

FORM: Half yearly/preliminary final report

Name of issuer

Stacpoole Investments Ltd

ACN or ARBN	Half yearly (tick)	Preliminary final (tick)	Half year/financial year ended (Current period)
150 351 483	X		

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

		\$A,000
Revenue (item 1.1)	up/down 0 %	to 0
Profit (loss) for the period (item 1.9)	up/down %	to
	Down 73%	(44)
Profit (loss) for the period attributable to members of the parent (item 1.11)	up/down %	To
Dividends	Current period	Previous corresponding period
Franking rate applicable:	Nil	Nil
Final dividend (preliminary final report only)(item 10.13-10.14)		
Amount per security	Nil	Nil
Franked amount per security		
Interim dividend (Half yearly report only) (item 10.11 – 10.12)		
Amount per security	Nil	Nil
Franked amount per security		
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:		

Consolidated income statement *(The figures are not equity accounted)**(see note 3)**(as per paragraphs 81-85 and 88-94 of AASB 101: Presentation of Financial Statements)*

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Revenues <i>(item 7.1)</i>	Nil	Nil
1.2 Expenses, excluding finance costs <i>(item 7.2)</i>	44	165
1.3 Finance costs		
1.4 Share of net profits (losses) of associates and joint ventures <i>(item 15.7)</i>		
1.5 Profit (loss) before income tax	(44)	(165)
1.6 Income tax expense <i>(see note 4)</i>		
1.7 Profit (loss) from continuing operations	(44)	(165)
1.8 Profit (loss) from discontinued operations <i>(item 13.3)</i>		
1.9 Profit (loss) for the period	(44)	(165)
1.10 Profit (loss) attributable to minority interests		
1.11 Profit (loss) attributable to members of the parent		
1.12 Basic earnings per security <i>(item 9.1)</i>	(0.053)	(22.09)
1.13 Diluted earnings per security <i>(item 9.1)</i>	(0.053)	(22.09)
1.14 Dividends per security <i>(item 9.1)</i>	Nil	Nil

Comparison of half-year profits*(Preliminary final statement only)*

	Current period - \$A'000	Previous corresponding period - \$A'000
2.1 Consolidated profit (loss) after tax attributable to members reported for the 1st half year <i>(item 1.11 in the half yearly statement)</i>		
2.2 Consolidated profit (loss) after tax attributable to members for the 2nd half year		

Consolidated balance sheet

(See note 5)

(as per paragraphs 68-69 of AASB 101: Financial Statement Presentation)

Current assets		Current period - \$A'000	Previous corresponding period - \$A'000
3.1	Cash and cash equivalents	8	8
3.2	Trade and other receivables	231	87
3.3	Inventories		
3.4	Other current assets (provide details if material)		
3.5	Total current assets	239	95
Non-current assets			
3.6	Available for sale investments		
3.7	Other financial assets		
3.8	Investments in associates		
3.9	Deferred tax assets		
3.10	Exploration and evaluation expenditure capitalised (see para. 71 of AASB 1022 – new standard not yet finalised)		
3.11	Development properties (mining entities)		
3.12	Property, plant and equipment (net)		
3.13	Investment properties		
3.14	Goodwill		
3.15	Other intangible assets		
3.16	Other (provide details if material)		
3.17	Total non-current assets		
3.108	Total assets	239	95
Current liabilities			
3.19	Trade and other payables	168	45
3.20	Short term borrowings	328	197
3.21	Current tax payable		
3.22	Short term provisions		
3.23	Current portion of long term borrowings		
3.24	Other current liabilities (provide details if material)		
		496	242
3.25	Liabilities directly associated with non-current assets classified as held for sale (para 38 of AASB 5)		
3.26	Total current liabilities	496	242
Non-current liabilities			

		Current period - \$A'000	Previous corresponding period - \$A'000
3.27	Long-term borrowings		
3.28	Deferred tax liabilities		
3.29	Long term provisions		
3.30	Other (provide details if material)		
3.31	Total non-current liabilities		
3.32	Total liabilities	496	242
3.33	Net assets	(257)	(147)
	Equity		
3.34	Share capital	89	7
3.35	Other reserves	112	112
3.36	Retained earnings	(458)	(267)
	Amounts recognised directly in equity relating to non-current assets classified as held for sale		
3.37	Parent interest		
3.38	Minority interest		
3.39	Total equity	(257)	(148)

Consolidated statement of changes in equity

(as per paragraphs 96-97 of AASB 101: Presentation of Financial Statements)

		Current period – A\$'000	Previous corresponding period – A\$'000
	Revenues recognised directly in equity:	Nil	Nil
	Expenses recognised directly in equity:	Nil	NIL
4.1	Net income recognised directly in equity	Nil	Nil
4.2	Profit for the period	(44)	(165)
4.3	Total recognised income and expense for the period	(44)	(165)
	Attributable to:		
4.4	Members of the parent	(44)	(165)
4.5	Minority interest		
	Effect of changes in accounting policy (as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors):		
4.6	Members of the parent entity	Nil	Nil
4.7	Minority interest	Nil	Nil

Consolidated statement of cash flows

(See note 6)

(as per AASB 107: Cash Flow Statements)

