

# **Meridien Capital Limited**

**ABN 15 121 348 730**

## **Half Year Financial Report**

**31 December 2009**

**This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2009 and any public announcements made by Meridien Capital Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.**

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**Contents**

Corporate directory	3
Directors' report	4
Directors' declaration	6
Auditors' independence declaration	7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12-17
Independent audit's review report to the members	18-20

**Corporate Directory**

Meridien Capital Limited is a public company incorporated in Australia.

**Directors**

Mr Kevin Shirlaw (Chairman)  
Mr Michael Ivkovic  
Mr Kevin Good

**Secretary**

Mr Kevin Good

**Registered Office and  
Principal Place of Business**

Level 17  
BNP Paribas Centre,  
60 Castlereagh Street  
Sydney NSW 2000  
Ph: (02) 9220 3613  
Fax: (02) 9220 3535

**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 2009.

### **DIRECTORS**

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

Mr. Kevin Shirlaw

Mr. Michael Ivkovic

Mr. Kevin Good

### **REVIEW OF OPERATIONS**

Over the past six months the Company has continued to focus on its core business of assisting small cap companies list on the National Stock Exchange and Australian Stock Exchange.

During the period the Company earned \$66,485 in fee income compared to \$286,507 for the same period last year. The Company also made an unrealized gain on listed shares for the amount of \$250,000 compared to a unrealized loss of \$10,596 for the same period last year. Operating costs of \$285,120 compared to \$233,763 for the same period last year. In addition, an impairment expense of \$22,299 was made respect of the loan outstanding from Alma Mining.

Projected expenses for the 6 month period commencing 1 January 2010 will reflect a significant reduction in overall operating costs as the Company downsizes its office facilities and employee complement.

Meridien Resources Limited listed on the National Stock Exchange on 29 October 2009. The Company holds 2,000,000 ordinary shares (representing 27.82% of the issued capital) in Meridien Resources Limited. Subsequent to listing, Meridien Resources' Exploration License (6810) for the Lucky Draw gold tailings dam at Burruga was formally renewed on the 11 December 2009.

The Prospectus and Underwriting agreements for Paniai Gold Limited are nearing finalisation and this company is scheduled to list on the National Stock Exchange in May/June 2010. Meridien Capital Limited from this initiative has been issued with 7,500,000 ordinary shares and 3,750,000 options and will earn further fees upon completion of the listing.

The prospective listings of Paniai Gold Limited and Peak Minerals Limited will afford Meridien Capital an excellent opportunity to recover a significant proportion of its future operating costs. These companies, together with Meridien Resources Limited will share their registered offices and corporate head quarters with Meridien Capital in Sydney. The Company is already recovering \$2,000 per month from the listed Meridien Resources Limited.

### **SUBSEQUENT EVENTS**

On 8 March 2010, Collins Street Group provided an undertaking, on a best endeavours basis, to place 500,000 shares at \$0.25 a share to raise \$125,000 of working capital.

### **FUTURE DEVELOPMENTS**

The Company is presently evaluating a number of options to acquire businesses that could provide a platform to move its current NSX listing to the ASX.

In this respect the possible acquisition and merger of complementary businesses, ACS Asia C0. Ltd (Thailand) and MeshWorks Pty Ltd (Australia), presents an attractive opportunity. Meridien Capital already owns 10% of ACS Asia and would look to acquire the remaining 90% as part of this transaction. ACS Asia and MeshWorks both make a comprehensive range of flat steel and mesh steel electrical cable support products used in commercial buildings, infrastructure projects and mining.

**Directors' Report**

In the meantime, the Company's operations will continue to focus on its investment activities and the development of further opportunities to facilitate new small cap listings on the NSX and ASX.

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

**Director**



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**Kevin Shirlaw**

**Executive Chairman**

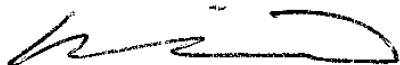
Sydney, 16 March 2010

**Directors' Declaration**

The directors of the company declare that:

- (a) The financial statements and notes, as set out on pages 8 to 17 are in accordance with the *Corporations Act 2001*, including:
  - Complying with Accounting Standard AASB 134: Interim Financial Reporting; and
  - Giving a true and fair view of the entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date.
- (b) 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.



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

Sydney, 16 March 2010



**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

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**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 2009, 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.

