

RKS CONSOLIDATED LIMITED
ABN 20 009 264 699
AND CONTROLLED ENTITIES
FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2011

CONTENTS

	Page No.
Directors' Report	1
Auditor's Independence Declaration	11
Consolidated Statement of Comprehensive Income	12
Consolidated Statement of Financial Position	13
Consolidated Statement of Changes in Equity	14
Consolidated Statement of Cash Flows	15
Notes to the Financial Statements	16
Directors' Declaration	21
Independent Review Report	22

RKS Consolidated Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is Level 4, 95 Pitt Street, Sydney NSW 2000. The previous registered office and place of business was Level 29, 66 Goulburn Street, Sydney NSW 2000.

DIRECTORS' REPORT

The Directors present their report on the consolidated entity consisting of RKS Consolidated Limited and the entities it controlled. The following persons held office as Directors at any time during the financial year or up to the date of this report or since the end of the financial year.

Current directors:

The details of each of the current Directors' position, date of appointment, qualifications, experience and expertise and assessment of independence is listed in the table below.

Robert Spano	Director (Non Executive) – appointed 28 September 2012 & Chairman – appointed 18 April 2013
Qualifications:	Mr. Spano holds a Management Diploma
Special Responsibilities	Director
Interest in Shares & Options:	1,200,000 (3.53% of total share capital) and Options – Nil
Experience:	Mr Spano is a management specialist with over 30 years' experience in the finance industry. He began his involvement in the finance and banking industry in 1981. He established his first finance group in 1988 and founded Integrated Asset Management (IAM) in 1999, IAM became a leader in the Leasing industry and was recognised as dynamic and innovative. In 2008 Mr Spano, in a Joint Venture with CHAMP Private Equity, purchased the Alleasing Group and sold IAM into the same group. He is now a Non-Executive Director and Shareholder of Alleasing Group with CHAMP. Alleasing is the largest independent Operating lease company in Australia, with a portfolio of \$1 billion in receivables and 15,000 customers ranging from Government clients to small commercial enterprises. Mr Spano was Chairman at Aequus Capital Limited from 2004 up until its takeover by Investorfirst. He was appointed to the Board of Investorfirst in 2009 assisted management with a smooth transition, and continues to act as a director including chairing the Audit, Risk and Compliance Committee.
Directorships held in Other Listed Entities	Nil

DIRECTORS' REPORT

Suyin (Susan) Chi	Director (Non Executive) – appointed 18 April 2013
Qualifications:	Nil
Special Responsibilities	Director
Interest in Shares & Options:	Nil
Experience:	Susan Chi is the founder of Jiaren Investment Pty Ltd, an Australian Financial Services License Holder and has more than 10 years' experience in financial services and over 7 years' experience in successfully advising and dealing in capital raising, corporate advisory, mergers and acquisition, financial planning and funds management transactions. She has a Master of Commerce Degree in Australia and has a double-degree in Journalism in China. Susan Chi is a qualified Financial Planner and Investment Adviser in Australia. She is also the member of Australian Institute of Company Directors.
Directorships held in Other Listed Entities	Nil

Peter Dykes	Director (Non Executive) – appointed 11 February 2013
Qualifications:	Mr Dykes holds a Bachelor of Business (Accounting)
Special Responsibilities	Director
Interest in Shares & Options:	Nil
Experience:	Mr Dykes has more than 20 years experience in the technology industry, beginning his career as a founding member of KPMG's technology advisory practice in both Sydney and Melbourne. He subsequently co-founded a boutique technology advisory business and advised some of Australia's largest corporate clients including BHP, Boral, Telstra and General Motors Holden. Mr Dykes was an Executive Director, CFO and Company Secretary of Nexbis Ltd and played a key role during its rise from a market capitalisation of \$4 million until its successful sale for \$80 million.
Directorships held in Other Listed Entities	Current: Tempo Australia Ltd (ASX: TPP), AUV Enterprises Ltd (ASX:AUV), Exalt Resources Ltd (ASX:ERD) & Chapmans Limited (ASX:CHP) Former: Nexbis Ltd (ASX:NBS)

Company secretary

Mr Peter Dykes is company secretary. He was appointed on 18 April 2013.

Mr Peter Torney was company secretary. He was appointed on 28 September 2012 and resigned on 18 April 2013.

Ms Eryn Kestel was company secretary. She was appointed on 19 July 2011 and resigned on 29 February 2012.

Mr Steve Nicols was appointed company secretary on 9 June 2010 until his resignation on 19 July 2011.

DIRECTORS' REPORTPrevious directors:

The following people have held the position of company directors any time during the current financial year up to the date of this report. Their details including qualifications, experience and expertise and assessment of independence is listed in the table below.