		Current period - \$A'000	Previous corresponding period - \$A'000
	Cash flows related to operating activities		
5.1	Receipts from customers	0	0
5.2	Payments to suppliers and employees	(78)	0
5.3	Interest and other costs of finance paid		
5.4	Income taxes paid		
5.5	Other (provide details if material)		
5.6	Net cash used in operating activities	(78)	0
	Cash flows related to investing activities		
5.7	Payments for purchases of property, plant and equipment		
5.8	Proceeds from sale of property, plant and equipment		
5.9	Payment for purchases of equity investments		
5.10	Proceeds from sale of equity investments		
5.11	Loans to other entities		
5.12	Loans repaid by other entities		
5.13	Interest and other items of similar nature received		
5.14	Dividends received		
5.15	Other (provide details if material)		
5.16	Net cash used in investing activities		
	Cash flows related to financing activities		
5.17	Proceeds from issues of securities (shares, options, etc.)		
5.18	Proceeds from borrowings	78	0
5.19	Repayment of borrowings		
5.20	Dividends paid		
5.21	Other (provide details if material)		
5.22	Net cash used in financing activities	78	0
	Net increase (decrease) in cash and cash equivalents		
5.23	Cash at beginning of period (see Reconciliations of cash)	7	7
5.24	Exchange rate adjustments to item 5.23		
5.25	Cash at end of period (see Reconciliation of cash)	7	7

Reconciliation of cash provided by operating activities to profit or loss

(as per paragraph Aus20.1 of AASB 107: Cash Flow Statements)

		Current period \$A'000	Previous corresponding period \$A'000
6.1	Profit (item 1.9)	(44)	(165)
	Adjustments for:		
6.2			
6.3			
6.4			
6.5	Increase/decrease in	(27)	(58)
6.6	Increase/decrease in	(3)	(4)
6.7	Increase/decrease in	(5)	24
6.8	Increase/decrease in	79	91
6.9	Increase/decrease in		
6.10	Net cash from operating activities (item 5.6)	0	0

Notes to the financial statements

Details of revenues and expenses

(see note 16)

(Where items of income and expense are material, disclose nature and amount below in accordance with paragraphs 86-87 of AASB 101: Presentation of Financial Statements)

		Current period - \$A'000	Previous corresponding period - \$A'000
	Revenue	0	0
7.1	Total Revenue		
	Expenses	44	165
7.2	Total Expenses		
	Profit (loss) before tax	(44)	(165)

Ratios

		Current period	Previous corresponding period
	Profit before tax / revenue		
8.1	Consolidated profit (loss) before tax (item 1.5) as a percentage of revenue (item 1.1)	0	0
	Profit after tax / equity interests	0	0
8.2	Consolidated profit (loss) after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 3.37)		

Earnings per Security

- 9.1 Provide details of basic and fully diluted EPS in accordance with paragraph 70 and Aus 70.1 of AASB 133: Earnings per Share below:

Loss of 5.3 cents per share

Dividends

- 10.1 Date the dividend is payable

- 10.2 Record date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer)

- 10.3 If it is a final dividend, has it been declared?

(Preliminary final report only)

- 10.4 The dividend or distribution plans shown below are in operation.

The last date(s) for receipt of election notices to the dividend or distribution plans

- 10.5 Any other disclosures in relation to dividends or distributions

Dividends paid or provided for on all securities

(as per paragraph Aus126.4 AASB 101: Presentation of Financial Statements)

		Current period - \$A'000	Previous corresponding period - \$A'000	Franking rate applicable
	Dividends paid or provided for during the reporting period			
10.6	Current year interim			
10.7	Franked dividends			
10.8	Previous year final			
10.9	Franked dividends			
	Dividends proposed and not recognised as a liability			
10.10	Franked dividends			

Dividends per security

(as per paragraph Aus126.4 of AASB 101: Presentation of Financial Statements)

		Current year	Previous year	Franking rate applicable
	Dividends paid or provided for during the reporting period			
10.11	Current year interim			
10.12	Franked dividends – cents per share			
10.13	Previous year final			
10.14	Franked dividends – cents per share			
	Dividends proposed and not recognised as a liability			
10.15	Franked dividends – cents per share			

Exploration and evaluation expenditure capitalised

To be completed only by issuers with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit

	Current period \$A'000	Previous corresponding period \$A'000
11.1 Opening balance		
11.2 Expenditure incurred during current period		
11.3 Expenditure written off during current period		
11.4 Acquisitions, disposals, revaluation increments, etc.		
11.5 Expenditure transferred to Development Properties		
11.6 Closing balance as shown in the consolidated balance sheet (item 3.10)		

Development properties

(To be completed only by issuers with mining interests if amounts are material)

	Current period \$A'000	Previous corresponding period \$A'000
12.1 Opening balance		
12.2 Expenditure incurred during current period		
12.3 Expenditure transferred from exploration and evaluation		
12.4 Expenditure written off during current period		
12.5 Acquisitions, disposals, revaluation increments, etc.		
12.6 Expenditure transferred to mine properties		
12.7 Closing balance as shown in the consolidated balance sheet (item 3.11)		

Discontinued Operations

(see note 18)

(as per paragraph 33 of AASB 5: Non-current Assets Held for Sale and Discontinued Operations)

	Current period – A\$'000	Previous corresponding period – A\$'000
13.1 Revenue		
13.2 Expense		
13.3 Profit (loss) from discontinued operations before income tax		
13.4 Income tax expense <i>(as per para 81 (h) of AASB 112)</i>		
13.5 Gain (loss) on sale/disposal of discontinued operations		
13.6 Income tax expense <i>(as per paragraph 81(h) of AASB 112)</i>		

Movements in Equity

(as per paragraph 97 of AASB 101: Financial Statement Presentation)

