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# **Meridien Capital Limited**

**ABN 15 121 348 730**

## **Half Year Financial Report**

**31 December 2007**

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### **Corporate Directory**

Meridien Capital Limited is a public company incorporated in Australia.

#### **Directors**

Mr Kevin Shirlaw (Chairman)  
Mr John McColl  
Mr Kevin Good

#### **Secretary**

Mr Kevin Good

#### **Registered Office and Principal Place of Business**

Level 25  
Chifley Tower,  
2 Chifley Square  
Sydney NSW 2000  
Ph: (02) 9293 2813  
Fax: (02) 9293 2828

#### **Solicitors and Nominated Advisor**

Whittens Lawyers & Consultants  
Suite 9, Level 5  
137 -139 Bathurst Street  
Sydney NSW 2000  
Ph: (02) 9264 2216  
Fax: (02) 9283 1970

#### **Website**

[www.meridiencapital.com.au](http://www.meridiencapital.com.au)

#### **Auditors**

DFK – Richard Hill Pty Ltd  
Level 11  
32 Martin Place  
Sydney NSW 2000  
Ph: (02) 9221 0444  
Fax: (02) 9221 5935

#### **Share Registry**

Registries Limited  
Level 2 , 28 Margaret Street  
Sydney NSW 2000  
Ph: (02) 9290 9600  
Fax: (02) 9279 0664

## **Directors' Report**

Your directors submit the financial report of the Company for the half year ending 31 December 2007.

### **DIRECTORS**

The names of directors who held the office during or since the end of the half year are:

Mr. Kevin Shirlaw  
Mr. John McColl  
Mr. Kevin Good

### **REVIEW OF OPERATIONS**

The company has been mandated to advise and manage the listing of Meridien Resources Limited, Peak Capital Limited and Medvest Limited on the National Stock Exchange. The Company expects that all three will be listed in the April-June quarter 2008 guaranteeing fee income and equity interests.

The Company acquired 105,682 shares in the unlisted Angkor Wat Resources Inc for \$25,000 in December 2007. Angka Wat owns several gold producing tenements in Cambodia and expects to list on the Toronto Stock Exchange in May 2008. Subsequent placements of stock in Angka Wat point to a significant upside in the value of the Company's investment.

### **SUBSEQUENT EVENTS**

The Company recently acted as a facilitator in the proposed acquisition of Emperor Gold Mines (Fiji) by the UK listed company River Diamonds PLC. The acquisition is subject to shareholders approval expected no later the 7 April 2008. Meridien Capital is entitled to a fee of £125,000 (to be paid in shares) once the acquisition is finalized.

### **FUTURE DEVELOPMENTS**

The Company will continue to operate as an investment company and anticipates the emergence of some good investments opportunities once the equity markets stabilize over the coming months.

In accordance with its objectives the Company will work to develop opportunities for new listings on the National Stock Exchange.

This report is signed in accordance with a resolution of the Board of Directors.

**Director**



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**Kevin Shirlaw**

**Executive Chairman**

Sydney, 14 March 2008

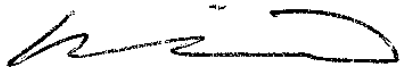
**Directors' Declaration**

The directors' declare that:

- (a) 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;
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company; and
- (c) the directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the directors made pursuant to s295(5) of the Corporations Act 2001.

On behalf of the directors



**Kevin Shirlaw**  
**Executive Chairman**

Sydney, 14 March 2008



**DFK - Richard Hill**

CHARTERED ACCOUNTANTS &  
BUSINESS ADVISERS

**Director:**  
**RICHARD L.S. HILL**  
B.Com, FCA

**Associate Director:**

**DAVID G. SHARP**  
B.Com, A.C.A

Telephone: (612) 9221 0444  
Facsimile: (612) 9221 5935  
Email: rhill@dfkrichardhill.com.au  
www.dfkrichardhill.com.au