Robert Whitton	Chairman (Non Executive) – appointed 28 September 2012 – resigned 18 April 2013
Peter Torney	Director (Non Executive) – appointed 28 September 2012 – resigned 18 April 2013
Troy Graham	Director (Non Executive) – appointed 7 July 2011 & Chairman appointed 2 August 2011 – resigned 28 September 2012
Delan Pagliaccio	Director (Non Executive) – appointed 2 August 2011 – resigned 28 September 2012
Jeffrey Triganza	Director (Non Executive) – appointed 2 August 2011 – resigned 28 September 2012
Tony Crimmins	Director (Non Executive) – appointed 9 June 2010 – resigned 2 August 2011
Greg Cornelsen	Director (Non Executive) – appointed 9 June 2010 – resigned 2 August 2011
Steve Nicols	Chairman (Non Executive) – appointed 9 June 2010 – resigned 19 July 2011

Robert Whitton	Chairman (Non Executive) – appointed 28 September 2012 – resigned 18 April 2013
Qualifications:	Mr Whitton holds a Bachelor of Business (Accounting) and a Graduate Certificate in Forensic Studies (Accounting).
Special Responsibilities	Chairman
Interest in Shares & Options:	125,000 (0.37% of total share capital) and Options – Nil
Experience:	Robert has a longstanding and successful career as a Chartered Accountant and Business Advisor. A specialist in business reconstruction services and Fellow of the Institute of Chartered Accountants and a Fellow of the Institute of Company Directors. Robert has more than 25 years experience gained across a range of accountancy firms, most recently as a Director of William Buck, Chartered Accountants & Advisors in Sydney, Australia. Robert is a Certified Fraud Examiner. He also is an Associate Fellow of the Australian Institute of Management and a member of the Insolvency Practitioners Association of Australia.
Directorships held in Other Listed Entities	Current: Tempo Australia Ltd (ASX: TPP), AUV Enterprises Ltd (ASX:AUV) & Exalt Resources Ltd (ASX:ERD) Former: Nexbis Ltd (ASX:NBS)

DIRECTORS' REPORT

Peter Torney	Director (Non Executive) – appointed 28 September 2012 – resigned 18 April 2013
Special Responsibilities	Director
Interest in Shares & Options:	200,000 (0.59% of total share capital) and Options – Nil
Experience:	Mr Torney is a stockbroker with over 10 years experience in the Australian financial services industry. During that time he has been involved in a number of successful stockbroking and equity capital markets businesses including Findlay Stockbroking and ASX listed Aequus Securities, later to become InvestorFirst Pty Ltd. Prior to entering the Equity market, Mr Torney has been involved in the advertising, real estate, finance, publishing and beef cattle production industries. Mr Torney has experience in retail and institutional broking, capital raisings, share placements and Initial Public Offerings.
Directorships held in Other Listed Entities	Nil

Troy Graham	Director (Non Executive) – elected 7 July 2011 & Chairman from 2 August 2011 – resigned 28 September 2012
Qualifications:	Mr Graham holds a Bachelor of Commerce and a Graduate Diploma in Business and Technology.
Interest in Shares & Options:	27,778 (0.01% of total share capital) and Options – Nil
Experience:	Mr Graham is the Managing Director of boutique investment banking firm Autus Capital which focus on emerging and middle market company engagements, including mergers and acquisitions, capital raisings, and general strategic and corporate advice. He has significant experience in the Australasian financial services sector ranging from roles in Chartered Accounting, Management Consulting, Strategy & Development, and Investment Banking. He was the national head of corporate finance for a specialist institutional funds stockbroker Australian Stockbrokers.
Directorships held in Other Listed Entities	Mr Graham is not a director of any other ASX listed company.

Delan Pagliaccio	Director (Non Executive) – appointed 2 August 2011 – resigned 28 September 2012
Special Responsibilities	Director
Interest in Shares & Options:	Nil
Experience:	Mr Pagliaccio's experience in financial services is over 15 years. Continually building on his experience and expertise Mr Pagliaccio has held directorships and responsible Manager positions with the likes of ANZ, E*Trade, Asandas Limited, IC Markets and Blue Fin Capital. As the head of dealing and derivatives at E*Trade, Mr Pagliaccio managed one of the largest retail derivatives books in Australia for almost 10 years. It was in this role that Mr Pagliaccio gained invaluable experience in order execution, risk management, margin management and platform construction. Mr Pagliaccio is currently a member of the SAA and the Institute of Company Directors.
Directorships held in Other Listed Entities	Mr Pagliaccio is not a director of any other ASX listed company.

DIRECTORS' REPORT

Jeffrey Triganza	Director (Non Executive) – appointed 2 August 2011 – resigned 28 September 2012
Qualifications:	Mr Triganza holds a Masters of Business Administration degree.
Interest in Shares & Options:	Nil
Experience:	Mr Triganza has worked in financial services for over 20 years working with companies such as the Commonwealth Bank and NAB. Mr Triganza has spent a significant amount of time researching financial markets and is currently the Managing Director of Hamilton Rhodes, a boutique broking business based in Sydney Australia.
Directorships held in Other Listed Entities	Mr Triganza is not a director of any other ASX listed company.