		Number issued	Number listed	Paid-up value (cents)	Current period – A\$'000	Previous corresponding period – A\$'000
14.1	Preference securities <i>(description)</i>					
14.2	Balance at start of period					
14.3	a) Increases through issues					
14.4	a) Decreases through returns of capital, buybacks etc.					
14.5	Balance at end of period					
14.6	Ordinary securities <i>(description)</i>					
14.7	Balance at start of period	827,700	0		89	7
14.8	a) Increases through issues					
14.9	b) Decreases through returns of capital, buybacks etc.					
14.10	Balance at end of period	827700	0	89	89	7
14.11	Convertible Debt Securities <i>(description & conversion factor)</i>					
14.12	Balance at start of period					
14.13	a) Increases through issues					
14.14	b) Decreases through maturity, converted.					
14.15	Balance at end of period					

		Number issued	Number listed	Paid-up value (cents)	Current period – A\$'000	Previous corresponding period – A\$'000
14.16	Options <i>(description & conversion factor)</i>					
14.17	Balance at start of period	1,950,000	0	.0575	0	1,950,000
14.18	Issued during period					
14.19	Exercised during period					
14.20	Expired during period					
14.21	Balance at end of period	1,950,000	0	.0575	0	1,950,000
14.22	Debentures <i>(description)</i>					
14.23	Balance at start of period					
14.24	a) Increases through issues					
14.25	b) Decreases through maturity, converted					
14.26	Balance at end of period					
14.27	Unsecured Notes <i>(description)</i>					
14.28	Balance at start of period					
14.29	a) Increases through issues					
14.30	b) Decreases through maturity, converted					
14.31	Balance at end of period					
14.32	Total Securities					

		Current period – A\$'000	Previous corresponding period – A\$'000
Reserves		112	112
14.33	Balance at start of period		
14.34	Transfers to/from reserves		
14.35	Total for the period		
14.36	Balance at end of period	112	112
14.37	Total reserves		
Retained earnings			
14.38	Balance at start of period	(414)	(101)
14.39	Changes in accounting policy		
14.40	Restated balance		
14.41	Profit for the balance	(44)	(165)
14.42	Total for the period		
14.43	Dividends		
14.44	Balance at end of period	(458)	(266)

Details of aggregate share of profits (losses) of associates and joint venture entities*(equity method)**(as per paragraph Aus 37.1 of AASB 128: Investments in Associates and paragraph Aus 57.3 of AASB 131: Interests in Joint Ventures)*

Name of associate or joint venture entity

Reporting entities percentage holding

		Current period - \$A'000	Previous corresponding period - \$A'000
15.1	Profit (loss) before income tax		
15.2	Income tax		
15.3	Profit (loss) after tax		
15.4	Impairment losses		
15.5	Reversals of impairment losses		
15.6	Share of non-capital expenditure contracted for (excluding the supply of inventories)		
15.7	Share of net profit (loss) of associates and joint venture entities		

Control gained over entities having material effect*(See note 8)*16.1 Name of *issuer* (or *group*)16.2 Consolidated profit (loss) after tax of the *issuer* (or *group*) since
the date in the current period on which control was acquired16.3 Date from which profit (loss) in *item* 16.2 has been calculated16.4 Profit (loss) after tax of the *issuer* (or *group*) for the whole of the
previous corresponding period

\$A'000

Loss of control of entities having material effect

(See note 8)

17.1 Name of *issuer* (or *group*)

17.2 Consolidated profit (loss) after tax of the entity (or *group*) for the current period to the date of loss of control

17.3 Date from which the profit (loss) in *item 17.2* has been calculated

17.4 Consolidated profit (loss) after tax of the entity (or *group*) while controlled during the whole of the previous corresponding period

17.5 Contribution to consolidated profit (loss) from sale of interest leading to loss of control

\$A'000

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities.

		Percentage of ownership interest (ordinary securities, units etc) held at end of period or date of disposal		Contribution to profit (loss) (<i>item 1.9</i>)	
18.1	Equity accounted associated entities	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
				Equity accounted	
18.2	Total				
18.3	Other material interests			Non equity accounted (i.e. part of <i>item 1.9</i>)	
18.4	Total				

Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 114: Segment Reporting. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this statement. However, the following is the personation adopted in the Appendices to AASB 114 and indicates which amount should agree with items included elsewhere in this statement.

		Current period - \$A'000	Previous corresponding period - \$A'000
	Segments		
	Revenue:		
19.1	External sales		
19.2	Inter-segment sales		
19.3	Total (consolidated total equal to item 1.1)		
19.4	Segment result		
19.5	Unallocated expenses		
19.6	Operating profit (equal to item 1.5)		
19.7	Interest expense		
19.8	Interest income		
19.9	Share of profits of associates		
19.10	Income tax expense		
19.11	Net profit (consolidated total equal to item 1.9)		
	Other information		
19.12	Segment assets		
19.13	Investments in equity method associates		
19.14	Unallocated assets		
19.15	Total assets (equal to item 3.18)		
19.16	Segment liabilities		
19.17	Unallocated liabilities		
19.18	Total liabilities (equal to item 3.32)		
19.19	Capital expenditure		
19.20	Depreciation		
19.21	Other non-cash expenses		

NTA Backing

(see note 7)

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security		

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

21.1

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International Financial Reporting Standards

Under paragraph 39 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, an entity's first Australian-equivalents-to-IFRS's financial report shall include reconciliations of its equity and profit or loss under previous GAAP to its equity and profit or loss under Australian equivalents to IFRS's. See IG63 in the appendix to AASB 1 for guidance.

