

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

Half-Year Report and Appendix 4D

For the half-year ended 31 December 2016

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

Results for Announcement to the Market for the half-year end 31 December 2016

Current Reporting Period: Half-year end 31 December 2016
Previous Reporting Period: Half-year end 31 December 2015

1. Revenue and Net Profit

		Percentage change (%)		Amount \$
Revenue	Up	11.3%	to	7,291
Net loss	Down	(94.1%)	to	(375,992)

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 2016 was \$22,179 (31 December 2015: \$375,992).

The Board continues to assess various opportunities in the resources sector and in particular, early-mid stage exploration. The Company aims to acquire a suitable project and submit to the ASX for re-quotation of its securities.

The Company has consistently reduced corporate costs in the last year with the aim of carrying minimum overheads to preserve cash assets to pursue new opportunities.

At the end of the half-year period ending 31 December 2016 the Company had net assets of \$2,223,919.

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 2016.

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

4. Net Tangible Asset per Security

NTA Backing	31 December 2016	31 December 2015
Net Tangible Assets	2,223,919	2,427,346
Securities on issue	51,000,000	51,000,000
Net Tangible Asset Backing per Security (cents/security)	<u>4.36</u>	<u>4.76</u>

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

None

6. Details of Associates and Joint Venture Entities

None

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

For the half-year ended 31 December 2016

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

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OAKAJEE CORPORATION LIMITED

ACN 123 084 453

CORPORATE DIRECTORY

DIRECTORS:	Mr Mark Jones Mr Garry Thomas Mr Doug Rose
COMPANY SECRETARY:	Ms Krystal Kirou
REGISTERED AND PRINCIPAL OFFICE:	39 Clifton Street Nedlands WA 6009 Telephone: +61 8 9389 6032 Facsimile: +61 8 9389 8226
POSTAL ADDRESS:	39 Clifton Street Nedlands WA 6009
WEBSITE:	www.oakajeecorp.com.au
SHARE REGISTRY:	Advanced Share Registry Services 110 Stirling Highway Nedlands WA 6009
SECURITIES EXCHANGE:	Australian Securities Exchange (ASX: OKJ) Level 40, Central Park 152-158 St George's Terrace Perth WA 6000
AUDITOR:	HLB Mann Judd 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 Group for the half-year ended 31 December 2016. 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.

Mark Jones	Managing Director
Doug Rose	Non-executive Director
Garry Thomas	Non-executive Director

Review of Operations

The net loss after income tax attributable to members of the Company for the half-year ended 31 December 2016 was \$22,179 (31 December 2015: \$375,992).

The Board continues to assess various opportunities in the resources sector and in particular, early-mid stage exploration. The Company aims to acquire a suitable project and submit to the ASX for re-quotations of its securities.

The Company has consistently reduced corporate costs in the last year with the aim of carrying minimum overheads to preserve cash assets to pursue new opportunities.

At the end of the half-year period ended 31 December 2016, the Company had net assets of \$2,223,919.

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 2016.

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



Mark Jones
Managing Director

24 February 2017

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Oakajee Corporation Limited for the half year ended 31 December 2016 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
24 February 2017

N G Neill
Partner

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Not e	Six months to 31 December 2016 \$	Six months to 31 December 2015 \$
Revenue	2	7,291	6,549
Other income	2	145,105	
Expenses			
Administration expenses		60,502	58,158
Employee benefits expense	2	85,927	90,535
Depreciation and amortisation expense	2	590	678
Impairment expense	2	-	225,944
Travel expenses		27,556	7,226
Loss before income tax		(22,179)	(375,992)
Income tax benefit		-	-
Loss after tax for the period		(22,179)	(375,992)
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		549	110,000
Income tax relating to components of other comprehensive income		-	-
<i>Items that have been reclassified to profit or loss</i>			
Net change in the fair value of realised available-for-sale financial assets reclassified to profit or loss		(30,000)	-
Other comprehensive income/(loss) for the period, net of tax		(29,451)	110,000
Total comprehensive (loss) for the period		(51,630)	(265,992)
Basic and Diluted Loss per share (cents per share)	3	(0.04)	(0.74)