Tony Crimmins	Director (Non Executive) appointed 9 June 2010 - resigned 2 August 2011
Qualifications:	Mr Crimmins has a Master of Chemical Engineering and a Master of Business Administration degree.
Interest in Shares & Options:	134,028 (0.04% of total share capital) and Options – Nil
Experience:	Mr Crimmins is an experienced corporate executive, advisor and company director. He has a background in Chemical and Environmental Engineering. He brings a wealth of experience in management consulting has successfully assisted 12 businesses list onto the Australia Stock Exchange.
Directorships held in Other Listed Entities	Mr Crimmins is non executive director of ASX listed companies DVM international Limited, Reco Financial Services Limited and Xstate Resources Limited.

Greg Cornelsen	Director (Non Executive) - appointed 9 June 2010 - resigned 2 August 2011
Qualifications:	Mr Cornelsen has a Bachelor of Economics.
Interest in Shares & Options:	14,584 (0.004% of total share capital) and Options – Nil
Experience:	Mr Cornelsen has an extensive network within the Australian business community. He has been involved in a number of small business and founded two companies which were sold an ASX listed company.
Directorships held in Other Listed Entities	Mr Cornelsen is currently a director of BluGlass Limited, Blackcrest Resources Limited and Welcome Stranger Mining Limited.

Steve Nicols	Chairman (Non Executive) and Company Secretary - appointed 9 June 2010 - resigned 19 July 2011
Qualifications:	Mr Nicols has a Bachelor of Commerce and is a Certified Public Accountant (CPA)
Interest in Shares & Options:	134,028 (0.04% of total share capital) and Options – Nil
Experience:	Mr Nicols is the principal of Nicols and Brien, a specialised accounting practice with offices in Sydney and Wollongong. He provides advice to businesses for the purposes of reconstruction or profit enhancement. He has recapitalised 7 ASX listed companies.
Directorships held in Other Listed Entities	Mr Nicols previous directorships of ASX Listed companies include DVM International Ltd aka Tangiers Petroleum Ltd , Resource Star Ltd, FTD Corporation limited and Blackrest Resources Ltd. He is a current director of Welcome Stronger Mining Limited and GRP Corporation Limited.

DIRECTORS' REPORT

Directors Meetings

A number of Directors meetings were held during and since the end of the financial year. However details and formal records of such meetings were unable to be obtained.

Principal activity

The principal activity of the consolidated entity is to seek business opportunities in the exploration and development of coal tenements as well as seeking other investments that will add shareholder value.

During the year ended 2012, the consolidated entity was dormant. Prior to 30 June 2008, the principal activity of the consolidated entity was to act as an investor in a range of businesses including funds management, property development and lending sectors.

Consolidated Results

For the year ended 31 December 2011, the net result of the consolidated entity after applicable income tax for was a loss of \$516,541 (31 December 2010: loss of \$140,861).

Review of operations

The Company's securities remain suspended from official quotation on the ASX.

On 7 July 2011, in a General Meeting, the shareholders voted to:

1. Consolidate the shares on a 9 to 1 basis;
2. Issue 300 million shares on a post consolidation basis to the parties set out in the Explanatory Statement, to raise a total amount of \$100,200;
3. Elect Mr Troy Graham as a non executive director;

and pursue opportunities in the acquisition, exploration and development of coal tenements.

On 30 August 2011, the Company announced (subject to shareholder approval) it has entered into an agreement to acquire 100% of Scott Creek Coal Pty Ltd. for a purchase price of \$5,784,375. The Company will issue 19,281,250 shares at \$0.30 per share as consideration. The proposed transaction also has a number of key steps which need to be completed in sequence before moving to the next step.

The steps to complete this transaction are as follows:

1. The Company consolidates its share capital on a 16 to 1 basis;
2. The Company acquires 100% of the issued capital of SCC for \$5,784,375;
3. The Company changes its existing business to the acquisition, exploration and development of coal tenements in Queensland and elsewhere;
4. The Company will change its name to "Scott Creek Coal Limited";
5. The Company will raise up to \$4.5 million through the issue of 15,000,000 shares which will be applied towards the costs associated with this transaction, the Company's coal exploration programme, working capital requirements and general corporate purposes;
6. The company will issue a total of up to 13,605,858 shares at a minimum price of \$0.30 to a consortium of Queensland Coal Companies (QCC). This will take the holding of the QCC parties to 19.9%.
7. The company satisfies the conditions imposed by the ASX for restatement to Quotations;
8. The company meets certain cash reserves and net asset thresholds

On 19 September 2011, the Company confirmed its share registry is Security Transfer Registrar.

On 27 September 2011, the Company confirmed that its shares would be consolidated on a basis of 16:1.

On 28 September 2011, the Company announced that shareholders unanimously approved all six resolutions in relation to the above transactions.

DIRECTORS' REPORT

Review of operations

On 13 October 2011, 1,085,714 ordinary shares were issued at \$0.35 each to private and sophisticated investors to raise working capital.

On 1 August, 2012, the Company announced the proposed transaction to acquire Scott Creek Coal Pty Ltd will no longer proceed.

