MERIDIEN CAPITAL LIMITED AND CONTROLLED ENTITY

(ABN 15 121 348 730)

2012 FINANCIAL REPORT

Contents

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

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Level 11
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Solicitors and Nominated Advisor
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Website
www.meridiencapital.com.au

Auditors
GCC Business And Assurance Pty Ltd
Suite 807
109 Pitt Street
Sydney NSW 2000
Ph: (02) 9231 6166
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Share Registry
Boardroom Pty Limited
Level 7, 207 Kent Street
Sydney NSW 2000
Ph: (02) 9290 9600
Fax: (02) 9279 0664

Corporate Governance Statement

Unless disclosed below, the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2012.

Board Composition:

The Board is comprised of three directors, of which all directors are Executive Directors.

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report, their attendances at meetings and their term of office are detailed in the directors' report. Because of the size of the company all directors are not independent directors. This situation will be monitored and reviewed from time to time. The names of the directors of the company in office at the date of this statement are:

Name	Position
Mr Kevin Shirlaw	Executive Director, Chairman
Mr Michael Ivkovic	Managing Director
Mr Kevin Good	Executive Director

When determining whether a non-executive director is independent, the director must not fail any of the following materiality thresholds:

- Less than 10% of company shares are held by the director and any entity or individual directly or indirectly associated with the director;
- No sales are made to or purchases made from any entity or individual directly or indirectly associated with the director; and
- None of the directors' income or the income of an individual or entity directly or indirectly associated with the director is derived from a contract with any member of the economic entity other than income derived as a director of the entity.

Independent directors have the right to seek independent professional advice in the furtherance of their duties as directors at the company's expense. Written approval must be obtained from the Chair prior to incurring any expense on behalf of the company.

The names of the members of the nomination committee and their attendance at meetings of the committee are detailed in the directors' report.

Ethical Standards

The Board acknowledges and emphasises the importance of all directors and employees maintaining the highest standards of corporate governance practice and ethical conduct.

A code of conduct has been established requiring directors and employees to:

- Act honestly and in good faith;
- Exercise due care and diligence in fulfilling the functions of office;
- Avoid conflicts and make full disclosure of any possible conflict of interest;
- Comply with the law;
- Encourage the reporting and investigating of unlawful and unethical behaviour; and
- Comply with the share trading policy outlined in the code of conduct.

Directors are obliged to be independent in judgement and ensure all reasonable steps are taken to ensure that the Board's core governance values are not compromised in any decisions the board makes.

Trading Policy

The company's policy regarding directors and employees trading in it securities, is set by the finance committee. The policy restricts directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices.

Corporate Governance Statement

Audit Committee

Due to the size of the company, there is no audit committee for the time being.

Performance Evaluation

An annual performance evaluation of the Board and all board members was conducted by the Board. The chairman spoke to each director individually regarding their role as director.

Board Roles and Responsibilities

The Board is first and foremost accountable to provide value to its shareholders though delivery of timely and balanced disclosures.

The Board sought external guidance to assist the drafting of its 'Board Governance Document' which has been made publicly available on the company's website. This document details the adopted practises and processes in relation to matters reserved for the Board's consideration and decision-making and specifies the level of authorisation provided to other key management personnel. The Board is ultimately responsible for ensuring its actions are in accordance with key corporate governance principles.

Shareholder Rights

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of directors, changes to the constitution and receipt of annual and interim financial statements. Shareholders are strongly encouraged to attend and participate in the Annual General Meetings of Meridien Capital Limited, to lodge questions to be responded by the Board and/or the MD, and are able to appoint proxies.

Risk Management

The Board considers identification and management of key risks associated with the business as vital to maximise shareholder wealth. A yearly assessment of the business's risk profile is undertaken and reviewed by the Board, covering all aspects of the business from the operational level through to strategic level risks. The MD has been delegated the task of implementing internal controls to identify and manage risks for which the Board provides oversight. The effectiveness of these controls is monitored and reviewed regularly. The worsening economic environment has emphasised the importance of managing the reassessing it key business risks.

Remuneration Policies

The company does not presently operate a remuneration committee. The remuneration of all directors is determined by the Board.

All compensation arrangements for directors including the Managing Director are determined by the directors after taking into account the current competitive rates prevailing in the market.

The amount of remuneration for all directors including the full remuneration packages, comprising all monetary and non-monetary components of the Executive and Non Executive Directors, are detailed in the directors' report.

Corporate Governance Statement

Executives will receive base salary, superannuation, fringe benefits and in some cases, performance incentives. Executives and staff may be invited by the Board, to participate in the yet to be determined Meridien Capital Limited Directors' and Employee's Option Plan ("Employee's Option Plan"). These packages are reviewed on an ongoing basis and in most cases will be reviewed against predetermined performance criteria.

All remuneration to be paid to present or future executives will be valued at the cost to the company and expensed. Shares issued to executives are valued as the difference between the market price of those shares and the amount paid by the executive. Options are valued using the Black-Scholes methodology.

The Board expects that the remuneration structure that is implemented will result in the company being able to attract and retain the best executives to manage the economic entity. It will also provide the executives with the necessary incentives to work to grow long-term shareholder value.

The Board can exercise its discretion in relation to approving incentives, bonuses and options. There are no schemes for retirement benefits other than statutory superannuation for non- executive directors.

Other Information

Further information relating to the company's corporate governance practices and policies has been made publicly available on the company's website at **<http://www.meridiencapital.com.au/>**

Directors' Report

Your directors present their report, together with the financial statements of the Group, being the Company and its controlled subsidiary for the full financial year ending 30 June 2012.

PRINCIPAL ACTIVITIES

Over the past twelve 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.

OPERATING RESULTS AND REVIEW OF OPERATIONS

OPERATING RESULTS

The Company acquired a 51% interest in Australian Cable Tray Systems Pty Limited in October 2010 and for the financial year ended 30 June 2011 and half year ended 31 December 2011 reported its results on a Group consolidated basis.

Australian Cable Tray Systems was placed in a creditors' voluntary liquidation on 31 May 2012 and the Company's results for the financial year ended 30 June 2012 have been reported on a non-consolidated basis.

The Company recorded a loss of $1,975,589 for the twelve month period to 30 June 2012. This compared to a loss of $1,479,073 recorded for the Company for the corresponding period last year.

The Company's revenue for the twelve month period to 30 June 2012 was $68,485 compared to $319,787 for the corresponding period last year.

The Company's total expenses for the period amounted to $2,044,074 (2011 $578,116). This included a $510,000 write off in the Company's investment in Australian Cable Tray Systems and $501 767 in consulting and advisory fees associated with the failed investment in Australian Cable Tray Systems, new capital raising efforts and new investment initiatives.

REVIEW OF OPERATIONS

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

Meridien Capital also owns 10% of ACS Asia (1996) Co. Ltd and this initiative was part of a broader strategy to acquire both companies with the objective of integrating the business and moving Meridien Capital's Limited's listing to the ASX during the second quarter of calendar year 2012.

Despite projections that ACTS would be profitable on a monthly basis from December 2011significant senior management issues, a lack of working capital to secure new product orders from Thailand and a major delay in the delivery of the new mesh cable tray machine from Germany resulted in ACTS recording a loss of $545,315 for the six month period ending 31st December 2011. This figure brought total losses for this business to $1,493,380 since operations commenced in October 2010 until 31 December 2011. The inability of ACTS to secure additional capital to acquire and install the new machine and to pay for past due new orders of flat steel cable trays from Thailand, resulted in the cancellation of orders from major customers and termination of the company's strategic alliance with Anixter.

Meridien Capital advanced a further $373,167 to ACTS in the five months from 1st January 2012 to 31st May 2012, whilst efforts continued to raise new capital in ACTS and to secure leasing for the mesh machine.

Despite these efforts ACTS was placed in voluntary liquidation on 31st May 2012. A provision for the loss of $501,767 in respect of the company's investment in ACTS has been reflected in the Company's accounts for the six month period ended 31st December 2011. A meeting of creditors on the 27 June 2012 confirmed that the company can expect little if any return on their investment and a total provision of $1,011,767 was required for the full financial year ending 30th June 2012.