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 2016

	Note	31 December 2016 \$	30 June 2016 \$
Current assets			
Cash and cash equivalents		934,401	878,698
Trade and other receivables		1,828	1,345
Other financial assets		2,917	6,417
Total current assets		939,146	886,460
Non-current assets			
Property, plant and equipment		1,181	1,771
Available-for-sale financial assets	8	1,362,000	1,467,000
Total non-current assets		1,363,181	1,468,771
Total assets		2,302,327	2,355,231
Current liabilities			
Trade and other payables		78,408	79,682
Total current liabilities		78,408	79,682
Total liabilities		78,408	79,682
Net assets		2,223,919	2,275,549
Equity			
Issued capital	3	7,131,169	7,131,169
Reserves		552,549	582,000
Accumulated losses		(5,459,799)	(5,437,620)
Total equity		2,223,919	2,275,549

The accompanying notes form part of these financial statements.

OAKAJEE CORPORATION LIMITED

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CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Issued Capital	Unrealised Gains Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
At 1 July 2016	7,131,169	582,000	(5,437,620)	2,275,549
Net loss for the period	-	-	(22,179)	(22,179)
Net change in the fair value of available-for-sale financial assets	-	549	-	549
Reclassification to profit or loss on disposal of available-for-sale financial assets	-	(30,000)	-	(30,000)
Income tax relating to components of other comprehensive income	-	-	-	-
Issue of share capital	-	-	-	-
At 31 December 2016	7,131,169	552,549	(5,459,799)	2,223,919

	Issued Capital	Unrealised Gains Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
At 1 July 2015	7,131,169	484,000	(4,921,831)	2,693,338
Net loss for the period	-	-	(375,992)	(375,992)
Net change in the fair value of available-for-sale financial assets	-	110,000	-	110,000
Reclassification to profit or loss on impairment of available-for-sale financial assets	-	-	-	-
Income tax relating to components of other comprehensive income	-	-	-	-
Issue of share capital	-	-	-	-
At 31 December 2015	7,131,169	594,000	(5,297,823)	2,427,346

The accompanying notes form part of these financial statements.

OAKAJEE CORPORATION LIMITED

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CONDENSED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Six months to 31 December 2016 \$	Six months to 31 December 2015 \$
	Inflows/(Outflows)	
Cash flows from operating activities		
Payments to suppliers and employees	(172,189)	(130,588)
Interest received	7,238	6,549
Net cash flows used in operating activities	(164,951)	(124,039)
Cash flows from investing activities		
Payments for purchase of available-for-sale financial assets	(41,451)	(183,944)
Proceeds from sale of available-for-sale financial assets	262,105	-
Payments for purchase of property, plant and equipment	-	(714)
Net cash flows provided by/(used in) investing activities	220,654	(184,658)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	-	-
Net cash flows provided by financing activities	-	-
Net increase/(decrease) in cash held	55,703	(308,697)
Cash at the beginning of the period	878,698	807,077
Cash at the end of the period	934,401	498,380

The accompanying notes form part of these financial statements.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

1. Statement of Significant Accounting Policies

(a) Statement of compliance

These half-year consolidated 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 financial 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 Group 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 2016 and any public announcements made by Oakajee Corporation Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the impact (if any) of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

(b) Basis of preparation

The half-year financial 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 half-year financial report, the half-year has been treated as a discrete reporting period.

(c) Significant accounting judgements, estimates and assumptions

The preparation of half-year financial report requires management to make judgments, 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 half-year financial report, the significant judgments 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 2016.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

1. Statement of Significant Accounting Policies (continued)**(d) Adoption of new and revised Accounting Standards**

In the half-year ended 31 December 2016, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for the current half-year reporting period.

It has been determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business or the amounts reported for the half-year reporting period. The Company has therefore not adopted new and revised Standards and Interpretations in the current period.