On 10 August 2012, the Company borrowed the sum of \$150,000 to settle creditor claims and provide working capital, the lenders were provided security over the company.

On 14 September 2012, 1,986,934 ordinary shares were issued at \$0.05 each to raise working capital.

On 28 September 2012, Robert Whitton, Robert Spano and Peter Torney were appointed Directors and Troy Graham, Delan Pagliaccio and Jeffrey Triganza resigned.

At an Extraordinary General Meeting held 30 November 2012 the share issues were ratified on 13 October 2011 and 14 September 2012 amounting to a total of 3,072,648 shares.

On 30 November 2012, shareholders were approved the issue of 6,000,000 shares to raise \$150,000, the intention being to use such funds to repay the secured loan of \$150,000.

On 30 November 2012, shareholders also voted in favour of increasing the Directors' remuneration pool.

On 2 October 2012, Robert Whitton was appointed Chairman and Peter Torney as Company Secretary.

On 5 April 2013, the company announced that it has through a letter of intent ("LOI") dated 13 March 2013 to acquire the entire issued capital of OzCrest Minerals Limited, an unlisted public company that has acquired tenements in North Queensland that contain significant polymetallic deposits which include zinc, lead, copper, silver and gold.

On 18 April 2013, Robert Whitton resigned his role as non-executive chairman. Peter Torney resigned his role as non-executive director and company secretary. Robert Spano assumed role as non-executive chairman. Ms Suyin (Susan) Chi appointed as non-executive director. Peter Dykes assumed role as company's secretary.

On 10 May 2013, 4,430,108 ordinary shares were issued at \$0.03 each to raise working capital.

Dividends

No dividends were declared for the year ended 31 December 2011 (31 December 2010: \$NIL).

Likely developments

For the likely developments in the operations of the economic entity refer to the review of operations.

Significant Changes in the State of Affairs

During the financial year, the following significant changes in the state of affairs materially impacted on the Group's operations.

On 21 July 2008, the Company advised that the major shareholders had withdrawn financial support from its wholly owned subsidiary First Capital Securities Limited (FCSL) and that Mr Greg Moloney and Mr Peter Geroff of Ferrier Hodgson have been appointed voluntary administrators of FCSL.

On 21 July 2008, the Public Trustee of Queensland pursuant to a charge over FCSL for the benefit of unsecured note holders, appointed John Grieg and Nicholas Harwood of Deloitte as receivers and managers.

On 21 July 2008, the Company advised that another of its wholly owned subsidiaries, First Capital Gulf Harbour Limited has been unable to secure full refinance for a loan held by Strategic Finance Limited.

DIRECTORS' REPORT

Significant Changes in the State of Affairs

On 7 July 2011, in a General Meeting, the shareholders voted to:

- Consolidate the shares on a 9 to 1 basis;
- Issue 300 million shares on a post consolidation basis to the parties set out in the Explanatory Statement, to raise a total amount of \$100,200;
- Elect Mr Troy Graham as a non executive director; and pursue opportunities in the acquisition, exploration and development of coal tenements.

On 30 August 2011, the Company announced (subject to shareholder approval) it has entered into an agreement to acquire 100% of Scott Creek Coal Pty Ltd. for a purchase price of \$5,784,375. The Company will issue 19,281,250 shares at \$0.30 per share as consideration. The proposed transaction also has a number of key steps which need to be completed in sequence before moving to the next step.

The steps to complete this transaction are as follows:

1. The Company consolidates its share capital on a 16 to 1 basis;
2. The Company acquires 100% of the issued capital of SCC for \$5,784,375;
3. The Company changes its existing business to the acquisition, exploration and development of coal tenements in Queensland and elsewhere;
4. The Company will change its name to "Scott Creek Coal Limited";
5. The Company will raise up to \$4.5 million through the issue of 15,000,000 shares which will be applied towards the costs associated with this transaction, the Company's coal exploration programme, working capital requirements and general corporate purposes;
6. The company will issue a total of up to 13,605,858 shares at a minimum price of \$0.30 to a consortium of Queensland Coal Companies (QCC). This will take the holding of the QCC parties to 19.9%.
7. The company satisfies the conditions imposed by the ASX for restatement to Quotations;
8. The company meets certain cash reserves and net asset thresholds

On 19 September 2011, the Company confirmed its share registry is Security Transfer Registrar.

On 27 September 2011, the Company confirmed that its shares would be consolidated on a basis of 16:1.

On 28 September 2011, the Company announced that shareholders unanimously approved all six resolutions in relation to the above transactions.

On 13 October 2011, 1,085,714 ordinary shares were issued at \$0.35 each to private and sophisticated investors to raise working capital.

DIRECTORS' REPORT

Events Subsequent to Balance Date

On 1 August, 2012, the Company announced the proposed transaction to acquire Scott Creek Coal Pty Ltd will no longer proceed.

On 10 August 2012, the Company borrowed the sum of \$150,000 to settle creditor claims and provide working capital, the lenders were provided security over the company.

On 14 September 2012, 1,986,934 ordinary shares were issued at \$0.05 each to raise working capital.