Name of Firm: DFK Richard Hill Pty Ltd

Name of Partner: Richard Hill

Date: 16 March 2010

Address: Level 11, 32 Martin Place Sydney 2000



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  
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A member firm of  
**DFK**  
INTERNATIONAL

A worldwide association of independent  
Accounting firms and business advisors

**Statement of Comprehensive Income  
For the Half Year ended 31 December 2009**

	Notes	31 Dec 2009 \$	31 Dec 2008 \$
<b>Continuing operations</b>			
<b>Revenue</b>		66,485	441,490
Unrealised Gain/(Loss) in Held for Sale listed shares		250,000	(10,596)
Interest Income		7,865	7,288
Changes in Held for Sale financial instruments		-	(300,764)
Employee benefits expenses		(94,879)	(108,565)
Depreciation expenses		(5,712)	(5,712)
Finance costs		(3,934)	(12,556)
Impairment expenses		(22,299)	-
Foreign exchanges losses		(2,032)	-
Occupancy expense		(108,455)	(43,096)
Other expenses		(49,810)	(180,830)
<b>Profit(Loss) before income tax expenses</b>	2	<b>37,229</b>	<b>(213,341)</b>
Income tax expenses		-	-
<b>Profit(Loss) from continuing operations</b>	2	<b>37,229</b>	<b>(213,341)</b>
<b>Profit(Loss) for the period</b>		<b>37,229</b>	<b>(213,341)</b>
<b>Other comprehensive income</b>		-	-
<b>Profit(Loss) attributable to equity holders of the entity</b>		<b>37,229</b>	<b>(213,341)</b>
<b>Profit(Loss) per share from continuing activities</b>			
Basic and diluted profit(loss) per share (cents per share)		0.81	(5.0)

Notes to the financial statements are included on pages 12 to 17



**MERIDIEN CAPITAL LIMITED**

ABN 15 121 348 730

**Statement of Financial Position  
As at 31 December 2009**

	<b>Notes</b>	<b>31 Dec 2009</b> \$	<b>30 June 2009</b> \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		-	43
Trade and other receivables		173,522	183,071
Other financial assets	3	682,873	425,298
Other assets		13,800	14,605
<b>TOTAL CURRENT ASSETS</b>		<b>870,195</b>	<b>623,017</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		99,973	105,685
<b>TOTAL NON-CURRENT ASSETS</b>		<b>99,973</b>	<b>105,685</b>
<b>TOTAL ASSETS</b>		<b>970,168</b>	<b>728,702</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		252,138	122,692
Other financial Liabilities		19,142	12,900
<b>TOTAL CURRENT LIABILITIES</b>		<b>271,280</b>	<b>135,592</b>
<b>NON-CURRENT LIABILITIES</b>			
Other financial Liabilities		70,275	76,725
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>70,275</b>	<b>76,725</b>
<b>TOTAL LIABILITIES</b>		<b>341,555</b>	<b>212,317</b>
<b>NET ASSETS</b>		<b>628,613</b>	<b>516,385</b>
<b>EQUITY</b>			
Issued Capital		821,684	746,684
Reserves		116,999	116,999
Accumulated losses		(310,070)	(347,298)
<b>TOTAL EQUITY</b>		<b>628,613</b>	<b>516,385</b>

Notes to the financial statements are included on pages 12 to 17

**Statement of Changes in Equity  
for the half year ended 31 December 2009**

**Attributable to equity holders**

	<b>Issued capital ordinary</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 2008</b>	676,284	764	(273,492)	403,556
Shares issued during the period (net of issue costs)	29,273	-	-	29,273
(Loss) for the period	-	-	(213,341)	(213,341)
<b>Balance at 31 December 2008</b>	<b>705,557</b>	<b>764</b>	<b>(486,833)</b>	<b>219,488</b>
<b>Balance at 1 July 2009</b>	746,684	116,999	(347,299)	516,384
Shares issued during the period (net of issue costs)	75,000	-	-	75,000
Profit for the period	-	-	37,229	37,229
<b>Balance at 31 December 2009</b>	<b>821,684</b>	<b>116,999</b>	<b>(310,070)</b>	<b>628,613</b>

Notes to the financial statements are included on pages 12 to 17

**Statement of Cash Flows**  
**for the half year ended 31 December 2009**

	<b>31 Dec 2009</b>	<b>31 Dec 2008</b>
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Fee income	52,834	196,754
Receipts from sale of shares	-	154,983
Payments for purchase of held for sale financial instruments	-	(136,062)
Payments to suppliers and employees (inclusive of GST)	(98,111)	(208,361)
Interest received	1	427
Interest paid	(7,310)	(3,635)
Bank Interest Withholding tax	-	(160)
Taxes (paid) received- GST	-	12,289
Net cash (outflow) from operating activities	<u>(52,586)</u>	<u>(55,765)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for property, plant and equipment	(2,815)	(10,690)
Payment for Investments	-	-
Net cash (outflow) from investing activities	<u>(2,815)</u>	<u>(10,690)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issues of shares and other equity securities	57,500	1,000
Proceeds from borrowings	17,500	13,181
Repayment of borrowings	(25,884)	19,364
Net cash inflow from financing activities	<u>49,116</u>	<u>33,545</u>
Net increase in cash and cash equivalents	(6,285)	(32,910)
Cash and cash equivalents at the beginning of period	<u>43</u>	<u>31,001</u>
Cash at the end of the reporting period period	<u>(6,242)</u>	<u>(1,909)</u>