22.1

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Under paragraph 4.2 of AASB 1047: Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards, an entity must disclose any known or reliably estimable information about the impacts on the financial report had it been prepared using the Australian equivalents to IFRSs or if the aforementioned impacts are not known or reliably estimable, a statement to that effect.

22.2

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Comments by directors

Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) but may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach notes to this statement.

Basis of accounts preparation

If this statement is a half yearly statement, it is a general purpose financial report prepared in accordance with the listing rules and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the issuer during the period. This report does not include all notes of the type normally included in an annual financial report [Delete if inapplicable.]

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible). In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations (as per paragraphs 16(b), 16(b) and Aus 16.1 of AASB 134: Interim Financial Reporting)

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Any other factors which have affected the results in the period, or which are likely to affect results in the future, including those where the effect could not be quantified.

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Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

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Changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.

(Disclose changes in the half yearly statement in accordance with paragraph 16(a) of AASB 134: Interim Financial Reporting. Disclose changes in the preliminary final statement in accordance with paragraphs 28-29 of 108: Accounting Policies, Changes in Accounting Estimates and Errors.)

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An issuer shall explain how the transition from previous GAAP to Australian equivalents to IFRS' affected its reported financial position, financial performance and cash flows. (as per paragraph 38 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards)

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Revisions in estimates of amounts reported in previous periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year (as per paragraph 16(d) of AASB 134: Interim Financial Reporting)

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Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last annual report (as per paragraph 16(j) of AASB 134: Interim Financial Reporting)

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The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence (as per paragraph 16(c) of AASB 134: Interim Financial Reporting)

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Effect of changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations (as per paragraph 16(i) of AASB 134: Interim Financial Reporting)

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Annual meeting*(Preliminary final statement only)*

The annual meeting will be held as follows:

Place

Date

Time

Approximate date the annual report will be available

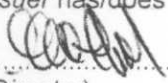
Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

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2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does/does not* (*delete one*) give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:
- | | |
|---|---|
| <input type="checkbox"/> The financial statements have been audited. | <input type="checkbox"/> The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| <input type="checkbox"/> The financial statements are in the process of being audited or subject to review. | <input type="checkbox"/> The financial statements have <i>not</i> yet been audited or reviewed. |
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)
6. The *issuer* has/does not have* (*delete one*) a formally constituted audit committee.

Sign here: 
(Director)

Date: 28/3/13

Print name: Ernest Charles Smith.

Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show the amount of the change up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section. *Issuers* are encouraged to attach notes or fuller explanations of any significant changes to any of the items in page 1. The area at the end of the announcement section can be used to provide a cross reference to any such attachment.
2. **True and fair view** If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the *issuer* must attach a note providing additional information and explanations to give a true and fair view.
3. **Consolidated statement of financial performance**
 - Item 1.1 The definition of "revenue" is set out in *AASB 118: Revenue*
 - Item 1.6 This item refers to the total tax attributable to the amount shown in *item 1.5*. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg. fringe benefits tax).
4. **Income tax** If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the issuer must explain in a note the major items responsible for the difference and their amounts. The rate of tax applicable to the franking amount per dividend should be inserted in the heading for the column "Franking rate applicable" for items in *section 9*.
5. **Consolidated statement of financial position**

Format The format of the consolidated statement of financial position should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 134: Interim Financial Reporting*, and *AASB 101: Presentation of Financial Statements*. Banking institutions, trusts and financial institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last annual report, the *issuer* must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 116: Property, Plant and Equipment*. If the *issuer* has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required.
6. **Consolidated statement of cash flows** For definitions of "cash" and other terms used in this statement see *AASB 107: Cash Flow Statements*. *Issuers* should follow the form as closely as possible, but variations are permitted if the *directors* (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 107*.
7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary *securities* (i.e. all liabilities, preference shares, outside equity interests, etc). Mining *issuers* are *not* required to state a net tangible asset backing per ordinary *security*.
8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the consolidated financial statements. Details must include the contribution for each gain or loss that increased or decreased the *issuer's* consolidated operating profit

(loss) after tax by more than 5% compared to the previous corresponding period.

9. **Equity accounting** If an *issuer* adopts equity accounting, no comparative equity accounting figures are required in the first period following its adoption.
10. **Rounding of figures** This statement anticipates that the information required is given to the nearest \$1,000. However, an *issuer* may report exact figures, if the \$A'000 headings are amended. If an *issuer* qualifies under ASIC Class Order 98/0100 dated 15 July 2004, it may report to the nearest million dollars, or to the nearest \$100,000, if the \$A'000 headings are amended.
11. **Comparative figures** Comparative figures are to be presented in accordance with AASB 101: *Presentation of Financial Statements* or AASB 134: *Interim Financial Reporting* as appropriate and are the unadjusted figures from the last annual or half year report as appropriate. However, if the previously reported figures are adjusted to achieve greater comparability, in accordance with an accounting standard or other reason, a note explaining the adjustment must be included with this statement. If no adjustment is made despite a lack of comparability, a note explaining the position should be attached.
12. **Additional information** An *issuer* may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement. The requirement under the listing rules for an *issuer* to complete this statement does not prevent the *issuer* issuing statements more frequently. Additional material lodged with the ASIC under the *Corporations Act* must also be given to the *Exchange*. For example, a *directors'* report and declaration, if lodged with the ASIC, must be given to the *Exchange*.
13. **Accounting Standards** the *Exchange* will accept, for example, the use of International Accounting Standards for *foreign issuers*. If the standards used do not address a topic, the Australian standard on that topic (if one exists) must be complied with.
14. **Borrowing corporations** This statement may be able to be used by an *issuer* required to comply with the *Corporations Act* as part of its half yearly financial statements if prepared in accordance with Australian Accounting Standards.
15. **Details of expenses** AASB 101: *Presentation of Financial Statements* requires disclosure of expenses according to either their nature or function. For foreign entities, there are similar requirements in other accounting standards accepted by the *Exchange*. *Issuers* must disclose details of expenses using the layout (by nature or function) employed in their accounts.