On 28 September 2012, Robert Whitton, Robert Spano and Peter Torney were appointed Directors and Troy Graham, Delan Pagliaccio and Jeffrey Triganza resigned.

At an Extraordinary General Meeting held 30 November 2012 the share issues were ratified on 13 October 2011 and 14 September 2012 amounting to a total of 3,072,648 shares.

On 30 November 2012, shareholders were approved the issue of 6,000,000 shares to raise \$150,000, the intention being to use such funds to repay the secured loan of \$150,000.

On 30 November 2012, shareholders also voted in favour of increasing the Directors' remuneration pool.

On 2 October 2012, Robert Whitton was appointed Chairman and Peter Torney as Company Secretary.

On 5 April 2013, the company announced that it has through a letter of intent ("LOI") dated 13 March 2013 to acquire the entire issued capital of OzCrest Minerals Limited, an unlisted public company that has acquired tenements in North Queensland that contain significant polymetallic deposits which include zinc, lead, copper, silver and gold.

On 18 April 2013, Robert Whitton resigned his role as non-executive chairman. Peter Torney resigned his role as non-executive director and company secretary. Robert Spano assumed role as non-executive chairman. Ms Suyin (Susan) Chi appointed as non-executive director. Peter Dykes assumed role as company's secretary.

On 10 May 2013, 4,430,108 ordinary shares were issued at \$0.03 each to raise working capital.

Other than those disclosed above, there are no other matters or circumstances that have arisen since 31 December 2011 that have significantly affect, or may significantly affect:

- the consolidated entity's operations in the future financial years, or
- the results of those operations in future financial years, or
- the consolidated entity's state of affairs in the future financial years.

Insurance of Directors and officers

The Company holds an insurance policy to insure the Directors and officers of the Company against all liabilities to other persons that may arise from their position.

Options

There were no options outstanding at the date of this report.

There were no options granted which expired during or since the end of the financial year.

DIRECTORS' REPORT

Environmental regulations

The consolidated entity's operations are not subject to environmental regulations under either Commonwealth or State legislation.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or 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 any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-Audit Services

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved by the board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditors; and
- The nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and
- Ethical Standards Board.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 December 2011 has been received and can be found on page 11 of this Annual Report.

Signed this 26 day of June 2013 in accordance with a resolution of the Directors.



Mr Robert Spano (Chairman)

**RKS CONSOLIDATED LIMITED
ABN 20 009 264 699
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF RKS CONSOLIDATED LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2011 there have been:

- (a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review, and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

N M Chadwick

Hall Chadwick
Level 29, St Martins Tower
31 Market Street, SYDNEY NSW 2000

G Webb

Graham Webb
Partner
Dated: 26 June 2013

SYDNEY

Level 29
St Martin's Tower
31 Market Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

Ph: (612) 9263 2600
Fx: (612) 9263 2800

NEWCASTLE

Ph: (612) 4969 5521
Fx: (612) 4969 6059

PARRAMATTA

Ph: (612) 9687 2100
Fx: (612) 9687 2900

PENRITH

Ph: (612) 4721 8144
Fx: (612) 4721 8155

MELBOURNE

Ph: (613) 8678 1600
Fx: (613) 8678 1699

PERTH

Ph: (618) 6557 6200
Fx: (618) 9218 8950

BRISBANE

Ph: (617) 3211 1250
Fx: (617) 3211 1249

GOLD COAST

Ph: (617) 5538 2322
Fx: (617) 5526 8599

A member of AGN
International Ltd, a
worldwide association
of separate and
independent
accounting
and consulting firms

www.hallchadwick.com.au

SYDNEY • NEWCASTLE • PARRAMATTA • PENRITH • MELBOURNE • PERTH • BRISBANE • GOLD COAST

Liability limited by a scheme approved under Professional Standards Legislation.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2011

		Consolidated Group	
		31 Dec 2011	31 Dec 2010
		\$	\$
	Note		
Revenue		138	26,643
Cost of potential acquisition		(350,425)	-
ASX listing fees		(21,951)	(20,982)
Directors fees		-	(61,750)
Legal fees and settlement costs		(9,621)	(17,312)
Professional service fees	2	(30,299)	(46,968)
Share-based payments		(92,705)	-
Other expenses		(11,678)	(20,492)
Loss before income tax		(516,541)	(140,861)
Income tax expense		-	-
Loss for the period attributable to the members of the parent entity		(516,541)	(140,861)
Other comprehensive income		-	-
Total comprehensive loss for the period		(516,541)	(140,861)
Basic and diluted earnings per share (cents per share)		(0.049)	(0.06)

The above consolidated statement of comprehensive income is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2011