**MERIDIEN CAPITAL LIMITED ABN 15 121 348 730**  
**AUDITORS INDEPENDENT DECLARATION UNDER SECTION 307C OF THE CORPORATION ACT**  
**TO THE DIRECTORS OF MERIDIEN CAPITAL LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2007, there have been:

- i. no contraventions of the auditor independence requirements as set out in the Corporation Act 2001 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

DKF – RICHARD HILL PTY LTD

Richard Hill  
Partner  
Sydney 14 March 2008

**Income Statement**  
**For the Half Year ended 31 December 2007**

	Notes	31 Dec 2007 \$
<b>Income from ordinary activities</b>		
Net realised gains on disposal of held for trading financial instruments		16,195
Net unrealised gains(losses) on held for trading financial instruments		22,240
Interest revenue		9,778
<b>Total Income from ordinary activities</b>		<b>48,213</b>
Auditor's fee		9,045
Consulting fee		43,405
Director's fee		29,212
Rent expenses		55,391
Other expenses		67,058
<b>Total expenses</b>		<b>204,111</b>
<b>(Loss) before income tax expense</b>		<b>(155,898)</b>
Income tax expense		-
<b>(Loss) for the period</b>		<b>(155,898)</b>
(Loss) attributable to equity holders of the entity		-
<b>(Loss) Per Share - Basic (per share)</b>		<b>(0.11)</b>
<b>(Loss) Per Share - Diluted (per share)</b>		<b>(0.11)</b>

Notes to the financial statements are included on pages 11 to 13

**MERIDIEN CAPITAL LIMITED**

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**Balance Sheet**  
**As at 31 December 2007**

	<b>Notes</b>	<b>31 Dec 2007</b> \$	<b>30 June 2007</b> \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		5,978	35,106
Trade and other receivables	2	157,421	164,450
Financial Instruments Held for Trade		115,057	206,014
Other current assets		14,395	14,345
<b>Total Current Assets</b>		<b>292,851</b>	<b>419,915</b>
<b>Non-Current Assets</b>			
Other Available for Sale Financial Instrument		20,667	-
<b>Total Non-Current Assets</b>		<b>20,667</b>	<b>-</b>
<b>Total Assets</b>		<b>313,518</b>	<b>419,915</b>
<b>Current Liabilities</b>			
Trade and other payables		42,000	56,500
<b>Total Current Liabilities</b>		<b>42,000</b>	<b>56,500</b>
<b>Total Liabilities</b>		<b>42,000</b>	<b>56,500</b>
<b>Net Assets</b>		<b>271,518</b>	<b>363,415</b>
<b>Equity</b>			
Issued Capital		535,762	471,762
Accumulated losses		(264,244)	(108,347)
<b>Total Equity</b>		<b>271,518</b>	<b>363,415</b>

Notes to the financial statements are included on pages 11 to 13



**Statement of cash flows  
for the financial year ended 31 December 2007**

	<b>31 Dec 2007</b> \$
<b>Cash flows from operating activities</b>	
Receipts from sale of shares	156,823
Payments for purchase of held for sale financial instruments	(25,600)
Payments to suppliers and employees (inclusive of GST)	(213,416)
Interest received	121
Bank Interest Withholding tax	(50)
Taxes (paid) received- GST	15,494
<b>Net cash inflow from operating activities</b>	<b>(66,628)</b>
 <b>Cash flows from investing activities</b>	
Payment for Investments	(20,000)
<b>Net cash (outflow) from investing activities</b>	<b>(20,000)</b>
 <b>Cash flows from financing activities</b>	
Proceeds from issues of shares and other equity securities	57,500
<b>Net cash inflow from financing activities</b>	<b>57,500</b>
 <b>Net increase in cash and cash equivalents</b>	<b>(29,128)</b>
Cash and cash equivalents at the beginning of 1/7/2007	35,106
<b>Cash at the end of the reporting period 31/12/07</b>	<b>5,978</b>