Directors' Report

Meridien Capital Limited holds 5.0 million ordinary shares and 2.5 million $0.20 options in the ASX listed Meridien Resources Limited. The shares and options are escrowed until 7 April 2013.

Since listing on the ASX on 7 April 2011 Meridien Resources shares have traded in a range between $0.05 cents and $0.335 and last traded at $0.175 per share.

The value of the Company's shareholding in Meridien Resources was $700,000 as at 30 June 2012 based on a closing price of $0.14 on that day.

The proposed acquisition of South African domiciled Stonewall Limited which has major gold mining operations in the Transvaal and the joint venture development of Meridien Resources gold tailings dam at Burraga, NSW are expected to have a positive influence on Meridien Resources share price over the next six months.

In July 2011 the Company was mandated by Cleva-Garden Pty Limited to assist the Company secure on NSX listing. Cleva-Garden is involved in the design and development of a range of proprietary indoor gardening and growing systems.

Meridien Capital subsequently took up a 50% interest in Cleva-Garden and in the twelve months ended 30 June 2012 had invested a total of $200,404 in the joint venture.

Cleva-Garden is now well advanced in the development of its first proto type planter with expectations that production and international commercialization will commence in the third quarter of 2013. It is now anticipated that Cleva-Garden will seek a listing on the NSX in the fourth quarter 2013.

On 27 June 2012 Meridien Capital entered into an agreement with Elsmore Resources Limited to investigate the feasibility of either making a substantial investment in Elsmore or acquiring the share capital of that company.

Elsmore control the bulk of prospective tenements in the tin rich Emmaville Inverell Glenn Innes triangle in western New South Wales. Meridien Capital paid a $20,000 fee to Elsmore in return for a ten week exclusivity period to complete due diligence.

Following extensive due diligence and negotiations with respect to valuation Meridien Capital has decided not to proceed with this transaction.

Meridien Capital owns 10% of Gold Crest Holdings (Hong Kong) which in turn owns 100% of ACS Asia (1996) Co. Ltd (Thailand).

ACS is a well established business with manufacturing facilities in Rayong, Thailand with a good distribution network and customer base throughout Middle East, South East Asia and Australia.

ACS currently has net assets of approximately A$4.0 million and is budgeting for sales of approximately A$8.0 million and a modest profit for the company's financial year ended 30 September 2012.

FINANCIAL POSITION

The net equity of the Company as at 30 June 2012 was negative $830,349 compared to negative $281,812 as at 30 June 2011.

The reassessment of the Company's listed share portfolio and the significant write off of the Company's investment in Australian Cable Tray Systems were the most significant factors impacting on the balance sheet.

In the twelve month period to 30 June 2012, the Company raised a total of $305,000 of new funding by way of a further convertible note issue. The notes carry an interest rate of 10% and mature between October 2012 and February 2013. During the same twelve month period the Company raised a further $570,167 by way of the issue of 1,782,811 ordinary shares.

Capital 19 Group has reconfirmed its commitment to raise $0.8 million in new capital over the next two months by the placement of ordinary shares priced at 80% of the 5 days VWAP.

The Company owns 5.0 million Meridien Resources Limited shares and expects to realize between $750,000 and $1,000,000 from the sale of these shares over the next 3-6 months.

Concurrent with these initiatives the Company is actively seeking a suitable resource acquisition in order to facilitate an underwriting for a minimum $3.0 million capital raising a move from the NSX to the ASX in the second quarter of calendar year 2013.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following are the significant changes in the state of affairs of the Company during the financial year:

- Australian Cable Tray Systems was placed into creditor's voluntary liquidation on 31 May 2012. It is unlikely that creditors will recover any funds and a total of $1,011,767 has been written off in the Company's accounts.

- The Company sold its shares in the publicly listed West Wits Limited for $64,000.

- During the twelve months to 30 June 2012 the Company raised a total of $305,000 by way of new twelve month convertible notes. The notes carry an interest rate of 10% and are convertible at $0.45 cents.

- During the twelve months to 30 June 2012 the Company raised a total of $570,167 by way of the issue of 1,782,811 ordinary shares to sophisticated investors.

- During the twelve months to 30 June 2012 the Company issued 100,000 ordinary shares in full consideration for invoices presented for advisory and fund raising activities.

DIVIDENDS PAID OR RECOMMENDED

The Directors do not recommend the payment of a dividend at this time. No amount was paid or declared by way of dividend since the commencement of the financial year.

AFTER BALANCE DATE EVENTS

For detailed information on after balance date events, refer to note 25 on page 55.

FUTURE DEVELOPMENTS & BUSINESS STRATEGIES

The Company will continue to operate as an investment holding company with a particular focus on assisting small cap companies list on the National Stock Exchange of Australia and the Australian Securities Exchange. It is expected that over time this strategy will result in significant growth of the capital value of the Company's investment portfolio and also generate sustainable dividend income from these investments.

The Company is planning to move its listing from the NSX to the ASX in the second quarter of calendar year 2013. The identification of a suitable acquisition in the resources sector is fundamental to achieving this objective.

ENVIRONMENTAL ISSUES

The Company's operations are not subject to material environmental regulations under the laws of Commonwealth and State.

INFORMATION ON DIRECTORS

Kevin R Shirlaw – Chairman (Executive)

Qualifications – Chartered Accountant (FCA, ACIS)

Experience – Appointed Chairman in 2007.Board member since 2006. Kevin has specialised in business recovery and insolvency since 1975. He was a senior partner of Horwath and Horwath from 1985 to 1998.

Interest in Shares – 410,000 ordinary shares in Meridien Capital Limited

Special Responsibilities – Executive Director

Directorships held in other listed entities during the three years prior to the current year – Meridien Resources Ltd

Kevin Good – Director (Non - Executive)

Qualifications – No Formal Qualifications

Experience – Appointed Company secretary 2008.Board member since 2006. Kevin is a past director of the financial services company, AAA Financial Group Limited. Kevin is also a past Director of the publicly listed North Queensland Resources NL and the Canadian, publicly listed Anzex Resources Limited.

Interest in Shares – 97,600 ordinary shares in Meridien Capital Limited

Interest in Options – at 30 June 2012, Kevin Good had options to acquire 25,000 ordinary shares. These options lapse on 27 February 2014

Special Responsibilities – Company Secretary

Directorships held in other listed entities during the three years prior to the current year – Meridien Resources Ltd

Directors' Report

Michael Ivkovic – Managing Director

Qualifications – Bachelor of Commerce – University of New South Wales

Experience – Appointed Managing Director in 2008.Board member since 2008.Consultant to the Company since 2006. Michael has extensive experience in the structured finance, funds management and investment banking industry in Australia and Asia. Michael was formerly the Chairman of Brick Securities Limited, Executive Chairman of NZI Securities Limited and NZI Investment Services Limited.

Interest in Shares – 69,693 ordinary shares in Meridien Capital Limited

Special Responsibilities – Managing Director

Directorships held in other listed entities during the three years prior to the current year – Meridien Resources Limited

Meetings of Directors

During the financial year, 5 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' meetings	
	Number attended	Number eligible to attend
Mr Kevin Shirlaw	7	7
Mr Kevin Good	7	7
Mr Michael Ivkovic	7	7

Indemnifying Officers and Auditor

During or since the end of the financial year, the company has given no indemnity or entered into no agreement to indemnify, or paid or agreed to pay insurance premiums.

Options

At the date of this report, the unissued ordinary shares of Meridien Capital Limited under option are as follows:

Grant Date	**Date of Expiry**	**Exercise Price**	**Number under Options**
27/2/2009	27/2/2014	$0.25	42,400

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, in accordance with advice from the audit committee, 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:

- The nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for professional Accountants set be the Accounting professional and Ethical Standards Board.

The following fees were paid or payable to GCC Business and Assurance Pty Ltd for non-audit services provided during the year ended 30 June 2012:

Consulting services	$0

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on Page16 of the financial report.

Remuneration Report

Remuneration Policy

The remuneration policy of Meridien Resources Limited has been designed to align key management personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the consolidated Group's financial results. The Board of Meridien Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain high quality KMP to run and manage the consolidated Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of the consolidated group is as follows:

- All key management personnel receive the agreed salary or fee.
- The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the board.