		Consolidated Group	
		31 Dec 2011	30 June 2011
		\$	\$
	Note		
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		1,819	42,228
Trade and other receivables	3	62,285	-
TOTAL CURRENT ASSETS		64,104	42,228
TOTAL ASSETS		64,104	42,228
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4	208,330	80,113
Financial liabilities	5	-	70,000
TOTAL CURRENT LIABILITIES		208,330	150,113
TOTAL LIABILITIES		208,330	150,113
NET ASSETS		(144,226)	(107,885)
EQUITY			
Issued capital		32,844,200	32,364,000
Reserves		234,000	234,000
Accumulated losses		(33,222,426)	(33,705,885)
TOTAL EQUITY		(144,226)	(107,885)

The above consolidated statement of financial position is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	Ordinary Shares	Foreign Currency Translation Reserves	Accumulated Losses	Total
	\$	\$	\$	\$
Consolidated Group				
Balance at 1 July 2010	31,975,000	234,000	(32,481,080)	(272,080)
Loss attributable to members of parent entity	-	-	(140,861)	(140,861)
Shares issued during the period	389,000	-	-	389,000
Balance at 31 December 2010	32,364,000	234,000	(32,621,941)	(23,941)
 Balance at 1 July 2011	 32,364,000	 234,000	 (32,705,885)	 (107,885)
Loss attributable to members of parent entity	-	-	(516,541)	(516,541)
Shares issued during the period	480,200	-	-	480,200
Balance at 31 December 2011	32,844,200	234,000	(33,222,426)	(144,226)

The above consolidated statement of changes in equity is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	Consolidated Group	
	31 Dec 2011	31 Dec 2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	-	25,000
Payments to suppliers	(344,367)	(218,342)
Interest received	138	1,643
Net cash used in operating activities	<u>(344,229)</u>	<u>(191,699)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issues	<u>303,820</u>	-
Net cash provided by financing activities	<u>303,820</u>	-
CASH		
Net decrease in cash held	(40,409)	(191,699)
Cash at beginning of period	<u>42,228</u>	<u>219,720</u>
Cash at end of period	<u><u>1,819</u></u>	<u><u>28,021</u></u>

The above consolidated statement of cash flows is to be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2011

This financial report includes the consolidated financial statements and notes of RKS Consolidated Limited and controlled entities ('Consolidated Group' or 'Group').

1: Statement of Significant Accounting Policies

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2011 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of RKS Consolidated Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2010, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the adoption of the following new and revised Accounting Standards.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

Critical Accounting Estimates and Judgments

The critical estimates and judgments are consistent with those applied and disclosed in the June 2011 annual report.

New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period

For the half-year reporting period to 31 December 2011, a number of new and revised Accounting Standard requirements became mandatory for the first time, some of which are relevant to the Company. A discussion of these new and revised requirements that are relevant to the Company is provided below:

- AASB 124: Related Party Disclosures (December 2009)

AASB 124 (December 2009) introduces a number of changes to the accounting treatment of related parties compared to AASB 124 (December 2005, as amended), including the following:

- The definition of a "related party" is simplified, clarifying its intended meaning and eliminating inconsistencies from the definition, including:
 - the definition now identifies a subsidiary and an associate with the same investor as related parties of each other
 - entities significantly influenced by one person and entities significantly influenced by a close member of the family of that person are no longer related parties of each other;
 - the definition now identifies that, whenever a person or entity has both joint control over a second entity and joint control or significant influence over a third party, the second and third entities are related to each other; and
 - the definition now clarifies that a post-employment benefit plan and an employer sponsor of such a plan are related parties of each other.
- A partial exemption is provided from the disclosure requirements for government-related entities. Entities that are related by virtue of being controlled by the same government can provide reduced related party disclosures.

Application of AASB 124 (December 2009) did not have a significant impact on the financial statements of the Company.

1: Statement of Significant Accounting Policies

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period

- AASB 2010–4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13]

This Standard details numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;
 - adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;
 - amending AASB 101 to clarify that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
 - adding a number of examples to the list of events and transactions that require disclosure under AASB 134; and
 - making sundry editorial amendments to various Standards and Interpretations.
- Application of the amendments in AASB 2010–4 did not have a significant impact on the financial statements of the Company.

AASB 1054: Australian Additional Disclosures and AASB 2011–1: Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]

AASB 1054 sets out the Australian-specific disclosures that are additional to IFRS disclosure requirements.

The disclosure requirements in AASB 1054 were previously located in other Australian Accounting Standards

Application of AASB 1054 did not have a significant impact on the financial statements of the Company.

a. Going concern

The half year report was prepared on a going concern basis notwithstanding that the consolidated entity incurred a net loss after tax \$516,541 and a deficiency in net assets of \$144,226 as at 31 December 2011.

The half year financial statements have been prepared on a going-concern basis which contemplates continuity of normal trading activities and relation of assets and settlement of liabilities in the normal course of business.

The Company executed a deed of arrangement and creditors trust with its creditors which extinguished its liabilities as at June 2010 and removed itself from Administration.

The company is currently in the final process of recapitalising its operations. Accordingly, the Directors' are of the opinion that the company will be able to meet its current trade and other payables, as well as repay its debts as and when they fall due. Therefore, the Directors are of the opinion that the financial statements be prepared on a going-concern basis.