Notes to the financial statements are included on pages 11 to 13

**Statement of changes in equity  
for the half year ended 31 December 2007**

**Attributable to equity holders**

	<b>Issued capital</b>	<b>Options Reserves</b>	<b>Accumulated losses</b>	<b>Total equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2007</b>	470,998	764	(108,347)	363,415
Shares issued during the year (net of issue costs)	64,000	-	-	64,000
(Loss) for the period	-	-	(155,898)	(155,898)
Roundings			(1)	(1)
<b>Balance at 31 December 2007</b>	<b>534,998</b>	<b>764</b>	<b>(264,246)</b>	<b>271,517</b>

Notes to the financial statements are included on pages 11 to 13

**Notes to the financial statements  
for the financial year ended 31 December 2007**

**NOTE 1 - Basis of Preparation**

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30th June, 2007 and any public announcements made by Meridien Capital limited during the half year in accordance with the continuous disclosure requirements arising under the Corporations Act, 2001

The half-year consolidated financial report does not include full disclosures of the type normally included in an annual financial report.

***Reporting Basis and Conventions***

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

Since 1 July 2007 the Company has adopted the following Standards and Interpretations mandatory for annual periods beginning on or after 1 January 2007. Adoption of these Standards and Interpretations did not have any effect on the financial performance or position of the Company:

- AASB 7 Financial Instruments: Disclosures
- AASB 2005-10 Amendments to Australian Accounting Standards (AASB 132, 101, 114, 117, 133, 139, 1, 4, 1023 and 1038)
- AASB 2005-4 Amendments to Australian Accounting Standards arising from ED 151 and other amendments
- AASB 2007-7 Amendments to Australian Accounting Standards (AASB 1, 2, 4, 5, 107 and 108)

***Statement of compliance***

The half-year consolidated financial report complies with the Corporations Act 2001 and AASB 134 "Interim Financial reporting". Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 134 "Interim Financial Reporting".

***Significant Accounting Policies***

The half-year financial statements have been prepared using the same accounting policies as used in the annual financial statement for the year ended 30 June 2007.

***Going concern basis***

The financial report has been prepared on the going concern basis which contemplates continuity of normal business activities and realization of assets and settlement of liabilities in the ordinary course of the business. The directors believe this basis to be appropriate as the Company will be able to raise additional funding as and when required.

**Notes to the financial statements  
for the financial year ended 31 December 2007**

**2. Current trade and other receivables**

	<b>31 Dec 2007</b>	<b>30 June 2007</b>
	\$	\$
Goods and services tax (GST) receivable	3,145	16,183
Loan to Wine Bloc(i)	96,646	91,202
Loan to Netley Coal/Alma Energy (ii)	52,370	48,824
Other debtors	5,260	8,242
	157,421	164,450

**i) Wine Bloc**

Wine Bloc Pty Ltd was incorporated in 2006 for the specific purpose of facilitating a joint venture to redevelop the heritage precinct of Pentridge Village in Melbourne.

Wine Bloc is controlled 55% by the family interests of Peter Chiavaroli and 45% by Sydlyn Pty Ltd (as trustee for the Ivkovic Family Trust ). Michael Ivkovic is a beneficiary of Ivkovic Family Trust.

To date unit holders have provided all \$550,000 funding required by unit holdings. To date Sydlyn has provided \$247,500 of which \$90,000 was sourced from Meridien Capital Limited.

Wine Bloc Pty Ltd has been working to redevelop the heritage precinct of Pentridge into wine storage facilities and the settlement of the first 67 strata wine cells will gross Wine Bloc over \$4.0 million in revenue.

It was previously anticipated that the \$90,000 provided by Meridien Capital Limited to Wine Bloc would be repaid no later than 31<sup>st</sup> October 2007.

Unexpected delays in the issue of title to the heritage building which will house the wine cells have resulted in a delay in settlements which are now expected in early April 2008. Consequently the repayment date on this facility was extended to the 30 April 2008

In addition to repayment of the \$90,000 loan Meridien is entitled to 12% interest and a fee equal to a minimum \$50,000 or 10% of Wine Bloc's net income up to 30 June 2009.

