year financial report of Oakland Resources Limited which comprises the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and 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 of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

*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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 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 Oakland Resources 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 Oakland Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

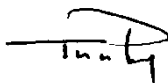
*Conclusion*

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 Oakland Resources Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 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*.

*RSM Bird Cameron Partners*

RSM BIRD CAMERON PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 14 February 2013