The stated purpose of the Company was until 1 August 2012 was to seek opportunities with a focus in the exploration and development of coal tenements, since that time it has been examining alternative opportunities.

In the event that RKS Consolidated Limited is unable to realise its object of obtaining profitable opportunities or complete any further capital raisings it will be required to realise its assets and extinguish its liabilities in a manner other than in the normal course of business such as voluntarily administration. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts or classification of liabilities that might be necessary should the consolidated entity not be able to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2011

		Consolidated Group	
		31 Dec 2011	31 Dec 2010
NOTE 2: LOSS FOR THE PERIOD	Note	\$	\$
Professional fees			
Accountant – Financial statements and other		7,814	-
Company secretarial services		14,985	12,425
Consulting Fees — Autus Capital Pty Ltd	(i)	7,500	-
Recapitalisation services			
— Nicols and Brien	(ii)	-	14,248
— Winning Corporate Services	(iii)	-	20,295
		<u>30,299</u>	<u>46,968</u>

(i) Autus Capital Pty Ltd is a recapitalisation consultancy company of which Troy Graham is a director.

(ii) Nicols and Brien is a specialist accounting firm of which Steve Nicols is a partner.

(iii) Winning Corporate Services Pty Limited is a recapitalisation consultancy company of which Tony Cummings is a principal.

		Consolidated Group	
		31 Dec 2011	30 June 2011
NOTE 3: TRADE AND OTHER RECEIVABLES		\$	\$
CURRENT			
Other receivables – related party		13,675	-
GST receivables		48,610	-
		<u>62,285</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	Consolidated Group	
	31 Dec 2011	30 June 2011
NOTE 4: TRADE AND OTHER PAYABLES	\$	\$
CURRENT		
Trade payables	164,330	25,113
Sundry payables and accrued expenses	44,000	55,000
	<u>208,330</u>	<u>80,113</u>

	Consolidated Group	
	31 Dec 2011	30 June 2011
NOTE 5: FINANCIAL LIABILITIES	\$	\$
CURRENT		
Other loans – related party	(i) -	70,000
	<u>-</u>	<u>70,000</u>

(i) The investor group including previous director Troy Graham provided a loan to provide funds to complete the recapitalisation process. The loan was subsequently repaid via the issue of new shares on 5 August 2011.

NOTE 6 SEGMENT INFORMATION
Primary Reporting – Business Segments

During the year the Company did not trade and was predominately dormant. The Company was placed in administration early during the year and all the key management and employees left the Company in July 2008. Only limited information is available and it is not possible to accurately report results, assets and liabilities by Business Segment.

Historically the Company had operated two segments – Fund Management and Property Development and in two geographical segments - Australia and New Zealand. Segment revenues and expenses were directly attributable to the segments and included any joint revenue and expenses where a reasonable basis of allocation existed. Segment assets included all assets used by a segment. While most assets were directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings. Segment assets and liabilities do not include deferred income taxes.

Segment revenues, expenses and results included transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the consolidated group at an arm's length. These transfers are eliminated on consolidation.

NOTE 7: EVENTS AFTER THE REPORTING DATE

On 1 August, 2012, the Company announced the proposed transaction to acquire Scott Creek Coal Pty Ltd will no longer proceed.

On 10 August 2012, the Company borrowed the sum of \$150,000 to settle creditor claims and provide working capital, the lenders were provided security over the company.

On 14 September 2012, 1,986,934 ordinary shares were issued at \$0.05 each to raise working capital.

On 28 September 2012, Robert Whitton, Robert Spano and Peter Torney were appointed Directors and Troy Graham, Delan Pagliaccio and Jeffrey Triganza resigned.

At an Extraordinary General Meeting held 30 November 2012 the share issues were ratified on 13 October 2011 and 14 September 2012 amounting to a total of 3,072,648 shares.

On 30 November 2012, shareholders were approved the issue of 6,000,000 shares to raise \$150,000, the intention being to use such funds to repay the secured loan of \$150,000.

On 30 November 2012, shareholders also voted in favour of increasing the Directors' remuneration pool.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2011

NOTE 7: EVENTS AFTER THE REPORTING DATE

On 2 October 2012, Robert Whitton was appointed Chairman and Peter Torney as Company Secretary.

On 5 April 2013, the company announced that it has through a letter of intent ("LOI") dated 13 March 2013 to acquire the entire issued capital of OzCrest Minerals Limited, an unlisted public company that has acquired tenements in North Queensland that contain significant polymetallic deposits which include zinc, lead, copper, silver and gold.

On 18 April 2013, Robert Whitton resigned his role as non-executive chairman. Peter Torney resigned his role as non-executive director and company secretary. Robert Spano assumed role as non-executive chairman. Ms Suyin (Susan) Chi appointed as non-executive director. Peter Dykes assumed role as company's secretary.

On 10 May 2013, 4,430,108 ordinary shares were issued at \$0.03 each to raise working capital.

Other than those disclosed above, there are no other matters or circumstances that have arisen since 31 December 2011 that have significantly affect, or may significantly affect:

- the consolidated entity's operations in the future financial years, or
- the results of those operations in future financial years, or
- the consolidated entity's state of affairs in the future financial years.