All remuneration paid to key management personnel is valued at the cost to the company and expensed. Shares given to key management personnel are valued as the difference between the market price of those shares and the amount paid by the key management personnel. Options are valued using the Black-Scholes methodology.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive directors. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company.

Performance-based Remuneration

Currently there is no performance-based component.

Relationship between Remuneration Policy and Company Performances

At this stage there is no relationship between Remuneration Policy and Company Performances.

Performance Conditions Linked to Remuneration

There is no links between performance conditions and remuneration.

Remuneration Report

Employment details of Members of Key Management Personnel and Other Executives

The following table provided employment details of persons who where, during the financial year, members of key management personnel of the consolidated Group. The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of options.

	Position held as at 30 June 2012 and any change during the year	Contract details (duration & termination)	Proportions of elements of remuneration related to performance			Proportion of elements of remuneration not related to performance	
			Non-salary cash-based incentive	Shares/ Units	Options/ Rights	Fixed Salary/ Fees	Total
			%	%	%	%	%
Group Key Management Personnel							
Michael Ivkovic	Managing Director	No fixed term. 3 Month notice required to terminate.	N/A	N/A	N/A	100	100
Kevin Shirlaw	Chairman, Director	No fixed term. 3 Month notice required to terminate.	N/A	N/A	N/A	100	100
Kevin Good	Director	No fixed term. 3 Month notice required to terminate.	N/A	N/A	N/A	100	100

The employment terms and conditions of key management personnel and group executives are formalised in contracts of employment.

Terms of employment require that the relevant group entity provide an executive contracted person with a minimum of one month notice prior to termination of contract. Termination payments are generally payable in accordance with the statutory requirement. A contracted person deemed employed on a permanent basis may terminate their employment by providing at least one month notice. Termination payments are not payable on resignation or under the circumstances of unsatisfactory performance.

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Chairman, Directors, Chief Executive Officer and Company Secretary. The Board assesses the appropriateness of the nature and amount of emoluments with the objective of ensuring maximum stakeholder benefit from the retention of the Board and Executive.

Remuneration levels for directors and executives of the company are competitively set to attract and retain appropriately qualified and experienced directors and executives

The remuneration structures are designed to attract suitable candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The remuneration structure takes into account:

- The capability and experience of the Directors and senior executives
- The ability of the Directors and senior executives to control the entity's performance.

There is no performance related remuneration. Remuneration paid to directors cover all broad activities including serving on committees.

Remuneration Report

Director's Remuneration

		Short-term benefits				Post-employment benefits	Long-term benefits	Equity-settled share-based payments	Cash-settled share-based payment	Termination benefits	Total
		Salary and fees	Profit share and bonus	Non-monetary	Consulting Fees and Other			Options			
		$	$	$	$	$	$	$	$	$	$
Group Key Management Personnel											
Mr. Kevin Shirlaw	2012	52,800	-	-	-	-	-	-	-	-	52,800
	2011	48,000	-	10,625	-	-	-	-	-	-	58,625
Mr. Kevin Good	2012	-	-	-	-	-	-	-	-	-	-
	2011	25,000	-	-	-	-	-	-	-	-	25,000
Mr. Michael Ivkovic	2012	72,000	-	23,773	-	-	-	-	-	-	95,773
	2011	55,000	-	38,128	-	-	-	-	-	-	93,128
Total Key Management Personnel	2012	124,800		23,773	-	-	-	-	-	-	148,573
	2011	128,000	-	48,753	-	-	-	-	-	-	176,753

Securities Received that are not Performance Related
No members of key management personnel are entitled to receive securities which are not performance-based as part of their remuneration package.

Cash Bonus, Performance-related Bonuses and Share-based Payments
There were no cash bonus, performance-related bonuses and share-based payments for the year ended 30 June 2012.

Options issued to Directors and Key Executives
There were no options issued to directors and key executives during the financial year 2012.

This directors' report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Michael Ivkoic,
Director

Sydney, 2 November 2012

MERIDIEN CAPITAL LIMITED AND CONTROLLED ENTITY

ABN 15 121 348 730

Directors' Declaration

In accordance with a resolution of the directors of Meridien Capital Limited, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 21 to 62, are in accordance with the *Corporations Act 2001* and:

   a. comply with Accounting Standards; and

   b. give a true and fair view of the financial position as at 30 June 2012 and of the performance for the year ended on that date of the company and consolidated group;

2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable (refer note 1(B)); and

3. the directors have been given the declarations required by s 295A of the Corporations act 2011 from the Chief Executive Officer and Chief Financial officer.

Director:

Michael Ivkovic

Dated this 2 day of November 2012

G. C. C. Business & Assurance Pty Ltd

ABN 61 105 044 862

GPO Box 4566 Sydney NSW 2001
Telephone: (02) 9231 6166
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Suite 807, 109 Pitt Street, Sydney

AUDITOR'S INDEPENDENCE DECLARATION

MERIDIEN CAPITAL LIMITED

ABN 15 121 348 730

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Meridien Capital Limited.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012, there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

GCC Business + Assurance P/L

GCC Business and Assurance Pty Ltd
(Authorised Audit Company)

Graeme Green

Graeme Green
Director

Signed in Sydney on 1st November, 2012

Comprehensive Income Statement
for the financial year ended 30 June 2012

	Notes	Parent Only 2012 $	Consolidated 2011 $
Revenue	3	6	319,787
Other income	3	68,479	-
Employee benefits expense		(120,000)	(493,299)
Depreciation expense		(11,425)	(27,074)
Raw materials & consumables used		-	(456,229)
Occupancy costs		(6,897)	(228,410)
Bad debts expenses		-	(28,753)
Professional fees		(340,945)	(213,944)
Marketing expenses		-	(10,511)
Other expenses		(98,165)	(173,422)
Finance costs		(254,471)	(167,218)
ACTS Investment write off		(510,000)	-
ACTS Loan write off		(501,767)	-
Cleva-Garden write off		(200,404)	-
Profit/ (Loss) before income tax	4	(1,975,589)	(1,479,073)
Income tax expense	5	-	-
Profit/ (Loss) for the year		(1,975,589)	(1,479,073)
Other comprehensive income			
Net gain/(loss) on revaluation of financial assets		356,399	(120,721)
Other comprehensive income for the year, net of tax		356,399	(120,721)
Total comprehensive income (loss) for the year		(1,619,190)	(1,599,794)
Profit/ (Loss) attributable to:			
Members of the parent entity		(1,975,589)	(1,014,510)
Non-controlling interest		-	(464,563)
		(1,975,589)	(1,479,073)
Total comprehensive income/(loss) attributable to:			
Members of the parent entity		(1,975,589)	(1,135,231)
Non-controlling interest		-	(464,563)
		(1,975,589)	(1,599,794)
Basic earnings per share (cents per share)	8	(0.36)	(0.21)

Notes to the financial statements are attached.

MERIDIEN CAPITAL LIMITED AND CONTROLLED ENTITY

A B N 15 121 348 730

Statement of Financial Position
as at 30 June 2012

	Notes	Parent Only 2012	Consolidated 2011
		$	$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	9	30	86
Inventory	11	-	564,362
Trade and Other Receivables	10	65,739	341,923
Other Financial asset	12	700,001	21,586
TOTAL CURRENT ASSETS		765,770	927,957
NON-CURRENT ASSETS			
Other financial asset	12	112,237	561,791
Property, plant and equipment	14	47,262	172,900
TOTAL NON-CURRENT ASSETS		159,499	734,691
TOTAL ASSETS		925,269	1,662,648
LIAIBLITIES			
CURRENT LIAIBLITIES			
Trade and other payables	15	478,028	1,070,198
Borrowings	16	220,376	203,490
Other financial liabilities	17	1,017,334	659,595
Provisions	18	-	11,177
TOTAL CURRENT LIABILITIES		1,715,738	1,944,460
NON-CURRENT LIABILITES			
Borrowings	16	39,880	-
TOTAL NON-CURRENT LIABILITIES		39,880	-
TOTAL LIABILITIES		1,755,618	1,944,460
NET ASSETS		(830,349)	(281,812)
EQUITY			
Issued Capital	19	1,580,351	1,010,184
Convertible notes	19	186,037	135,685
Reserves	28	140,325	246,279
Accumulated losses		(2,737,063)	(1,673,960)
TOTAL EQUITY		(830,349)	(281,812)