(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 2016 of \$934,401 and net operating cash outflows for the half year end 31 December 2016 of \$164,951.

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 \$1,362,000 at 31 December 2016. 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 2016 \$	31 December 2015 \$
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	7,291	6,549
(b) Other Income		
Gain on sale of listed investments	145,105	-

OAKAJEE CORPORATION LIMITED

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

2. LOSS BEFORE INCOME TAX EXPENSE (continued)	31 December 2016 \$	31 December 2015 \$
(b) <i>Depreciation</i>		
Property plant and equipment	590	678
(c) <i>Employee benefits expenses</i>		
Directors' fees and salaries	72,831	73,543
Employees' salaries	1,725	5,395
Superannuation	7,083	7,309
Annual leave expense	4,288	4,288
	<u>85,927</u>	<u>90,535</u>
(d) <i>Impairment expense</i>		
Available-for-sale financial assets	-	225,944

3. ISSUED CAPITAL	31 December 2016 \$	30 June 2016 \$
<i>Ordinary shares</i>		
Issued and fully paid	7,131,169	7,131,169

	Six months to 31 December 2016		Year to 30 June 2016	
	No.	\$	No.	\$
<i>Movements in ordinary shares</i>				
Balance at beginning of period	51,000,000	7,131,169	51,000,000	7,131,169
<i>No movement</i>				
Balance at end of period	51,000,000	7,131,169	51,000,000	7,131,169

(b) <i>Loss per Share</i>	31 December 2016 \$	31 December 2015 \$
Basic loss per share (cents per share)	(0.04)	(0.74)
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share	51,000,000	51,000,000
Loss used in the calculation of basic loss per share (\$)	(22,179)	(375,992)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

4. SEGMENT REPORTING

AASB 8 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.

5. CONTINGENT LIABILITIES

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

6. RELATED PARTY TRANSACTIONS

During the period, Oakajee Corporation Limited paid \$10,398 (excluding GST) to a related entity of Mark Jones for rental of office premises.

Oakajee Corporation Limited has an agreement with a related entity of Mark Jones and Doug Rose, EZA Corporation Limited, to sub-lease its office premises. The Company was paid \$6,500 during the period.

There were no other related party transactions during the half year ended 31 December 2016.

7. EVENTS SUBSEQUENT TO REPORTING DATE

On 6 February 2017, the Company lodged a Prospectus with ASIC and ASX seeking to raise up to approximately \$85,000 before issue costs by a non-renounceable pro rata offer to eligible shareholders of approximately 17,000,000 new unlisted options at an issue price of \$0.005 per new option on the basis of one new option for every three existing shares.

No other matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs in future financial years.

8. FINANCIAL INSTRUMENTS

This note provides information about how the Company determines fair values of various financial assets and liabilities.

AASB 7 Financial Instruments Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

There were no transfers between levels in the period.

OAKAJEE CORPORATION LIMITED

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

8. FINANCIAL INSTRUMENTS (CONTINUED)

The following table presents the Company's assets and liabilities measured and recognised at fair value:

31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Available- for- sale financial assets	1,362,000	-	-	1,362,000
	1,362,000	-	-	1,362,000

31 December 2015	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Available- for- sale financial assets	2,020,000	-	-	2,020,000
	2,020,000	-	-	2,020,000

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

DIRECTORS' DECLARATION

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

1. The attached financial statements and notes thereto 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 2016 and of its performance for the half-year then ended; and
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.



Mark Jones
Managing Director

24 February 2017

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 2016, the condensed statement of profit or loss and other comprehensive income, the condensed statement of changes in equity and the 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 gives a true and fair view and 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 31 December 2016 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*.

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 2016 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*.

A handwritten signature in blue ink that reads 'HLB Mann Judd'.

HLB Mann Judd
Chartered Accountants

A handwritten signature in blue ink that reads 'Norman G. Neill'.

N G Neill
Partner

Perth, Western Australia
24 February 2017