

Meridien Capital Limited

and its Controlled Entities

ABN 15 121 348 730

Half Year Financial Report

31 December 2010

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 2010 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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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**

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Solicitors and Nominated Advisor

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Website

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Auditors

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Share Registry

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Directors' Report

Your directors submit the financial report of the Company for the half year ending 31 December 2010.

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.

In particular:

Meridien Resources Limited lodged its Prospectus with ASIC on 24 December 2011 with an expectation that it would be successful in raising \$3.0-\$4.0m. Meridien Capital, in conjunction with the broker to the issue, has been actively involved in the promotion of the issue to potential investors and as set out in the Subsequent Events Meridien Resources Limited was listed on the ASX on 7th April 2011.

Meridien Capital Limited currently owns 5,000,000 ordinary shares (escrowed for 2 years from 7th April 2011) and 2,500,000 \$0.20 options in Meridien Resources Limited.

More recently Paniai Gold Limited has moved away from its NSX listing strategy preferring to vend its West Papua gold tenements into an existing ASX listed vehicle. Following a breakdown in negotiations with the ASX listed Heritage Gold Limited, Paniai has entered into discussion with another ASX listed company West Wits Limited which has gold assets in Africa. More information on this matter is set out in Subsequent Events below.

Meridien Capital Limited currently owns 7,500,000 ordinary shares and 3,750,000 options in Paniai Gold Limited.

The Company's strategy with respect to Peak Minerals Limited has also shifted away from an NSX listing to an ASX listing with a target date of third quarter 2011. The identification of a number of Australian resource development opportunities and a substantial Hong Kong based cornerstone investor should now ensure the progress of this initiative.

In October 2010 Meridien Capital Limited acquired a 51% interest in the recently established Australian Cable Tray Systems Pty Ltd (ACTS). The other 49% is owned by interests associated with Mr. John Hicks who has had 10 years experience in the cable tray industry in Australia.

ACTS manufactures and distributes wire mesh and flat steel cable tray systems from its newly leased factory premises at Blacktown in Sydney. A proposed strategic alliance and agency agreement with ACS Asia (1996) Co. Ltd Thailand will allow ACTS to offer its customers in Australia and New Zealand a comprehensive range of both wire mesh and flat steel cable tray systems. A cable tray is used to support electrical and IT cables. Applications range from construction, mining, industrial, commercial and residential buildings, to hospitals and infrastructure.

Meridien Capital Limited owns 10% of ACS Asia (1996) Co. Ltd and this initiative is part of a broader strategy to acquire majority interests in both companies with the objective of integrating the businesses and moving Meridien Capital Limited's listing to the ASX during the third quarter of calendar year 2011.

During the period the Parent Company earned \$39,273 in fee income compared to \$66,485 for the same period last year, while operating costs has been substantially reduced from \$285,120 for the same period last year to \$ 141,804. ACTS has yet to generate sales and the operation cost for the period is \$285,138.

Meridien Capital Limited (A B N 15 121 348 730) and Controlled Entities

SUBSEQUENT EVENTS

Subsequent to balance date, the following material events have occurred:

- In the four month period from 1 February 2011 to 31 May 2011 the Company raised a total of \$768,000 of new funding by way of a twelve month convertible note issue. The notes carry an interest rate of 10% and are convertible at \$0.45.
- The Sydlyn Pty Ltd loan was repaid on 6 April 2011.
- Meridien Resources Limited listed on the ASX on 7 April 2011 having raised \$3,179,000. Meridien Capital Limited now owns 5 million ordinary shares of Meridien Resources Limited and 2.5 million options.
- On 23 May 2011 Panai Gold Limited signed a binding Heads of Agreement with the ASX listed West Wits Mining Limited to vend its 50% interest in the Derewo River Gold project in West Papua, Indonesia. The consideration is 80 million ordinary shares in West Wits, 46 million performance based shares and 12.5 million options. This transaction is expected to complete in July 2011 at which time Meridien Capital Limited can expect to get approximately 2 million (initial entitlement) West Wits shares which are currently quoted at \$0.043. This initiative will be supported by an underwritten capital raising of \$3.5 million by West Wits.
- On 24 May 2011, Collins Street Group confirmed an underwriting in respect of a placement of 400,000 shares at \$0.35 a share to raise \$140,000 of working capital.
- A total of \$600,000 has now been invested to secure the Company's 51% interest in Australian Cable Tray Systems Pty Ltd. As at 31 May 2011, the paid up capital of Australian Cable Tray Systems Pty Ltd was \$800,000.

FUTURE DEVELOPMENTS

The main focus of the Company's attention over the past 6 months has been the implementation of a strategy to list Meridien Capital Limited on the ASX in July/September quarter 2011.