Notes to the financial statements are attached

Statement of changes in equity
for the financial year ended 30 June 2012

	Attributable to equity holders					
	Issued capital	Options Reserves	Asset Revaluation Reserve	Accumulated losses	Non-controlling interest	Total equity
Consolidated	$	$	$	$	$	$
Balance at 1 July 2010	861,684	116,999	250,000	(586,866)		641,797
Shares issued during the year	148,500	-	-	-	-	148,500
Profit/ (Loss) for the period	-	-	-	(1,014,510)	-	(1,014,510)
Other comprehensive loss	-	-	(120,721)	-	-	(120,721)
Equity component of convertible notes	135,685	-	-	-	-	135,685
Recognition of non-controlling interest of ACTS	-	-	-	-	392,000	392,000
Loss attributable to non-controlling interest of ACTS		-	-	-	(464,56)	(464,562)
Balance at 30 June 2011	1,145,869	116,999	129,279	(1,601,397)	(72,562)	(281,812)
Parent Only						
Shares issued during the year	570,167	-	-	-	-	570,167
Profit/ (Loss) for the period	-	-	-	(1,619,190)	-	(1,619,190)
Other comprehensive loss	-	(106,399)	446	-	-	(105,953)
Equity component of convertible notes	50,352	-	-	-	-	50,352
Loss of control of interest in ACTS	-	-	-	483,524	72,562	556,086
Balance at 30 June 2012	1,766,388	10,600	129,725	(2,737,063)	-	(830,349)

Notes to the financial statements are attached

MERIDIEN CAPITAL LIMITED AND CONTROLLED ENTITY

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Statement of cash flows
for the financial year ended 30 June 2012

	Parent Only 2012 $	Consolidated 2011 $
Cash flows from operating activities		
Receipts from Fee income	68,479	180,048
Payments to suppliers and employees (inclusive of GST)	(360,466)	(1,307,211)
Interest received	6	126
Bank Interest Withholding tax	-	799
Net cash inflow from operating activities	(291,981)	(1,126,238)
Cash flows from investing activities		
Payment for property, plant and equipment	24,149	(71,197)
Loans to related parties	(306,924)	-
Purchase of investment in associates/joint venture	(302,404)	
Net cash (outflow) from investing activities	(585,179)	(71,197)
Cash flows from financing activities		
Proceeds from issues of shares and other equity securities	620,519	883,952
Proceeds from borrowings	477,575	768,000
Finance costs	(254,471)	(46,647)
Loans from related parties	33,481	205
Net cash inflow from financing activities	877,104	1,605,511
Net increase in cash and cash equivalents	(56)	75
Cash at the beginning of the year	86	11
Cash at the end of the financial year	30	86

Notes to the financial statements are attached

Notes to the financial statements

These consolidated financial statements and notes represent those of Meridien Capital Limited and Controlled Entity (the "consolidated group" or "group").

The separate financial statements of the parent entity, Meridien Capital Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

The financial statements were authorised for issue on 2 November 2012 by the directors of the company.

Note 1: Summary of Significant Accounting Policies

(a) **Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Meridien Capital Limited at the end of the reporting period. A controlled entity is any entity over which Meridien Capital Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled.

Where controlled entities have left the Group during the year, the financial performance of those entities is not included. Meridien Capital Limited had no controlled entities at 30 June 2012 following Australian Cable Tray Systems Pty Ltd entering into receivership in May 2012. The parent entity's investment in the controlled entity and the loans to the controlled

Notes to the financial statements

Note 1: Summary of Significant Accounting Policies – Continued

entity have been written off totalling $1,011,767.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interest, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, is reported separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consolidation transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

The acquisition of a business may result in the recognition of good will or a gain from a bargain purchase.

(b) **Going concern**

The Company made a comprehensive loss for the year of $1,619,190 (2011: loss 1,599,794) and a net cash out flow from operating activities of $991,389 (2011: $1,126,238). As at 30 June 2012 the consolidated Group's net equity is negative $830,349. It had minimal cash reserves to satisfy current debts, future operating costs, and interest payable on convertible notes and convertible note redemptions, which creates a significant uncertainty in relation to going concern. Under the requirements of the Australian Accounting Standards, the directors have reviewed whether the entity can continue as a

Note 1: Summary of Significant Accounting Policies – Continued

going concern by assessing its ability to realise its assets and settle liabilities in the normal course of business and for at least the amounts stated.

The Directors concluded it appropriate that the finance report be prepared on a going concern basis because:

1) The company is in the process of raising a total of $800,000 by way of a placement of ordinary shares. The Capital 19 group has reconfirmed in writing its commitment to complete the capital raising within a 60 day period subject to the resumption of trading of the company's securities on the NSX.

2) On 30 October 2012 the largest convertible note holder reconfirmed its intention to convert its $200,000 note subject to the resumption of trading of the company's securities on the NSX and the resumption of trading of Stonewall Resources shares in the ASX (scheduled for 19 November 2012)

3) The Company currently owns 5,000,000 Stonewall Resources shares which last traded in October at $0.175 cents. Stonewall Resources recently closed a new prospectus capital raising priced at $0.20 cents and are expected to resume trading on ASX 19 November 2012

   The Company's 5,000,000 shares are escrowed until 7 April 2013. The Company has sought advice in respect of proceeding with an escrow waiver application for the ASX and the directors anticipate a successful outcome.

4) Gold Crest Holding is currently in an advanced stage of negotiation to sell its 100% investment in ACS Asia. It is expected that this transaction will complete in the first quarter of calendar year 2013 and directors expect to realise a gain on the current book value.

(c) **Income tax**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred tax assets and liabilities are calculated at the tax rate that are expected to apply to the period when the assets is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Note 1: Summary of Significant Accounting Policies - Continued

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

(e) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of the recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

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

Note 1: Summary of Significant Accounting Policies - Continued

Depreciation

The depreciable amount of all fixed assets including capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are

Class of Fixed Asset	Depreciation Rate
Plant and equipment	5-33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expenses to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that

Notes to the financial statements

Note 1: Summary of Significant Accounting Policies - Continued

initial amount and the maturity amount calculated using the effective interest method.

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

The effective interest method is used to allocate interest income or interest expenses over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payment or receipts (including fees, transaction costs, and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expenses item in profit or loss.

i. Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value are included in profit or loss.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

iii. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as current assets.

Notes to the financial statements

Note 1: Summary of Significant Accounting Policies - Continued

iv. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in non-current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as current assets.

v. Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(f) **Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership, are transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the lease term.

(g) **Impairment of Assets**

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information, including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell

Note 1: Summary of Significant Accounting Policies - Continued

and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

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

(h) Provisions

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

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities on the statement of financial position.

(j) Critical account estimates and judgements

The directors evaluate estimates and judgments incorporated into the financial statements 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 Group.

Key estimates

Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amount of relevant assets are reassessed using mark to the market calculations which incorporate various key assumptions.

The 5 million ordinary shares and 2.5 million options in Meridien Resource Ltd (MRJ) have appreciated in fair value. The amount of the appreciation $340,863 has been recorded in the Asset Revaluation Reserve account

Impairment for the total of $64,000 on the 7.5 million ordinary shares in Paniai Gold has been recorded in the Asset Revaluation Reserve account.

Notes to the financial statements

Note 1: Summary of Significant Accounting Policies - Continued

Impairment for the total of $26,416 on the 10% in Gold Crest Holdings has been recorded in the Asset Revaluation Reserve account.

Impairment adjustment related to prior periods for the total of $250,000 has been recorded in the Asset Revaluation Reserve account.

Net result of the above is the reduction of Available for Sale Financial Asset and the Asset Revaluation Reserve account by the same amount of $446.

Convertible Notes

The Group has issued $305,000 convertible notes during the current financial year. The Board assessed a calm investor would have required 35% return for a note with exact features of the convertible notes but without the converting options. Factors considered in reaching such conclusion including suggested comments from a broker, the risks of the business and the general market sentiment at the time the notes were issued. The equity portion of all of these notes was assessed as $186,037 and liability portion was $866,963.

(k) **Employee Benefits**

Equity-settled compensation

The Group operates an employee share ownership plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

(l) **Revenue and Other Income**

Revenue is measured at fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred, it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognized and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Notes to the financial statements

Note 1: Summary of Significant Accounting Policies - Continued

Interest revenue is recognised as received.