Notes to the financial statements are included on pages 12 to 17

**Notes to the financial statements  
for the half year ended 31 December 2009**

**NOTE 1 - Basis of Preparation**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2009 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 Meridien Resources Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2009, 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 Standards not previously applied**

The Company has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

**Presentation of Financial Statements**

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- the replacement of Income Statement with Statement of Comprehensive Income. Items of income and expense not recognised in profit or loss are now disclosed as components of other comprehensive income. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- the adoption of the single statement approach to the presentation of the Statement of Comprehensive Income;
- other financial statements are renamed in accordance with the Statement; and
- presentation of a third Statement of Financial Position as at the beginning of a comparative financial year where relevant amounts have been affected by a retrospective change in accounting policy of material reclassification of items.

**Notes to the financial statements  
for the half year ended 31 December 2009**

**NOTE 1 - Basis of Preparation (cont'd)**

**Operating Segments**

From 1 January 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Company's chief operating decision maker which, for the Company, is the board of directors. In this regard, such information is provided using different measures to those used in preparing the Statement of Comprehensive Income and Statement of Financial Position. Reconciliations of such management information to the statutory information contained in the interim financial report have been included.

As a result of the adoption of the revised AASB 8 certain cash generating units have been redefined having regard to the requirements in AASB 136: Impairment of Assets.

**Business Combinations and Consolidation Procedures**

Revised AASB 3 is applicable prospectively from 1 July 2008. Changes introduced by this Standard, or as a consequence of amendments to other Standards relating to business combinations which are expected to affect the Company, include the following:

- All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method which prohibits the recognition of contingent liabilities of the acquiree at acquisition date that do not meet the definition of a liability. Costs incurred that relate to the business combination are expensed instead of comprising part of the goodwill acquired on consolidation. Changes in the fair value of contingent consideration payable are not regarded as measurement period adjustments and are recognised through profit or loss unless the changes relate to circumstances which existed at acquisition date.
- Unrecognised deferred tax assets of the acquiree may be subsequently realised within 12 months of acquisition date on the basis of facts and circumstances existing at acquisition date with a consequential reduction in goodwill. All other deferred tax assets subsequently recognised are accounted for through profit or loss.
- The proportionate interest in losses attributable to non-controlling interests is assigned to non-controlling interests irrespective of whether this results in a deficit balance. Previously, losses causing a deficit to non-controlling interests were allocated to the parent entity.
- Where control of a subsidiary is lost, the balance of the remaining investment account shall be remeasured to fair value at the date that control is lost.

**Revenue Recognition**

Dividends received from a subsidiary, joint venture or associate shall be recognised as dividend revenue in the profit or loss irrespective of whether such dividends may have been paid out of pre-acquisition profits. Previously, such dividends were treated as a return of capital invested. Such dividends may be an indicator of impairment where the carrying amount of the investment exceeds the net assets relating to the investment of where the dividend exceeds the total comprehensive income of the respective investee in the period the dividend is declared.

**MERIDIEN CAPITAL LIMITED**

ABN 15 121 348 730

**Notes to the financial statements  
for the half year ended 31 December 2009**

**NOTE 1 - Basis of Preparation (cont'd)**

**Going Concern**

The entity has insufficient funds to meet financial liabilities due within the next 12 months.

The directors have prepared the financial statements on a going concern basis. The directors have a number of strategies to generate revenues from current activities, significantly reduce operating costs and raise further funds by issuing new shares.

The major initiatives in this respect can be summarized:

1. Fees generated from the listing of Paniai Gold Limited and Peak Minerals Limited.
2. Fee income for services provided to ACS Asia in Thailand and MeshWorks Pty Ltd in Australia
3. Fee income (including success fees) from work to be undertaken in respect of the consolidation of ACS Asia and MeshWorks, the related capital raising and ASX listing.
4. Fee income (including success fees) to be generated from work related to the capital raising associated with Meridien Resources and its proposed ASX listing.
5. Downsizing of operations will reduce monthly office rent from \$10,000 to \$4,500 with effect from 1 March 2010. The majority of this will be recovered from Meridien Resources, Paniai Gold and Peak Minerals.
6. Downsizing of employee complement will further reduce costs by \$5,000 a month with effect from 1 March 2010.
6. Undertaking from Collins Street Group (dated 8 March 2010) to place 500,000 shares at \$0.25 cents each to raise a net \$115,000 of new funding by 30 April 2010. This initiative is on a best endeavours basis.