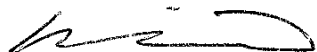
The cost and terms of the proposed acquisition of ACS (Thailand) is pivotal to the final capital structure. In this respect general terms are scheduled for agreement by 30 June 2011 with due diligence scheduled for completion during July 2011.

It is expected that the Company will need to raise between \$3 million and \$4 million as part of the ASX listing process and to that end a number of potential underwriters have been identified.

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



Kevin Shirlaw

Executive Chairman

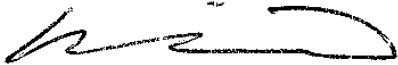
Sydney, 20 July 2011

Directors' Declaration

The directors of the company declare that:

- (a) The financial statements and notes, as set out on pages 8 to 16 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 2010 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, 20 July 2011



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 AND CONTROLLED ENTITIES
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 2010, 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: 13 July 2011

Address: Level 11, 32 Martin Place Sydney 2000



Chartered Accountants

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

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Meridien Capital Limited (A B N 15 121 348 730) and Controlled Entities

**Statement of Comprehensive Income
For the Half Year ended 31 December 2010**

		Consolidated Group	Parent Only
		31-Dec-10	31-Dec-09
		\$	\$
	Notes		
Revenue		43,832	441,490
Unrealised Gain/(Loss) in Held for Sale listed shares		-	(10,596)
Interest Income		-	7,288
Changes in Held for Sale financial instruments		-	(300,764)
Employee benefits expenses		(235,570)	(108,565)
Depreciation expenses		(10,747)	(5,712)
Finance costs		(5,282)	(3,934)
Impairment expenses		(7,503)	(22,299)
Foreign exchanges losses		-	(2,032)
Occupancy expense		(53,014)	(108,455)
Other expenses		(114,528)	(49,810)
Profit(Loss) before income tax	2	(382,812)	37,229
Income tax expenses		-	-
Profit(Loss) from continuing operations	2	(382,812)	37,229
Profit(Loss) for the period		(382,812)	37,229
Other comprehensive income for the period		-	-
Profit(Loss) attributable to:			
Members of the parent company		(239,027)	37,229
Non-controlling interest		(143,785)	-
		(382,812)	37,229
Earnings per share			
From continuing operations:			
Basic earnings (losses) per share (cents)		(7.6)	0.81
Diluted earnings (losses) per share (cents)		(7.6)	0.81

Notes to the financial statements are included on pages 12 to 16

Meridien Capital Limited (A B N 1 5 1 2 1 3 4 8 7 3 0) and Controlled Entities

**Statement of Financial Position
As at 31 December 2010**

	Notes	Consolidated Group 31-Dec-10 \$	Parent Only 30-Jun-10 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		30	11
Inventory		11,509	-
Trade and other receivables		424,540	184,674
Other financial assets	3	551,795	682,512
Other assets		14,492	-
TOTAL CURRENT ASSETS		1,002,366	185,046
NON-CURRENT ASSETS			
Property, plant and equipment		181,365	94,261
Other financial assets	3	131,078	-
TOTAL NON-CURRENT ASSETS		312,443	776,773
TOTAL ASSETS		1,314,809	961,819
CURRENT LIABILITIES			
Trade and other payables		439,679	243,297
Other financial Liabilities		84,770	12,900
TOTAL CURRENT LIABILITIES		524,449	256,197
NON-CURRENT LIABILITIES			
Other financial Liabilities		57,375	63,825
TOTAL NON-CURRENT LIABILITIES		57,375	63,825
TOTAL LIABILITIES		581,824	320,022
NET ASSETS		732,985	641,797
EQUITY			
Issued Capital		943,684	861,684
Reserves		116,999	116,999
Accumulated losses		(575,913)	(336,886)
Parent Interest		484,770	-
Non – controlling interest		248,215	-
TOTAL EQUITY		732,985	641,797

Notes to the financial statements are included on pages 12 to 16

**Statement of Changes in Equity
for the half year ended 31 December 2010**

	Issued capital ordinary	Options Reserves	Accumulated losses	Non- controlling interest	Total equity
	\$	\$	\$	\$	\$
Parent					
Balance at 1 July 2009	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
Balance at 31 December 2009	821,684	116,999	(310,070)	-	628,613
Consolidated Group					
Balance at 1 July 2010	861,684	116,999	(336,886)	-	641,797
Loss attributable to members of the parent entity	-	-	(239,027)	-	(239,027)
Recognition of non-controlling interest of ACTS	-	-	-	392,000	392,000
Loss attributable to non-controlling interest	-	-	-	(143,785)	(143,785)
Shares issued during the period (net of issue costs)	82,000	-	-	-	82,000
Balance at 31 December 2010	943,684	116,999	(575,913)	248,215	732,985