The information in *items 7.1 - 7.2* may be provided in an attachment to Appendix 3

Relevant items AASB 101: *Presentation of Financial Statements* requires the separate disclosure of specific revenues and expenses which are of a size, nature or incidence that disclosure is *relevant*, as defined in AASB 101, in explaining the financial performance of the *issuer*. There is an equivalent requirement in AASB 134: *Interim Financial Reporting*. For foreign entities, there are similar requirements in other accounting standards accepted by the *Exchange*.
16. **Dollars** If reporting is not in A\$, all references to \$A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.
17. **Discontinuing operations**

Entities must either provide a description of any significant activities or events relating to discontinuing operations equivalent to that required by *paragraph 7.5 (g) of AASB 134: Interim Financial Reporting*, or, the details of discontinuing operations they are required to disclose in their accounts in accordance with *AASB 5: Non-current Assets for Sale and Discontinued Operations*

In any case, the information may be provided as an attachment to this Appendix 3

STACPOOLE INVESTMENTS LTD

A.C.N. 150 351 483

FINANCIAL REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2012

Stacpoole Investments Ltd
For the period ended 31 December 2012

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Directors' Report

Your directors present this report on the company for the period ended 31 December 2012.

Directors

The names of the directors of Stacpoole Investments Ltd during the financial period and up to the date of this report are:

Name of Director	Appointed	Qualifications, experience and special responsibilities
Ernest Charles Smith	11/04/2011	The director is a Chartered Accountant with 26 years experience in the taxation and business advisory fields. He has interests in businesses that operate in the automotive trade and has been involved in property development in Vanuatu and the USA for the past five years.
Adam Paul Smith	11/04/2011	The director is a qualified accountant and insurance underwriter with 15 years experience in these fields. He has been responsible for property development in the residential and commercial real estate market in Vanuatu and USA for the past five years.
Brendan Selby Scorer	5/10/2011	<p>Brendan is a corporate services adviser with over 38 years experience in capital management, business structuring and securities advice.</p> <p>Brendan has acted as Sponsoring Broker, Nominated Adviser and Underwriter for companies both in Australia and overseas who have listed on the Stock Exchange.</p> <p>Brendan was a Director of the National Stock Exchange of Australia from 1980 - 2002 and is currently the responsible manager (Securities) at Centre Capital Securities Stock Brokers.</p>

Directors Meetings

During the six month period three directors meetings were held which were attended by all directors.

Directors' Report

Review of Operations

A review of the operations of the company during the financial year and the results of those operations are as follows:

- The company was engaged in the preparation of a prospectus for listing on the National Stock Exchange (NSX).
- The third and fourth supplementary prospectuses were prepared and lodged.
- The company has been involved in capital raising during the six month period.

Significant Changed in the State of Affairs

No significant changes in the company's state of affairs occurred during the period.

Principal Activities

As noted above, the principal activities for the period to 31 December 2012 were the preparation and lodging of the third and fourth prospectuses and capital raising programs to enable listing on the NSX.

Principal activities for future periods will be real estate development.

After Balance Date Events

Since the end of the period the company has been involved in the preparation of the NSX listing documents. The minimum capital raising requirement of \$600,000 was completed and the company successfully gained listing on the NSX on 8 March 2013.

Principal Registered Office

The principal registered office is 380 Collins Street, Melbourne.

Future developments

The likely developments of the company and the expected results of those operations in future periods are:

- The company will be engaged in the acquisition of properties in the state of California, in the United States of America.
- The Managing Director, Adam Smith, will be travelling to California on 19 March 2013, to source suitable properties for the company to renovate and sell.
- He will be establishing a LLC company to undertake the work.

Environmental Issues

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a State or Territory.

Dividends

No dividends were declared or paid since the start of the period. No recommendations for payment of dividends has been made.

Stacpoole Investments Ltd

Directors' Report

Shares under option

Unissued ordinary shares of Stacpoole Investments Ltd under option at the date of this report are as follows:

<i>Date options granted</i>	<i>Expiry date</i>	<i>Issue price of shares</i>	<i>Number under option</i>
30 November 2011	31 October 2014	\$0.0575	1,950,000

No option holder has any right under the options to participate in any other share issue of the company or any other entity in the period and there were no options outstanding at the date of this report.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premium paid or agreed to be paid, during or since the end of the period, to any person who is or has been an officer or an auditor of the company.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 307C of the *Corporations Act 2001*.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* has been included on page 5.

Auditor

PwC continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of the directors.



Ernest Charles Smith

Director

Dated: 28 March 2013

Directors' Declaration

For the period ended 31 December 2012

The directors of the company declare that:

1. the financial statements and notes as set out on pages 6 to 23 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
 - (b) give a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the period ended on that date: and
2. in the directors' opinion, 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 made in accordance with a resolution of the Board of Directors.



Ernest Charles Smith
Director

Dated: 28 March 2013



Auditor's Independence Declaration

As lead auditor for the review of Stacpoole Investments Ltd for the half-year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Stacpoole Investments Ltd during the period.