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

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

(m) **Borrowing Costs**

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

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

(n) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivables or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(o) **Contributed equity**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the entity reacquires its own equity instruments, e.g. as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled.

No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

Notes to the financial statements

Note 1: Summary of Significant Accounting Policies - Continued

(p) **Earnings per share**

(i) Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(q) **New Accounting Standards for Application in Future Periods**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applicable for annual reporting period commencing on or after 1 January 2013).

  These standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognising requirements for financial instruments. .

  The key changes made to accounting requirements include:

  - simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
  - simplifying the requirements for embedded derivatives;
  - removing the tainting rules associated with held-to-maturity assets;
  - removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
  - allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
  - requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and

Notes to the financial statements

Note 1: Summary of Significant Accounting Policies - Continued

- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

The Group has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

- AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

  This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121: Income Taxes – Recovery of Revalued Non-Depreciable Assets into AASB 112.

  Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

  The amendments are not expected to significantly impact the Group.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107. 112, 118, 121, 124,132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013).

  AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Group has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

  AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

  AASB 12 contains the disclosure requirements applicable to entities that hold an interest

Note 1: Summary of Significant Accounting Policies - Continued

in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a “structured entity”, replacing the “special purpose entity” concept currently used in Interpretation 112, an requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Group.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Group.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023, & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] (applicable for annual reporting periods commencing on or after 1 January 2013).

  AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

  AASB 13 requires:
  - Inputs to all fair value measurements to be categorised in accordance with fair value hierarchy;
    and
  - Enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) to be measured at fair value.

  These Standards are not expected to significantly impact the Group.

- AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

  The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

  This Standard affects presentation only and is therefore not expected to significantly impact the Group.

- AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049, & AASB 2011-8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

  These standards introduce a number of changes to accounting and presentation of defined benefit plans. The Group does not have any defined benefit plans and so is not impacted by the amendment.

Note 1: Summary of Significant Accounting Policies - Continued

AASB 119 (September 2011) also includes changes to the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:

(i) for an offer that may be withdrawn – when the employee accepts;

(ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and

(iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

The Group has not yet been able to reasonably estimate the impact of these changes to AASB 119.

Notes to the financial statements

Note 2: Parent Information

The following has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.

	2012 $	2011 $
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Current assets	765,770	927,957
TOTAL ASSETS	925,269	1,662,648
LIABILITIES		
Current liabilities	1,715,738	1,944,460
TOTAL LIABILITIES	1,755,618	1,944,460
EQUITY		
Issued capital	1,580,351	1,402,184
Retained earnings	(2,737,063)	(2,065,959)
Asset revaluation reserve	129,725	129,279
Option reserve	10,600	116,999
Convertible notes	186,037	135,685
TOTAL EQUITY	(830,349)	281,812
STATEMENT OF COMPREHENSIVE INCOME		
Total profit / (loss)	(1,975,589)	(1,479,073)
Other comprehensive income	356,399	(120,721)
Total comprehensive income	(1,619,190)	(1,559,794)

Guarantees

Meridien Capital Limited has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

Notes to the financial statements

Note 3: Revenue and Other Income	Note	Parent Only 2012 $	Consolidated 2011 $
a. Revenue from continuing operations			
Sales revenue:			
- sale of goods		-	299,657
- provision of services		-	15,462
		-	315,119
Other revenue:			
- sale of shares		68,479	
- interest received:		-	4,668
- related parties		-	-
- other persons		6	-
Total revenue		68,485	319,787
b. Total revenue and other income from continuing operations			
- attributable to members of the parent entity		68,485	172,955
- attributable to non-controlling interests		-	146,832
		68,485	319,787

Note 4: Loss for the year	Parent Only 2012 $	Consolidated 2011 $
Loss before income tax from continuing operations includes the following specific expenses:		
Expenses		
ACTS loan write off	501,767	
ACTS investment write off	510,000	
Cleva-Garden write off	200,404	
Cartage cost	-	209,139
	1,212,171	209,139

Notes to the financial statements

Note 5: Income Tax Expense

	Parent Only 2012 $	Consolidated 2011 $
The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax benefit on profit from ordinary activities before income tax at 30% (2011: 30%)	(485,757)	(432,927)
Add:		
Tax effect of:		
- Accrual Expenditures	35,647	34,795
- Other non-allowance items	7,569	26,498
	442,541	(371,635)
Less:		
Tax effect of:		
- Accrual Expenditures	(22,782)	(13,222)
- Capital raising costs deductible	(1,140)	(8,700)
- Other non-allowable items	(7,063)	4,486
	(473,526)	(389,070)
Tax effect of tax losses not brought to account as they do not meet the recognised criteria	473,526	389,070
Deferred tax asset in respect of tax losses not brought to account	(473,526)	(389,070)
Income tax attributable to operating loss	-	-
Total income tax losses for which no deferred tax asset has been recognised	1,782,781	1,865,341

Note 6: Interests of Key Management Personnel

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2012.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	Parent Only 2012 $	Consolidated 2011 $
Short–term employee benefits	148,573	176,753
	148,573	176,753

KMP Options and Rights Holdings

Number of Options Held by Key Management Personnel

30 June 2012	Balance at the beginning of year	Expired during the year	Balance at end of year	Vested during the year	Vested and exercisable
Mr. Kevin Shirlaw	150,000	150,000	-	-	-
Mr. Kevin Good	52,400	27,400	25,000	-	25,000
Mr. Michael Ivkovic	552,000	552,000	-	-	-
	754,400	729,400	25,000	-	25,000

30 June 2011	Balance at the beginning of year	Exercised during the year	Balance at end of year	Vested during the year	Vested and exercisable
Mr. Kevin Shirlaw	150,000	-	150,000	-	150,000
Mr. Kevin Good	52,400	-	52,400	-	52,400
Mr. Michael Ivkovic	552,000	-	552,000	-	552,000
	754,400	-	754,400	-	754,400

Notes to the financial statements

Note 6: Interests of Key Management Personnel - Continued

KMP Shareholdings

Number of Shares held by Key Management Personnel

30 June 2012	Balance at beginning of year	Granted as remuneration during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year
Mr. Kevin Shirlaw	410,000	-	-	-	410,000
Mr. Kevin Good	97,600	-	-	-	97,600
Mr. Michael Ivkovic	1,033,693	-	-	964,000	69,693
Total	1,541,293	-	-	964,000	577,293

30 June 2011	Balance at beginning of year	Granted as remuneration during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year
Mr. Kevin Shirlaw	410,000	-	-	-	410,000
Mr. Kevin Good	97,600	-	-	-	97,600
Mr. Michael Ivkovic	1,033,693	-	-	-	1,033,693
Total	1,541,293	-	-	-	1,541,293

Other KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above. For further details of other transactions with KMP, refer to Note 26: Related Party Transactions.

Note 7: Auditor's Remuneration

	Parent Only 2012 $	Consolidated 2011 $
Remuneration of the auditor of the parent entity for:		
- auditing or reviewing the financial report	43,480	45,428
Comprising:		
- previous year's auditor	20,480	45,428
- current year's auditor	23,000	-
	43,480	45,428

Notes to the financial statements

Note 8: Earnings Per Share

	Note	Parent Only 2012 $	Consolidated 2011 $
a. Reconciliation of earnings to profit and loss			
Gain / (Loss)		(1,975,589)	(1,479,073)
Gain / (Loss) attributable to non-controlling equity interest		-	(464,563)
Gain / (Loss) used to calculate basic EPS		(1,975,589)	(1,014,510)
Gain / (Loss) used in the calculation of dilutive EPS		(1,975,589)	(1,014,510)
		No.	No.
b. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS		5,471,870	5,236,216

Note 9: Cash and Cash Equivalents

	Note	Parent Only 2012 $	Consolidated 2011 $
Cash at bank and in hand		30	86
		30	86

Reconciliation of cash

Cash at end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents		30	86

Notes to the financial statements

Note 10: Trade and Other Receivables

	Note	Parent Only 2012 $	Consolidated 2011 $
CURRENT			
Trade receivables		-	141,670
Other receivables		59,739	94,083
Rental bond receivables		6,000	90,186
Amounts receivable from:			
- Key Management Personnel (unsecured)		-	15,984
		65,739	341,923