Notes to the financial statements are included on pages 12 to 16

Meridien Capital Limited (A B N 1 5 1 2 1 3 4 8 7 3 0) and Controlled Entities

**Statement of Cash Flows
for the half year ended 31 December 2010**

	Consolidated Group 31 Dec 2010 \$	Parent Only 31 Dec 2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	15,873	52,834
Payments to suppliers and employees	(282,572)	(98,111)
Interest received	17	1
Interest paid	(3,717)	(7,310)
Income tax paid	(6)	-
Net cash (outflow) from operating activities	<u>(270,406)</u>	<u>(52,586)</u>
 CASH FLOW FROM INVESTING ACTIVITIES		
Payment for property, plant and equipment	<u>(52,043)</u>	<u>(2,815)</u>
Net cash (outflow) from investing activities	<u>(52,043)</u>	<u>(2,815)</u>
 CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issues of shares and other equity securities	217,796	57,500
Borrowed fund	104,680	-
Proceeds from borrowings	-	17,500
Repayment of borrowings	<u>-</u>	<u>(25,884)</u>
Net cash inflow from financing activities	<u>322,476</u>	<u>49,116</u>
 Net decrease in cash and cash equivalents	27	(6,285)
Cash and cash equivalents at the beginning of period	<u>3</u>	<u>43</u>
Cash at the end of the reporting period	<u>30</u>	<u>(6,242)</u>

Notes to the financial statements are included on pages 12 to 16

Meridien Capital Limited (A B N 15 121 348 730) and Controlled Entities

Notes to the financial statements for the half year ended 31 December 2010

Note 1: Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2010 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 Capital 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 2011, 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.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Company incurred losses of \$382,812 and had net cash out flows from operating activities of \$299,512 for the half year ended 31 December 2010. As at that date the consolidated entity had insufficient funds to meet financial liabilities due within the next 12 months.

These factors indicate significant uncertainty as to whether the company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The directors believe that there are reasonable grounds to believe that the Company will be able to continue as a going concern after consideration of the following mitigating factors:

- 1) In the four month period from 1 February 2011 to 31 May 2011 the Company raised a total of \$768,000 of new funding by way of a twelve month convertible note issue. This has enabled the company to make all of the required capital contributions to the newly acquired subsidiary ACTS (51% owned) plus extinguishing nearly all of the creditors and payables as at 31 December 2010.
- 2) The ability to issue securities to raise additional capital under the Corporations Act 2001;
- 3) The ability to dispose of current investments held in various companies and non-current assets;
- 4) The ability of the company to scale down its investing activities to conserve cash, including, the company can select not to proceed with further capital contributions to ACTS, if there is any.
- 5) The Company is currently seeking to move its listing from the NSX to the ASX and in doing so raise up to \$3 Million in new capital. The Company expects to finalise a new prospectus towards the end of 2011 with the objective of completing the capital raising and ASX listing by 31 December 2011; and
- 6) On 24 May 2011 the company has received an underwriting confirmation from Collins Steet Group to place a further 400,000 Ordinary shares at \$0.35 to raise \$140,000 of working capital;

Accordingly, the Directors believe that the company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Meridien Capital Limited (A B N 15 121 348 730) and Controlled Entities

Notes to the financial statements for the half year ended 31 December 2010

Note 1: Basis of Preparation (Cont'd)

The financial report does not contain any adjustments to the amounts or classification of recorded assets or liabilities which might be necessary if the company was not to continue as going concern.

Note2: Profit for the period

	Note	Consolidated Group 31 Dec 2010 \$	Parent Only 31 Dec 2009 \$
Significant Revenue and Expenses			
The following significant revenue and expense items are relevant in explaining the financial performance:			
Accounting Fees		27,158	3,353

Note3: Other Financial Assets

	Note	Consolidated Group 31 Dec 2010 \$	Parent Only 30 June 2010 \$
Current			
Financial assets at fair value through profit and loss - escrowed shares in listed companies (Australia)	3a	500,000.00	500,000.00
Financial assets at fair value through profit and loss - Options in listed companies (Australia)	3b	43,859.00	43,859.00
Financial assets at fair value through profit and loss - unlisted shares (overseas)	3c	-	131,078
Financial assets at fair value through profit and loss - unlisted shares (Australia)		7500	7500
Financial assets at fair value through profit and loss - Others		436	436
Total Current		682,873.00	682,873.00
Non-Current			
Financial assets at fair value through profit and loss - unlisted shares (overseas)	3c	131,078	-
Total Non-Current		131,078	-

3a: This represents the fair value of the escrowed 5 million (2 million before ASX listing) Meridien Resource Limited shares.

3b: This represents the fair value of the 2.5 million options (1 million before ASX listing) of Meridien Resource Limited. Exercise price \$0.20, expiry date 31 October 2013.

3c: This is the value of the 10% equity interest in Gold Crest Holdings which owns 100% of ACS Thailand. This investment has been reclassified from Current to Non-Current as the company is focusing on the investments on cable tray business.