Darren Turner
Partner
PricewaterhouseCoopers

Newcastle
28 March 2013

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Liability limited by a scheme approved under Professional Standards Legislation.

**Statement of Comprehensive Income
For the Period Ended 31 December 2012**

	Note	31 December 2012 \$	31 December 2011 \$
Revenue from continuing operations		-	-
Expenses relating to continuing operations			
Share-based payments expense	9	-	(112,125)
Audit fees		(22,050)	(16,000)
Consulting fees		-	(17,700)
Taxation advice		-	(12,580)
Listing expenses		(12,150)	-
Bank fees		(140)	-
Travel expenses		(7,500)	-
Employee expenses			-
Company filing fees		(1,969)	-
Directors fees	12	-	(7,233)
Loss for period	7	<u>(43,809)</u>	<u>(165,638)</u>
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss for the period		<u>(43,809)</u>	<u>(165,638)</u>

The accompanying notes form part of these financial statements

**Statement of Changes in Equity
As at 31 December 2012**

	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance at 30 June 2012	88,770	112,125	(414,279)	(213,384)
Total Comprehensive Loss for the period	-	-	(43,809)	(43,809)
Transactions with owners in their capacity as owners				
Balance at 31 December 2012	88,770	112,125	(458,088)	(257,193)

The accompanying notes form part of these financial statements

Balance Sheet
As at 31 December 2012

	Note	31 December 2012 \$	30 June 2012 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	3	7,590	7,535
Trade and other receivables	4	231,683	201,944
TOTAL CURRENT ASSETS		239,273	209,479
TOTAL ASSETS		239,273	209,479
LIABILITIES			
Current Liabilities			
Trade and other payables	5	168,113	173,453
Borrowings	6	328,353	249,410
TOTAL CURRENT LIABILITIES		496,466	422,863
TOTAL LIABILITIES		496,466	422,863
Net Assets		(257,193)	(213,384)
Equity			
Contributed Equity	8	88,770	88,770
Other reserves	9	112,125	112,125
Accumulated losses	9	(458,088)	(414,279)
TOTAL EQUITY		(257,193)	(213,384)

The accompanying notes form part of these financial statements

Statement of Cash Flows
For the period ended 31 December 2012

	Note	31 December 2012 \$	31 December 2011 \$
Cash flow from operating activities			
Payments to suppliers and employees (inclusive of goods and services tax)		(78,686)	-
Proceeds from loans to directors		78,741	-
Net cash (outflow) from operating activities	7	55	-
Net increase in cash and cash equivalents		55	-
Cash and cash equivalents at beginning of period		7,535	7,500
Cash and cash equivalents at end of period	3	7,590	7,500

The accompanying notes form part of these financial statements

**Notes to the Financial Statements
For the period ended 31 December 2012**

Note 1 - Summary of Significant Accounting Policies

(A) Basis for Preparation

These special purpose financial statements for the six months ended 31 December 2012 have been prepared in accordance with Accounting Standards AASB 134 "Interim Financial Reporting" and other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Corporations Act 2001.

The financial report covers Stacpoole Investments Ltd as an individual entity. Stacpoole Investments Ltd is a company limited by shares, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accrual basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The financial statements have been prepared for the period 1 July 2012 to 31 December 2012.

(B) Going Concern Basis of Preparation

The continuing viability of the Company and its ability to continue as a going concern and meet its debts and commitments as they fall due are dependent upon the Company being successful in:

- i) receiving continuing support of its existing directors and shareholders, including the ongoing subordination of the amounts owing to directors and shareholders of \$496,465;
- ii) negotiating additional funding by way of ongoing capital raising programs to raise between \$2 million and \$10 million following the company's successful listing on the National Stock Exchange; and
- iii) achieving sufficient future cash flows to enable its obligations to be met.

As a result of these matters, there is a material uncertainty that may cast significant doubt on whether the Company will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. However, the directors believe that the Company will be successful in the above matters and, accordingly, have prepared the financial report on a going concern basis.

**Notes to the Financial Statements
For the period ended 31 December 2012**

(C) Accounting Policies

Income Tax

The charge for income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using then tax rates that have been enacted or are substantially enacted by the balance sheet.

Deferred tax is accounted for using the Balance Sheet liability method in respect to temporary differences arising between tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding business combinations, where there is no effect on accounting or taxable profit or loss.

Deferred income tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statements except where it relates to items that may be credited directly to equity, in which case the deferred income tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amounts of Benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Inventories

Inventories are measured at the lower of cost and net realizable value. The cost includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

Land and Buildings Held for Resale

Land and buildings held for development and resale is valued at the lower of cost and net realizable value. Cost includes the cost of acquisition, development, foreign currency movements, borrowing costs and holding costs until completion of development. Borrowing costs, foreign currency movements and holding charges incurred after development are expensed. Profits are brought to account on the signing of an unconditional contract of sale.

Notes to the Financial Statements For the period ended 31 December 2012

Property, Plant and Equipment

Property, plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed annually to ensure it is not in excess of then recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employed and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

The cost of fixed assets constructed within Stacpoole Investments Ltd includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the assets' carrying amount recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with then item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they occurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalized leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to Stacpoole Investments Ltd commencing from the time the assets is held ready for use. Leasehold improvements are depreciated over the shorter of either unexpired period of the lease or the estimated useful; lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Asset	Depreciation Rate %
Buildings	2.5%
Leasehold Improvements	10%
Plant and equipment	10%
Other plant and equipment	10%
Motor vehicles	15%
Other	10%

The asset residual values and useful lives are reviewed, and adjusted if appropriate, at each balanced sheet date.