Note 11: Inventories

	Parent Only 2012 $	Consolidated 2011 $
CURRENT		
At cost:		
Raw materials and stores	-	510,256
Work in progress	-	12,180
Finished goods	-	41,927
	-	564,362
At net realisable value:		
Raw materials and stores	-	510,256
Work in progress	-	12,180
Finished goods	-	41,927
	-	564,362

Note 12: Other Financial Assets

	Note	Parent Only 2012 $	Consolidated 2011 $
CURRENT			
Available-for-sale financial assets	12a	700,001	21,586
NON-CURRENT			
Available-for-sale financial assets	12b	112,237	561,791
		812,238	583,377

Note 12: Other Financial Assets- Continued

a. Available-for-sale financial assets

Investments at fair value(net)		700,001	21,586
Total Financial assets at fair value through profit or loss		700,001	21,586

Changes in fair value are included in the statement of comprehensive income.

b. Available-for-sale financial assets

Australian listed shares and options		-	359,138
Unlisted investments, at fair value			
- shares in unlisted company in Australia		7,575	71,575
Unlisted investments, at fair value			
- shares in unlisted company in HK	12c	104,662	131,078
Total available-for-sale investments at fair value		112,237	561,791

c. Shares/Options in related parties

i. Unlisted

Gold Crest Holding Ltd (HK)

Principal activity is investment in ACS Thailand.

Meridien Capital Limited has a 10% interest in Gold Crest Holding Ltd (HK)

Investment at fair value	104,662	131,078

Notes to the financial statements

Note 13: Controlled Entities

a. Controlled Entities Consolidated	Country of Incorporation	Percentage Owned (%) 2012	2011
Subsidiaries of Meridien Capital Limited:			
Australian Cable Tray Systems Pty Ltd	Australia	-	51
* Percentage of voting power is in proportion to ownership			

Meridien Capital Limited lost its control of Australian Cable Tray Systems Pty Ltd when the company entered receivership in May 2012.

Note 14: Property, Plant and Equipment

	Note	Parent Only 2012 $	Consolidated 2011 $
PLANT AND EQUIPMENT			
Plant and equipment; at cost		47,262	223,386
Accumulated depreciation		-	(50,486)
Total plant and equipment		47,262	172,900

Consolidated Group	Plant and Equipment	Total
Balance at 1 July 2010	94,261	94,261
Additions	105,713	105,713
Depreciation expenses	(27,074)	(27,074)
Balance at 30 June 2011	172,900	172,900
Parent Only		
Balance at 1 July 2011	82,837	94,262
Additions	47,262	-
Disposals	(71,412)	-
Depreciation expenses	(11,425)	(11,425)
Balance at 30 June 2012	47,262	82,837

Note 15: Trade and Other Payables

	Note	Parent Only 2012 $	Consolidated 2011 $
CURRENT			
Unsecured liabilities:			
Trade payables		139,580	762,108
Other payables and accrued expenses		256,945	231,238
Amounts payable to related parties	26	81,503	76,852
		478,028	1,070,198

Note 16: Borrowings

	Note	Parent Only 2012 $	Consolidated 2011 $
CURRENT			
Secured liabilities:			
Bank overdraft		20,383	-
Short term loan		186,700	75,000
Lease liability		13,293	128,490
Total current borrowings		220,376	203,490
NON-CURRENT			
Secured liabilities:			
Lease liability		39,880	-
Total non-current borrowings		39,880	-

Note 17: Other Financial Liabilities

	Note	Parent Only 2012 $	Consolidated 2011 $
Convertible Notes			
Face value		1,053,000	767,999
Equity component		(186,037)	(135,685)
Accretion expense		150,371	27,281
Liability Component		1,017,334	659,595

Main terms and conditions of the convertible notes are:

Issue Price	$0.45 per Convertible Note
Term	The Convertible Notes will have a 12 month term unless previously repaid or converted into Shares. Repayment of convertible notes are now in arrears (refer note 1(b))
Interest Rate	10% per annum on the Issue Price.
Interest Payments	Interest is payable quarterly in arrears on each Interest Payment Date. Interest payments are now in arrears (refer note 1(b))
Conversion by Note Holder	Each Convertible Note entitles the Note Holder to one Share (subject to any adjustment for bonus shares, rights issues and capital reconstructions). Upon conversion or redemption, Note holders will also be issued a bonus Share with a face value of $0.45 at the rate of 1 bonus Share for every 3 Convertible Notes converted or repaid. Note Holders may elect to convert their Convertible Notes at any time from the Issue Date to the Expiry Date unless the Company proposes a merger by scheme of arrangement or a takeover bid (as defined in the Corporations Act) in which case the conversion period commences on the announcement of the merger or takeover bid.

Notes to the financial statements

Note 17. Other Financial Liabilities - Continued

Redemption	Any Convertible Notes not converted by the Maturity Date must be repaid by the Company at the Issue Price on the Maturity Date. The Company may not redeem the Convertible Notes.
Ranking	Until Conversion or Redemption, the Convertible Notes will be unsecured debt obligations of the Company and rank equally with other ordinary unsecured creditors of the Company in relation to repayment of principal and interest. The Convertible Notes will rank behind any secured creditors of the Company but will rank ahead of Shares.
	Each Share issued on Conversion will rank equally with all existing Shares then on issue, except that they will not be entitled to any dividend that has been declared or determined but not paid as a the Conversion Date.
Bonus Issues	If at any time after the Issue Date but before the Termination Date or Allotment Date, the Company makes a Bonus Issue and issues to the holders of Shares any Bonus Securities, then the Company must issue to the Noteholder Bonus Securities of the number which the Noteholder would have been entitled to receive by way of participation in the issue of Bonus Securities if it had Converted the Convertible Notes into Shares.
	The convertible notes are compound financial instruments. The present value for the liability component of initial recognition was \$866,963. The balance of \$186,037 was recognised in equity.

Note 18: Provisions

	Parent Only 2012 Annual Leave \$	Consolidated 2011 Total \$
Opening balance at 1 July 2011	-	-
Additional provisions	-	11,177
Balance at 30 June 2012	-	11,177

Note 19: Issued Capital

	Parent Only 2012 $	Consolidated 2011 $
7,308,211 (2011: 5,525,400) fully paid ordinary shares	1,774,911	1,204,744
Direct share issue costs	(194,560)	(194,560)
Issued capital	1,580,351	1,010,184

	No.	No.
a. Ordinary shares		
At the beginning of reporting period:	-	4,899,400
Shares issued during the year		
- 8 October 2010	-	200,000
- 21 October 2010	-	150,000
- 31 December 2010	-	120,000
- 31 December 2010	-	50,000
- 23 June 2011	-	106,000
- 4 August 2011	66,667	-
- 31 October 2011	120,000	-
- 13 December 2011	341,667	-
- 1 February 2012	400,000	-
- 2 February 2012	13,334	-
- 10 February 2012	110,000	-
- 27 February 2012	(10,000)	-
- 24 May 2012	40,000	-
- 26 June 2012	504,000	-
- 28 June 2012	197,143	-
At the end of the reporting period	7,308,211	5,525,400

b. Convertible Notes		
At the beginning of the reporting period	135,685	-
Issue of 1,706,671 convertible notes	-	135,685
Issue of 677,781 convertible notes	53,885	-
Conversion of 44,445 convertible notes	(3,533)	-
At the end of the reporting period	186,037	135,685

Note 20: Capital and Leasing Commitments

	Note	Parent Only 2012 $	Consolidated 2011 $
Capital Expenditure Commitments			
Capital expenditure commitments contracted for:			
Plant and equipment purchases		64,489	128,490
		64,489	128,490
Payable:			
- not later than 12 months		16,122	91,002
- between 12 months and five years		48,367	37,488
		64,489	128,490

Note 21: Contingent Liabilities and Contingent Assets

There was no contingent or undetermined and unrecorded obligations of a material amount for which provision has not been made in the financial report or noted thereon. There was no contingent asset of a material amount for which has not been recorded in the financial report or notes either.

Note 22: Operating Segments

General Information
Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the manufacturing process;
- the type or class of customer for the products or services;
- the distribution method; and
- any external regulatory requirements.