Note4: Dividends

No dividend has been paid or declared in this financial period or the previous financial period.

Meridien Capital Limited (A B N 1 5 1 2 1 3 4 8 7 3 0) and Controlled Entities

Note5: Operating Segment

The company operates in three business segments in Australia, being investment in small cap listed/unlisted companies, facilitating services provided to small companies looking to list in a stock exchange and distribution of cable tray systems to customers in Australia respectively.

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.

i) Segment performance

	Investments \$	Service \$	Distribution \$	Total \$
Six months ended 31.12.2010				
Revenue				
External sales	-	39,273	-	39,273
Interest revenue	4,557	-	2	4,559
Total Segment revenue	4,557	39,273	2	43,832
Segment net profit before tax	\$4,557	\$39,273	(\$293,438)	(\$249,608)

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

Amounts not included in segment result but reviewed by the Board

Employee benefits expense	(72,541)
Depreciation expense	(5,712)
Impairment	(7,503)
Occupancy	(9,868)
Other expense	(33,945)
Finance costs	(3,635)
Net profit/(loss) before tax from continuing operations	(\$382,812)

Six months ended 31.12.2009

Revenue				
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
Total Segment revenue	257,865	66,485	-	324,350
Segment net profit before tax	257,865	66,485	-	324,350

Reconciliation of segment result to group 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)

Meridien Capital Limited (A B N 15 121 348 730) and Controlled Entities

**Notes to the financial statements
for the half year ended 31 December 2010**

Note5: Operating Segment (Cont'd)

Occupancy expenses	(108,455)
Other expenses	(49,810)
Net profit before tax from continuing operations	37,229

	Investments \$	Service \$	Distribution \$	Total \$
Opening balance 1 July 2010	682,873			682,873
Acquisitions			400,751	400,751
Closing balance 31 December 2010	682,873		400,751	1,083,624
Unallocated assets:				
Cash and cash equivalents				30
Trade and other receivables				142,607
Property, plant and equipment				88,548
Total company assets from continuing operations				1,314,809

As at 30.06.2010

Segment asset for the period	682,873	682,873
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Reconciliation of segment assets to company assets

Unallocated assets:		
Cash and cash equivalents		11
Trade and other receivables		184,674
Property, plant and equipment		94,261
Total company assets from continuing operations		961,819

Meridien Capital Limited (A B N 1 5 1 2 1 3 4 8 7 3 0) and Controlled Entities

Notes to the financial statements for the half year ended 31 December 2010

Note6: Business Combinations

a. Controlled Entities Consolidated

	Country of Incorporation	Percentage Owned (%)*
Subsidiaries of Meridien Capital Limited		
Australian Cable Tray Systems Pty Ltd	Aust	51%

* Percentage of voting power is in proportion to ownership

b. Acquisition of Controlled Entities

On 9/9/2010 the parent entity acquired 51% interest of Australian Cable Tray Systems Pty Ltd. The acquisition was a result of the company is implementing a strategy to list Meridien Capital Ltd on ASX. The acquisition resulted in Meridien Capital Limited obtaining control of Australian Cable Tray Systems Pty Ltd.

	Note	Acquiree's carrying amount \$	Fair Value \$
Purchase consideration:			
- Cash			51
			<u>51</u>
Less:			
Receivables		100	51
Identifiable assets acquired and liabilities assumed		100	51

Goodwill

Note6: Business Combinations (Cont'd)

	Note	Acquiree's carrying amount \$	Fair Value \$
Purchase consideration settled in cash			51
Cash outflow on acquisition			51

ACTS was a dormant company on the date of acquisition.

Profit and revenue resulting from the acquisition of ACTS amounting to \$285,138 is included in the consolidated statement of comprehensive income for the half year ended 31 Dec 2010.

Note7: Contingent Liabilities

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

Note 8: Subsequent events

See Directors Report on page 4



DFK - Richard Hill

CHARTERED ACCOUNTANTS &
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RICHARD L.S. HILL
B.Com. FCA

Associate Director:

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

Report on the Half-Year Financial Report

We have reviewed the accompany half-year financial report of Meridien Capital Limited and consolidated entities which comprises the condensed statement of financial position as at 31 December 2010, 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 consolidated entity's financial position as at 31 December 2010 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 and controlled entities, 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.



Chartered Accountants
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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 AND CONTROLLED ENTITIES
INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MERIDIEN CAPITAL LIMITED AND CONTROLLED ENTITIES**

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of the consolidated entity for the half-year ended 31 December 2010 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 and controlled entities on 4 July 2011, 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 and controlled entities is not in accordance with the *Corporations Act 2001* including:

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



DFK - Richard Hill

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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 some of 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: 13 July 2010

Address: Level 11, 32 Martin Place Sydney 2000



Chartered Accountants

Liability limited by the Accountants
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