An asset carrying amount is written down immediately it is recoverable if the assets carrying amount is greater than its estimated recoverable amount.

Notes to the Financial Statements
For the period ended 31 December 2012

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to Stacpoole Investments Ltd are classified as finance leases.

Finance leases are capitalised recording as asset and a liability equal to the present value of the minimum lease payments, including and guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that Stacpoole Investments Ltd will obtain ownership of the asset or over the term of the lease.

Leased payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating expenses are recognised as a liability and amortized on a straight line basis over the life of the lease term.

Financial Instruments

a) Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

b) Financial assets at fair value through profit and loss

A financial asset is classified in this category of acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB139, Recognition and measurement of Financial Instruments. Derivatives are also categorized as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in fair value of these assets are included in the period they arise.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are stated at amortised cost using the effective interest rate method.

**Notes to the Financial Statements
For the period ended 31 December 2012**

d) Held-to-maturity investments

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments are stated at amortised cost using the effective rate method.

e) Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising for changes in fair value are taken direct to equity.

f) Financial Liabilities

Non derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

g) Derivative Instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated hedges.

h) Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine that fair for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing methods.

i) Impairment

At each reporting date, the directors assess whether there is objective evidence that financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

Impairment of Assets

At each reporting date, the directors assess whether there is objective evidence that financial instruments has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

Notes to the Financial Statements

For the period ended 31 December 2012

Foreign Currency Transactions and Balances

a) Functional and presentation currency

The functional currency of Stacpoole Investments Ltd is measured using the currency of the primary economic environment in which it operates. The consolidated financial statements are presented in Australian dollars which is the company's functional and presentation currency.

b) Transactions and Balances

Foreign currency transactions are translated into functional currency using exchange rates prevailing at the date of transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising in the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the income statement.

c) Group Companies

The financial results and position of foreign operations whose functional currency is different from Stacpoole Investments Ltd presentation currency are translated as follows:

- Assets and liabilities are translated at year end exchange rates prevailing at the reporting date;
- Income and expenses are translated at the average exchange rates for the period;
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the company's foreign currency transaction reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

Employee Benefits

Provision is made for the liability entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled, plus related on-costs. Employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Provisions

Provisions are recognised when Stacpoole Investments Ltd has a legal or constructive obligation, as a result of past events, for which it is probable that the outflow of economic benefit will result and that the outflow can be measured reliably.

Notes to the Financial Statements For the period ended 31 December 2012

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and financial institutions, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the balance sheet.

Revenue

Revenue from the sale of goods is recognised upon the delivery of then goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financials assets.

Dividend revenue is recognised when then right to receive the dividend has been established. Dividends received from associated and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue for the rendering of service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and service tax (GST).

Prepayments

Prepayments represent future economic benefits to the company and are therefore treated as part of current assets in the balance sheet.

Prepayments at period end represent costs incurred by the company as a result of capital raising programs, and on successful raising of capital will be offset against contributed equity.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the period in which they are incurred.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Notes to the Financial Statements For the period ended 31 December 2012

Share-based payments - Options

The fair value of options granted to directors as part of their compensation benefits is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial reports based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both internally and externally.

The directors have assessed that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

Note 2 - Financial Risk Management

Risk management is carried out by the board under policies to be developed by the board of directors. The board of directors is in the process of developing those policies and risks. They identify, evaluate and hedge financial risks. The board will provide written principles for overall interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

The company's expected activities will expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company expects to use derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. Derivatives will be exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The methods will include sensitivity analysis in the case of interest rates, foreign exchange rates and other prime risks, aging analysis for credit risks and beta analysis of respect of investment portfolios to determine the market rate.

Notes to the Financial Statements
For the period ended 31 December 2012

The company holds the following financial instruments at the end of the period:

	31 December 2012 \$	30 June 2012 \$
Financial assets		
Cash and cash equivalents	7,590	7,535
	<u>7,590</u>	<u>7,535</u>
Financial liabilities		
Trade and other payables	168,113	173,453
Borrowings – Loans from related parties	328,353	249,410
	<u>496,465</u>	<u>422,863</u>

(a) Market risk

The company operates international and is exposed to foreign exchange risk arising for the various currency exposures, primarily with respect to the US dollar.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entities functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Management has set up a policy to manage foreign exchange risk against their functional currency. The company has elected to hedge foreign exchange risk exposure arising from future commercial transactions and recognise assets and liabilities using forward contracts.

(b) Credit Risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions only independently rated parties with a minimum rating of "A" are accepted.

(c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

At the end of the reporting period the company held cash of \$7,535 in cash reserves. Aside from an amount of \$84,106 accrued for audit and tax consulting fees and \$72,632 for legal fees all other amounts payable are owed to directors and are expected to be either converted to equity in the upcoming financial year or payment deferred until after the successful capital raising (refer Note 1(b)).