The adoption of the going concern basis is subject to successful outcome from the above.

**Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report 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 externally and within the company.

**Key Estimates**

*Impairment*

The Company assesses impairment at each reporting date by evaluating conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

**Key Judgments**

*Loan to related parties*

The company has significant amount of loan to director's related entities (total amount is approx \$150,000 as at 31 December 2009) and the deadlines for repayments have now been extended on a number of occasions. Directors have reviewed the circumstances of each loan and considered possibility of impairing part or full of the loans. It was concluded that no impairment is necessary to be recognized at the balance date but the board will surely monitor the recovery of the loans and review the impairment issue by 30 June 2010.

*Valuation – 2 million shares in Meridien Resources Limited*

The Company owns 2,000,000 shares and 1,000,000 options in Meridien Resources Limited included in Other Financial Assets totalling \$682,873 in the Balance Sheet on page 9.

As at 30 June 2009 the shares were valued at @\$0.125 as the shares had not been listed.

**MERIDIEN CAPITAL LIMITED**

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**Notes to the financial statements  
for the half year ended 31 December 2009**

**NOTE 1 - Basis of Preparation (cont'd)**

Meridien Resources listed on the NSX on 29 October 2009 and all on market trades since listing had been at \$0.50 although the total shares changed hands were only 105,000.

In determining the value for these shares and options as at 31 December 2009, the directors of the Company considered the two year escrow period for these shares but also in light of the EPL renewal (gold tailings tenement), prospective joint ventures with other publicly listed mining companies and the underlying strategy to move Meridien Resources listing from the NSX to the ASX. It is the intention of the Company to dispose of these shares as soon as practicable and notwithstanding the 27.82% equity interest, the directors do not classify these shares as an investment in an associate.

The directors of the Company are of the opinion that the value of the shares as at 31 December 2009 is at least \$0.25 each, which has resulted in an unrealized gain of \$250,000. The value of the options in the directors' opinion has not changed.

**2. Profit for the period**

	<b>Note</b>	<b>31 Dec 2009</b>	<b>31 Dec 2008</b>
		\$	\$
<b>Significant Revenue and Expenses</b>			
Direct cost of fees received		-	86,063

**3. Other Financial Assets**

	<b>Note</b>	<b>31 Dec 2009</b>	<b>30 June 2009</b>
		\$	\$
<b>Current</b>			
Held for sale financial assets – listed shares (Australia)	3a	500,000	250,000
Held for sale financial assets – unlisted shares (overseas)	3b	131,078	131,078
Held for sale financial assets – unlisted shares (Australia)		7,500	-
Held for sale financial assets - Others		44,295	44,220
<b>Total</b>		<b>682,873</b>	<b>425,298</b>

3a: This is the value of the 2 million Meridien Resource Limited shares.

3b: This is the value of the 10% equity interest in Gold Crest Holdings (ACS).

**4. Operating Segment**

The company operates in two business segments in Australia one being investment in small cap listed/unlisted companies and the facilitating services provided to small companies looking to list in a stock exchange.

The operating segment analysis presented in these financial statements reflects operations analysis by business. It best describes the way the Company is managed and provides a meaningful insight into the business activities of the Company.

The following tables present details of revenue and operating profit by business segment. The information disclosed in the tables below is derived directly from the internal financial reporting system used by corporate management to monitor and evaluate

MERIDIEN CAPITAL LIMITED

ABN 15 121 348 730

Notes to the financial statements  
for the half year ended 31 December 2009

4. Operating Segment (Cont'd)

a) Segment performance

	Investments \$	Service \$	Total \$
<b>Six months ended 31.12.2009</b>			
<b>Revenue</b>			
External sales	-	66,485	66,485
Unrealised Gain/(Loss) in Held for Sale listed shares	250,000	-	250,000
Interest revenue	7,865	-	7,865
<b>Total Segment revenue</b>	<b>257,865</b>	<b>66,485</b>	<b>324,350</b>
<b>Segment net profit before tax</b>	<b>257,865</b>	<b>66,485</b>	<b>324,350</b>