Types of products and services by segment

i. Investing

Assisting small cap companies list on the national Stock Exchange and Australian Stock Exchange.

Notes to the financial statements

Note 22: Operating Segments - Continued

ii Manufacturing

The manufacturing and distribution of wire mesh and flat steel electrical cable support products.

Basis of accounting for purposes of reporting by operating segments
(a) Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the group.

(b) Intersegment transactions

An internally determined transfer price is set for all intersegment sales. The price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated to reporting segment based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Intersegment loans payable and receivable are initially recognised at the consideration received/to be received not of transaction costs. If intersegment loans receivable and payable are not commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

(c) Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives majority economic value form the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(d) Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered too relate to the group as a whole and are not allocated.

Notes to the financial statements

Note 22: Operating Segments - Continued

(i) Segment performance

30 June 2012	Investing	Parent Only Manufacturing	Total
REVENUE			
External sales	68,479	-	68,479
Intersegment sales	-	-	-
Other Sales	-	-	-
Interest revenue	6	-	6
Total segment revenue	68,485	-	68,485
Reconciliation of segment revenue to group revenue:			
Intersegment elimination			
Total group revenue			
Segment net (losses) from continuing operations before tax	(1,975,589)	-	(1,975,589)
Reconciliation of segment result to group net profit/loss before tax:			
i. Amounts not included in segment result but reviewed by the Board:			
- depreciation and amortisation	(11,425)		(11,425)
ii. Unallocated items:			
- Other income			68,484
- Employee benefits expense			(120,000)
- Finance costs			(254,471)
- Occupancy			(6,897)
- Professional Fees			(340,945)
- Other expense			(98,165)
- ACTS investment write off			(510,000)
- ACTS loan write off			(501,767)
Cleva-Garden write off			(200,404)
Net (losses) before tax from continuing operations			(1,975,589)

Notes to the financial statements

Note 22: Operating Segments - Continued

(i) Segment performance

30 June 2011	Investing	Consolidated Group Manufacturing	Total
REVENUE			
External sales	-	299,545	299,545
Intersegment sales	27,000	-	27,000
Other Sales	42,573	-	42,573
Interest revenue	4,557	-	4,557
Total segment revenue	74,130	299,545	373,675
Reconciliation of segment revenue to group revenue:			
Intersegment elimination			(27,000)
Total group revenue			346,675
Segment net (losses) from continuing operations before tax	(110,037)	(948,087)	(1,058,123)
Reconciliation of segment result to group net profit/loss before tax:			
i. Amounts not included in segment result but reviewed by the Board:			
- depreciation and amortisation	(11,425)		(11,425)
ii. Unallocated items:			
- Finance costs			(154,952)
- Occupancy			(21,894)
- Professional Fees			(153,793)
- Other expense			(78,887)
Net (losses) before tax from continuing operations			(1,479,073)

Notes to the financial statements

Note 22: Operating Segments - Continued

(ii) *Segment assets*

30 June 2012	Investing	Parent Only Manufacturing	Total
	$	$	$
Segment assets	812,268	-	812,268
Reconciliation of segment assets to group assets:			
Intersegment eliminations			-
Unallocated assets:			
- Motor vehicle			47,262
- Other receivables			65,739
Total group assets			925,269

30 June 2011	Investing	Consolidated Group Manufacturing	Total
	$	$	$
Segment assets	970,233	971,286	1,941,519
Segment asset increases for the periods:			
-capital expenditure	-	55,523	55,523
	-	55,523	55,523
Reconciliation of segment assets to group assets:			
Intersegment eliminations			(602,843)
Unallocated assets:			
- Motor vehicle			82,836
- Other receivables			241,136
Total group assets			1,662,648

Notes to the financial statements

Note 22: Operating Segments - Continued

(iii) ***Segment liabilities***

30 June 2012	Investing	Parent Only Manufacturing	Total
	$	$	$
Segment liabilities	566,289	-	566,289
Reconciliation of segment liabilities to group liabilities:			
Intersegment eliminations			-
Unallocated liabilities:			
Accrued interest - Convertible note			84,987
Accrued expenses			33,835
Short term loans			-
Convertible note			1,017,334
Hire Purchase			53,173
Total group liabilities			1,755,618

30 June 2011	Investing	Consolidated Group Manufacturing	Total
	$	$	$
Segment liabilities	69,077	1,119,373	1,188,450
Reconciliation of segment liabilities to group liabilities:			
Intersegment eliminations			(194,843)
Unallocated liabilities:			
Accrued interest - Convertible note			13,025
Accrued expenses			137,816
Short term loans			75,000
Convertible note			659,595
Hire Purchase			65,416
Total group liabilities			1,944,460

Notes to the financial statements

Note 22: Operating Segments - Continued

	Parent Only 2012 $	Consolidated 2011 $
(iv) Revenue by geographical region		
Revenue attributable to external customers is disclosed below, based on the location of the external customer:		
Australia	-	299,545
Total revenue	-	299,545

	Parent Only 2012 $	Consolidated 2011 $
(v) Assets by geographical region		
The location of segment assets by geographical location of the assets is disclosed below:		
Australia	820,607	1,531,570
Hong Kong	104,662	131,078
Total assets	925,269	1,662,648

(vi) Major customers

The Group has a number of customers to whom it provides both products and services. The Group supplies a single external customer in the manufacturing segment who accounts for 0% of external revenue (2011:91%). The next most significant client accounts for 0% (2011:5%) of external revenue.

Notes to the financial statements

Note 23: Cash Flow Information	Parent Only 2012 $	Consolidated 2011 $
a. Reconciliation of Cash Flow from Operations with Loss after Income Tax		
Profit/(Loss) from ordinary activities after income tax	(1,619,190)	(1,479,073)
Non-cash flows in profit from ordinary activities		
Bad debt expense	-	28,753
Depreciation	11,425	27,074
Interest accrued not paid	-	13,025
Accretion expenses	123,090	27,281
Cleva-Garden write off	200,404	
ACTS Investment write off	510,000	
Investing activities	501,767	
Financing costs- share based	28,564	66,500
Financing cost- cash	102,817	46,647
	(141,123)	(1,269,794)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in debtors	(35,430)	(98,589)
(Increase)/decrease in other assets	(356,039)	(726,039)
Increase/(decrease) in trade creditors and accruals	240,611	968,183
Cash flow from operations	(291,981)	(1,126,238)

Note 24: Share Based Payments

There has been no share based payments issued to any Key Management Personnel during the financial year ended 30 June 2012.

Note 25: Events after the Reporting Period

- In the four month period to 31 October 2012 the Company issued 440,000 ordinary shares in respect of $110,000 subscriptions received but not documented as at 30 June 2012.

- In the four month period to 31 October 2012 the Company issued a further 340,000 ordinary shares in full payment of advisory and capital raising provided by consultants

- Following the decision not to proceed with the Elsmore acquisition the Company has been actively looking for another opportunity in the resources sector in order to facilitate a move from the NSX to an ASX listing

The Company is presently involved in negotiations with Roslyn Gold Pty Ltd which is in the process of completing its due diligence in relation to the acquisition of a major gold mining operation in Papua New Guinea.

The Company recently engaged Superstructure International Pty Ltd to advise on a possible acquisition of Roslyn Gold, the associated $18.0 million capital raising and the Company's move to the ASX.

- On 2 November 2012 Capital 19 Pty Limited reconfirmed its commitment to raise $800,000 for the Company by way of a placement to sophisticated investors.

Note 25: Events after the Reporting Period - Continued

Capital 19's mandate has been extended to 30 November 2012 with the placement priced at 80% of the 5 days VWAP of the Companies securities immediately preceding the issue of shares but at a price of not less than $0.10 cents

- On 2 October 2012 Meridien Resources Limited shareholders approved the acquisition of Stonewall's mining operation in South Africa.

  Meridien Resources Limited subsequently changed its name to Stonewall Resources Limited and issued a prospectus to raise up to $10.0 million at an issue price of $0.20 cents. The issue closed on 26 October 2012 and the shares are expected to trade again on 19 November 2012.