Notes to the Financial Statements
For the period ended 31 December 2012

Note 3 – Cash and Cash Equivalents

	31 December 2012 \$	30 June 2012 \$
Cash on hand	7,500	7,500
Cash at bank	90	35
Total cash and cash equivalents	7,590	7,535

Note 4 – Trade and Other Receivables

	31 December 2012 \$	30 June 2012 \$
GST Receivable	8,703	5,719
Prepayments – Equity raising costs	222,980	196,225
Total Trade and Other Receivables	231,683	201,944

Note 5 – Trade and Other Payables

	31 December 2012 \$	30 June 2012 \$
Trade creditors	168,113	173,453
Total Trade and other payables	168,113	173,453

Note 6 – Borrowings

	31 December 2012 \$	30 June 2012 \$
Loans from related parties*	328,353	249,410
Total borrowings	328,353	249,410

*Further information relating to amounts owing to related parties is set out in note 12.

Notes to the Financial Statements
For the period ended 31 December 2012

Note 7 – Reconciliation of profit after income tax to net cash outflow from operating activities

	31 December 2012 \$	31 December 2011 \$
Loss for the period	(43,809)	(165,638)
Change in operating assets and liabilities		
Non-cash employee benefits expense – share-based options	-	112,125
(Increase) in prepayments	(26,755)	(57,544)
(Increase) in GST Receivable	(2,984)	(3,658)
Increase / (Decrease) in trade creditors	(5,340)	114,715
Increase in borrowings	78,943	-
Net cash inflow / (outflow) from operating activities	55	-

Note 8 – Contributed Equity

(A) Share Capital

	31 December 2012 \$	30 June 2012 \$
Ordinary shares fully paid	88,770	88,770
Total share capital	88,770	88,770

(B) Ordinary Shares

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Notes to the Financial Statements
For the period ended 31 December 2012

Note 8 – Contributed Equity (cont'd)

(C) Movement in Ordinary share capital

Date issued	Details	Number of shares	Issue Price (\$)	\$
11/04/2011	Shares issued	15,000	0.50	7,500
15/01/2012	Shares issued	812,700	0.10	81,270
		<u>827,700</u>		<u>88,770</u>

(D) Capital Risk Management

The company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 9 – Other reserves and accumulated losses

(A) Other reserves

	31 December 2012 \$	30 June 2012 \$
Share-based payments	<u>112,125</u>	<u>112,125</u>
Total other reserves	<u>112,125</u>	<u>112,125</u>

Movements:

Share-based payments

Balance 1 July 2012	-
Share-based payment expense	<u>112,125</u>
Balance at 31 December 2012	<u>112,125</u>

Notes to the Financial Statements
For the period ended 31 December 2012

Note 9 – Other reserves and accumulated losses (cont'd)

(B) Accumulated losses

	31 December 2012 \$	31 June 2012 \$
Accumulated losses	(458,088)	(414,279)
Total accumulated losses	(458,088)	(414,279)
Movements:		
Balance 1 July 2012	(414,279)	
Loss for the year	(43,809)	
Balance at 31 December 2012	(458,088)	

(C) Nature and purpose of other reserves

(i) Share-based payments

The share-based payments reserve is used to recognise the grant date fair value of options issued to employees but not exercised.

Note 10 – Contingencies

Contingent Liabilities

There are no contingent liabilities as at the end of the financial period nor have any arisen subsequently up to the date of this report.

Note 11 – Commitments

There are no capital or lease commitments as at the end of the financial period nor have any arisen subsequently up to the date of this report.

Notes to the Financial Statements
For the period ended 31 December 2012

Note 12 – Related Parties

(a) Key Management Personnel compensation

	31 December 2012 \$	31 December 2011 \$
Short-term employee benefits	-	-
Directors fees	-	7,232
Share based payments	-	112,125
Total key management personnel compensation	-	119,358

The number of shares in the company held during the period 31 December 2012, by each director of Stacpoole Investments Ltd is as follows:

Details	Number of shares	Issued value of shares (\$)
Ernest Charles Smith	5,000	2,500
Adam Paul Smith	817,700	83,770
Honi Rose Behrendt	5,000	2,500

Loans from related parties balances of \$328,353 are owed to the directors at 31 December 2012. These balances relate to expenses paid at arm's length and incurred in the ordinary course of business, during the period to 31 December 2012.

(b) Transactions with other related parties

There were no transactions with other related parties for the financial period.

Note 13 – Events occurring after reporting date

Since the end of the period the company has been involved in the preparation of the NSX listing documents. The minimum capital raising requirement of \$600,000 was completed and the company successfully gained listing on the NSX on 8 March 2013.

Independent auditor's review report to the directors of Stacpoole Investments Ltd

Report on the half-year financial report

We have reviewed the accompanying half-year financial report of Stacpoole Investments Ltd (the company), which comprises the balance sheet as at 31 December 2012, and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date 31 December 2012, selected explanatory notes and the directors' declaration for the Stacpoole Investments Ltd.

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 (including the Australian Accounting Interpretations) 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 Stacpoole Investments Ltd, 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 Stacpoole Investments Ltd is not in accordance with the *Corporations Act 2001* including:

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- (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*.

Material uncertainty regarding continuation as a going concern.

We draw attention to Note 1 (b) in the financial report, which comments on the ability of the company to continue as a going concern being subject to receiving the continuing support of its directors and shareholders and the ability to raise additional funding through an capital raising programs. These conditions, along with other matters as set forth in Note 1 (b), 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 extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Matters relating to the electronic presentation of the reviewed financial report

This review report relates to the financial report of the company for the half-year 31 December 2012 included on Stacpoole Investments Ltd's web site. The company's directors are responsible for the integrity of the Stacpoole Investments Ltd's web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

PRICEWATERHOUSE COOPERS
PricewaterhouseCoopers

D A Turner
Darren Turner
Partner

Newcastle
28 March 2013