**ii) Netley Coal/Alma Energy (Darrell Williams)**

Meridien agreed to advance US\$40,000 to Netley Coal/Darrell Williams as a first instalment of a US\$150,000 total facility in May 2007. In return Meridien was entitled to full repayment of all funds and an ongoing share of coal royalties from the Netley Mine in Kentucky.

Undertaking from Darrell Williams and John Kenny/Amon Mahon/Larry Cook underpin the US\$40,000.

Following protracted negotiations and legal actions Alma Coal has been successful in reaching settlement with the mine owner and has been awarded a significant compensation payment by the court. We have been advised that we can expect full payment of our loan no later than the 21<sup>st</sup> of March 2008. Consequent to these events the board of Meridien formally approved an extension to the repayment date to the 31<sup>st</sup> March 2008.

**MERIDIEN CAPITAL LIMITED**

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**Notes to the financial statements  
for the financial year ended 31 December 2007**

**3. Subsequent events**

The Company recently acted as a facilitator in the proposed acquisition of Emperor Gold Mines (Fiji) by the UK listed company River Diamonds PLC. The acquisition is subject to shareholders approval expected no later the 7 April 2008. Meridien Capital is entitled to a fee of £125,000 (to be paid in shares) once the acquisition is finalized.



**DFK - Richard Hill**

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**Director:**  
**RICHARD L.S. HILL**  
B.Com. FCA

**Associate Director:**

**DAVID G. SHARP**  
B.Com. A.C.A.

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Facsimile: (612) 9221 5935  
Email: rhill@dfkrichardhill.com.au  
www.dfkrichardhill.com.au

**MERIDIEN CAPITAL LIMITED ABN 15 121 348 730**  
**INDEPENDENT AUDITOR'S REVIEW REPORT**  
**TO THE MEMBERS OF MERIDIEN CAPITAL LIMITED**

**Report on the Half-Year Financial Report**

We have reviewed the accompany half-year financial report of Meridien Capital Limited which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of the entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standard (including the Australian Accounting Interpretations) and the *Corporation Act 2001*. This responsibility included establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*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 an Interim 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 *Corporation Act 2001* including: giving a true and fair view of the entity's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Report and the Corporation Regulation 2001. As the auditor of Meridien Capital Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A Review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Meridien Capital Limited on 14 March 2008, would be in the terms if provided to the directors as at the date of this auditor's review report.



Chartered Accountants  
Liability limited by the Accountants  
Scheme Approved under the Professional  
Standards Act 1994 (NSW)

**DFK - RICHARD HILL PTY LTD**  
A.C.N. 003 304 023 A.B.N. 86 003 304 023  
UNITED OVERSEAS BANK BUILDING,  
LEVEL 11, 32 MARTIN PLACE, SYDNEY NSW 2000  
GPO BOX 104, SYDNEY NSW 2001



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**DFK - Richard Hill**

CHARTERED ACCOUNTANTS &  
BUSINESS ADVISERS

**Director:**  
**RICHARD L.S. HILL**  
B.Com. FCA

**Associate Director:**

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[www.dfkrichardhill.com.au](http://www.dfkrichardhill.com.au)

**MERIDIEN CAPITAL LIMITED ABN 15 121 348 730**  
**INDEPENDENT AUDITOR'S REVIEW REPORT**  
**TO THE MEMBERS OF MERIDIEN CAPITAL LIMITED**

*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 Meridien Capital Limited is not in accordance with the *Corporations Act 2001* including:

- A giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 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.

DKF – RICHARD HILL PTY LTD  
Richard Hill  
Partner  
Sydney 14 March 2008



Chartered Accountants  
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Standards Act 1994 (NSW)

**DFK - RICHARD HILL PTY LTD**  
A.C.N. 003 304 023 A.B.N. 86 003 304 023  
UNITED OVERSEAS BANK BUILDING,  
LEVEL 11, 32 MARTIN PLACE, SYDNEY NSW 2000  
GPO BOX 104, SYDNEY NSW 2001

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Accounting firms and business advisors