*Reconciliation of segment result to company net profit/(loss) before tax*

**Amounts not included in segment result by reviewed by the Board**

Employee benefits expenses	(94,879)
Depreciation expenses	(5,712)
Finance costs	(3,934)
Impairment expenses	(22,299)
Foreign exchanges losses	(2,032)
Occupancy expenses	(108,455)
Other expenses	(49,810)
<b>Net profit before tax from continuing operations</b>	<b>37,229</b>

**Six months ended 31.12.2008**

<b>Revenue</b>			
External sales	154,983	286,507	441,490
Unrealised Gain/(Loss) in Held for Sale listed shares	(10,596)	-	(10,596)
Interest revenue	-	7,288	7,288
<b>Total Segment revenue</b>	<b>144,387</b>	<b>293,795</b>	<b>438,182</b>
<b>Segment net profit before tax</b>	<b>(166,973)</b>	<b>207,732</b>	<b>40,759</b>

*Reconciliation of segment result to company net profit/(loss) before tax*

**Amounts not included in segment result by reviewed by the Board**

Employee benefits expenses	(108,565)
Depreciation expenses	(5,712)
Finance costs	(12,556)
Occupancy expenses	(43,096)
Other expenses	(108,830)
<b>Net profit before tax from continuing operations</b>	<b>(213,341)</b>



MERIDIEN CAPITAL LIMITED

ABN 15 121 348 730

Notes to the financial statements  
for the half year ended 31 December 2009

4. Operating Segment (Cont'd)

b) Segment assets

	Investments \$	Service \$	Total \$
<b>As at 31.12.2009</b>			
Segment asset for the period	830,496	-	830,496

*Reconciliation of segment assets to company assets*

Unallocated assets:			
Trade and other receivables			25,899
Other assets			13,800
Property, plant and equipment			99,973
<b>Total company assets from continuing operations</b>			<b>970,168</b>

**As at 30.06.2009**

Segment asset for the period	574,780	-	574,780
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*Reconciliation of segment assets to company assets*

Unallocated assets:			
Cash and cash equivalents			43
Trade and other receivables			33,589
Other assets			14,605
Property, plant and equipment			105,685
<b>Total company assets from continuing operations</b>			<b>728,702</b>

c) Segment liabilities

	Investments \$	Service \$	Total \$
<b>As at 31.12.2009</b>			
Segment liabilities for the period	-	-	-

*Reconciliation of segment assets to company assets*

Unallocated liabilities:			
Trade and other payables			252,138
Other financial liabilities			89,417
<b>Total company liabilities from continuing operations</b>			<b>341,555</b>

**As at 30.06.2009**

Segment liabilities for the period	-	-	-
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*Reconciliation of segment assets to company assets*

Unallocated liabilities:			
Trade and other payables			122,692
Other financial liabilities			89,625
<b>Total company liabilities from continuing operations</b>			<b>212,317</b>

**MERIDIEN CAPITAL LIMITED**

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**Notes to the financial statements  
for the half year ended 31 December 2009**

**4. Contingent Liabilities**

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

**5. Subsequent events**

See Directors Report on page 4



**DFK - Richard Hill**

CHARTERED ACCOUNTANTS &  
BUSINESS ADVISERS

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

**Associate Director:**

**DAVID G. SHARP**  
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**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 condensed statement of financial position as at 31 December 2009, the condensed statement of comprehensive income, the condensed statement of changes in equity, the condensed statement of cash flows for the half-year ended on that date, the accounting policies and other selected explanatory notes and the directors' declaration.

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

The directors of Meridien Capital Limited 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 includes 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 2009 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.



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Scheme Approved under the Professional  
Standards Act 1994 (NSW)

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

*Matters Relating to the Electronic Presentation of the Audited Financial Report*

This review report relates to the financial report for the half-year ended 31 December 2009 included on the website of Meridien Capital Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. 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 the company's website.

*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 16 March 2010, would be in the terms if provided to the directors as at the date of this auditor's review report.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Meridien Capital Limited is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the entity's financial position as at 31 December 2009 and of 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.



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*Material uncertainty regarding continuation as a going concern*

Without qualifying our conclusion, we draw attention to the following matter. As described in Note 1 to the financial report, the company have a deficiency in working capital. As set out in the Directors' Report, the directors have detailed a number of alternative strategies for improving the working capital position of the company but at the date of this report these are still in progress. The company is dependent on the successful negotiation of these initiatives to provide sufficient funds as required until operations are cash positive.

Name of Firm: DFK Richard Hill Pty Ltd

Name of Partner: Richard Hill

Date: 16 March 2009

Address: Level 11,32 Martin Place Sydney 2000



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