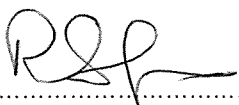
NOTE 8: CONTINGENT LIABILITIES

There are no contingent liabilities accounted for as at 31 December 2011 and there has been no change in contingent liabilities since the last annual reporting date.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of RKS Consolidated Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 12 to 20, are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standard AASB134: Interim Financial Reporting; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half year ended on that date.
2. In the director's 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.

Director 

Mr Robert Spano (Chairman)

Dated this 26 day of June 2013

RKS CONSOLIDATED LIMITED

ABN 20 009 264 699

AND CONTROLLED ENTITIES

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
RKS CONSOLIDATED LIMITED**

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of RKS Consolidated Limited, which comprises the consolidated statement of financial position as at 31 December 2011, the consolidated statement of comprehensive income, and consolidated statement of changes in equity, the consolidated 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 RKS Consolidated Limited 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 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 half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of RKS Consolidated Limited's financial position as at 31 December 2011 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 RKS Consolidated Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and 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.

SYDNEY

Level 29
St Martin's Tower
31 Market Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

Ph: (612) 9263 2600
Fx: (612) 9263 2800

NEWCASTLE

Ph: (612) 4969 5521
Fx: (612) 4969 6059

PARRAMATTA

Ph: (612) 9687 2100
Fx: (612) 9687 2900

PENRITH

Ph: (612) 4721 8144
Fx: (612) 4721 8155

MELBOURNE

Ph: (613) 8678 1600
Fx: (613) 8678 1699

PERTH

Ph: (618) 6557 6200
Fx: (618) 9218 8950

BRISBANE

Ph: (617) 3211 1250
Fx: (617) 3211 1249

GOLD COAST

Ph: (617) 5538 2322
Fx: (617) 5526 8599

A member of AGN
International Ltd, a
worldwide association
of separate and
independent
accounting
and consulting firms

www.hallchadwick.com.au

SYDNEY • NEWCASTLE • PARRAMATTA • PENRITH • MELBOURNE • PERTH • BRISBANE • GOLD COAST

Liability limited by a scheme approved under Professional Standards Legislation.

**RKS CONSOLIDATED LIMITED
ABN 20 009 264 699
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
RKS CONSOLIDATED LIMITED**

Basis for Qualified Conclusion

Comparative Figures

As disclosed in the Directors' Report, on 21 July 2008 the company's securities were suspended from official quotation by the ASX. On 29 July 2008, the company under section 436A of the Corporations Act 2001, appointed Greg Moloney of Ferrier Hodgson Brisbane as Voluntary Administrator. On 30 June 2009, Greg Moloney of Ferrier Hodgson Brisbane was appointed as liquidator in accordance with the provision of Part 5.3A of the Corporations Act 2001. On 10 March 2010, the company executed a deed of arrangement with its creditors. The accounting and statutory records prior to 10 March 2010 were not adequate to permit the application of necessary review procedures or any alternative means. As such, we are unable to obtain all the information and explanations we require to determine whether adjustments to the results of operations and opening retained earnings might be necessary for 2011. Our review conclusion on the half-year financial report for the period ended 31 December 2010 was modified accordingly. Our conclusion on the current period's half-year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

Transactions and Disclosures

Included in the consolidated statement of comprehensive income for the half-year ended 31 December 2011 and disclosed in Note 2 to the half-year financial report are share-based payments and consulting fees for services rendered amounting to \$92,705 and \$7,500 respectively paid/ payable to Autus Capital Pty Ltd, a company for which Troy Graham is a director. We were unable to obtain sufficient appropriate evidence to verify the accuracy and completeness of these amounts and as such we were unable to determine whether any adjustments to these amounts were necessary. Given this limitation of scope we cannot, and do not express a conclusion on these balances.

Going Concern

The evidence available to us was limited because the directors of the company have not prepared cash flow forecasts and other information needed for the assessment of the appropriateness of the going concern basis of preparation of the half-year financial report. We consider that the directors have not taken adequate steps to satisfy themselves that it is appropriate for them to adopt the going concern basis because the circumstances of the company and the nature of the business require that such information be prepared, and reviewed by the directors and ourselves, for a period of at least twelve months from the date of approval of the half-year financial report. Had this information been available to us we might have formed a different conclusion on the half-year financial report.

RKS CONSOLIDATED LIMITED
ABN 20 009 264 699
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
RKS CONSOLIDATED LIMITED

Qualified Conclusion

Based on our review, which is not an audit, with the exception of the matters described in the Basis for Qualified Conclusion paragraphs, nothing has come to our attention that causes us to believe that the half-year financial report of RKS Consolidated Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of RKS Consolidated Limited's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
- (b) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Hall Chadwick

Hall Chadwick
Level 29, St Martins Tower
31 Market Street, SYDNEY NSW 2000

Graham Webb

GRAHAM WEBB
Partner
Dated: 26 June 2013