Note 26: Related Party Transactions

Transactions with related parties:

Key Management Personnel

The aggregate amounts recognised during the year relating to key management personnel and their related parties were as follows:

Mr. Michael Ivkovic is the Managing Director of the Company. During the year he was provided with the use of a company motor vehicle, the cost of which was a total of $23,773 during the reporting period.

Apart from the details disclosed in this note, no Director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving Directors interests existing at the year end.

Other Related Entities

There were no other related party transactions for the year ended 30 June 2012

Notes to the financial statements

Note 26: Related Party Transactions - Continued

	Note	Parent Only 2012 $	Consolidated 2011 $
Amounts outstanding from related parties:			
Loans to other related parties:			
Beginning of the year		-	112,856
Loan offset by Fees entitlement		-	(38,643)
Loan to controlled entity		306,924	(50,000)
Interest charged		-	4,540
Loan forgiven/ written off		(306,924)	(28,753)
End of year		-	-
Amounts payable to related parties:			
Loans from other related parties:			
Beginning of the year		10,900	32,782
Loan repayment received		-	(21,882)
End of year		10,900	10,900
Fees outstanding to key management personnel:			
Beginning of the year		56,052	-
Fees entitlements owing		63,666	56,052
Loan repayment received		(38,235)	
End of year		81,503	56,052

Notes to the financial statements

Note 27: Financial Risk Management

		Parent Only		Consolidated	
		2012		2011	
	Note	Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
Financial assets		$	$	$	$
Cash and cash equivalents	9	30	30	86	86
Trade and other receivables	10	65,739	65,739	341,923	341,923
Available-for-sale financial assets – at fair value					
-listed investments	12	700,000	700,000	359,138	359,138
-unlisted investments	12	112,238	112,238	224,239	224,239
Total financial assets		878,007	878,007	925,386	925,386
Financial liabilities					
Trade and other payable	15	478,028	478,028	1,070,198	1,070,198
Borrowings	16	260,256	260,256	203,490	203,490
Convertible notes	17	1,017,334	1,017,334	659,595	659,595
Total financial liabilities		1,755,618	1,755,618	1,933,283	1,933,283

Financial Risk Management Policies

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, loans to and from subsidiaries and leases.

The main purpose of non-derivative financial instruments is to raise finance for Group's operations.

No derivatives are being used by the Group during the financial year. The Group does not speculate in the trading of derivative instruments.

Due to the size of the company, a separate finance committee does not exist. The Board of Directors is responsible for monitoring and managing financial risk exposures of the Group. The Board reviews the effectiveness of internal controls relating to commodity price risk, currency risk, financing risk, interest rate risk and future cash flow requirements as required.

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk, commodity and equity price risk.

Note 27: Financial Risk Management - Continued

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. There are no collateral held as security at 30 June 2012.

b. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

Preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;

Monitoring undrawn credit facilities;

Obtaining funding from a variety of sources;

Maintaining a reputable credit profile;

Managing credit risk related to financial assets;

Financial instrument composition and maturity analysis:

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

Notes to the financial statements

Note 27: Financial Risk Management - Continued

Parent Only			FIXED MATURITY DATES					
2012	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	VARIABL E INTERES T RATE $	LESS THAN 1 YEAR $	1-2 YEARS $	2-3 YEARS $	3-5 YEARS $	NON INTERES T BEARING $	TOTAL $
Financial assets								
Cash and cash equivalents	-	30	-	-	-	-	-	30
Trade and other receivables	-	-	-	-	-	-	65,739	65,739
Other financial assets	-	-	-	-	-	-	812,238	812,238
		30	-	-	-	-	877,977	878,007
Financial liabilities								
Trade and other payables	-	-	-	-	-	-	438,425	438,425
Lease liabilities	10	-	13,293	13,293	13,293	13,294	-	53,173
Bank overdrafts	-	20,383	-	-	-	-	-	20,383
Loans	10		186,700				39,603	226,303
Convertible notes	10		1,017,334	-				1,017,334
		20,383	1,217,327	13,293	13,293	13,294	478,029	1,755,618

Consolidated			FIXED MATURITY DATES					
2011	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	VARIABLE INTEREST RATE $	LESS THAN 1 YEAR $	1-2 YEARS $	2-3 YEARS $	3-5 YEARS $	NON INTEREST BEARING $	TOTAL $
Financial assets								
Cash and cash equivalents	-	86	-	-	-	-	-	86
Trade and other receivables	-	-	-	-	-	-	341,923	341,923
Other financial assets		-	-	-	-	-	583,377	583,377
	-	86	-	-	-	-	925,300	925,386
Financial liabilities								
Trade and other payables	-	-	-	-	-	-	1,070,198	1,070,198
Lease liabilities	10	-	863,085	-	-	-	-	863,085
		-	863,085	-	-	-	1,070,196	1,933,283

Note 27: Financial Risk Management - Continued

c. Market Risk

i. Interest rate risk

Exposure to interest risk arises on financial assets and liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

Interest rate risk is managed using a mix of fixed and floating rate debt. At 30 June 2012 the only debt that is exposed to interest rate risk is the Lease Liabilities of which the interest is fixed at 10% and the Bank Overdraft of which the interest is controlled by market rates.

ii. Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the Group's measurement currency. This has no longer been a risk since the controlled entity entered receivership.

iii. Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors for commodities.

The Group is exposed to securities price risk on investments held for trading or for medium to longer term investments. Such risk is managed through diversification of investments across industries and geographical locations.

Note 27: Financial Risk Management - Continued

Sensitivity Analysis

Interest Rate Risk, Foreign Currency Risk and Price Risk

The Company has performed sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk and price risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks. No material effect has been identified through this analysis.

	Profit $		Equity $	
	Parent Only	Consolidated	Parent Only	Consolidated
Year ended 30 June 2012	2012	2011	2012	2011
+/- 2% in interest rates	407	17,262	-	-
+/- 5% in $A/$HK and Thai Baht	5,357	56,554	5,357	56,554
+/- 10% in listed investments	70,750	31,930	70,750	31,930

Net Fair Values

The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values (2011: net fair value).

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Notes to the financial statements

Note 27: Financial Risk Management - Continued

		Parent Only 2012		Consolidated 2011	
	Foot note	Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
Financial assets		$	$	$	$
Cash and cash equivalents	(i)	30	30	86	86
Trade and other receivables	(ii)	65,739	65,739	341,923	341,923
Available for sale financial assets- at fair value					
- listed investments		7	20,383	-	-
- unlisted investments	(iii)	112,238	112,238	583,376	283,376
Total financial assets		878,007	878,007	925,386	925,386
Financial liabilities					
Trade and other payable	(i)	438,425	438,425	1,070,198	1,070,198
Hire purchase		53,173	53,173	203,490	203,490
Bank overdraft		20,383	20,383	-	-
Loans		226,303	226,303	-	-
Convertible Notes		1,017,334	1,017,334	659,595	659,595
Total financial liabilities		1,755,618	1,755,618	1,933,283	1,933,283

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value.

(ii) In determining the fair values of the unlisted available-for-sale financial assets, the directors have used inputs that are observable either directly (as prices) of indirectly (derived from prices).

Note 28: Reserves

a. Option Reserve

The option reserve records items recognised as expenses on valuation of employee share options.

b. Asset Revaluation Reserve

The Asset Revaluation Reserve records movements in fair value of available for sale financial assets.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERIDIEN CAPITAL LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Meridien Capital Limited, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the entity comprising the company and the entity it controlled until May,2012.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Meridien Capital Limited, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion:

a. The financial report of Meridien Capital Limited is in accordance with the *Corporations Act 2001*, including;

    i. Giving a true and fair view of the entity's financial position as at 30 June 2012 and of its performance for the year ended on that date; and

    ii. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. The financial report also complies with International Financial Reporting Standards as disclosed in note 1.

Emphasis of Matter

Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our opinion, we draw attention to Note 1(b) "Going Concern" and Note 25 "Events after the Reporting Period" in the financial report. Note 1(b) "Going Concern" discloses that the consolidated group has incurred a loss for the year of $1,619,190 (2011-loss, $1,599,794) and had a net outflow from operating activities of $291,891 (2011 outflow - $1,126,238). A deficiency of shareholders' funds of $830,349 (2011 deficiency $281,812) has been reported at 30 June 2012. Also convertible notes on issue at 30 June 2012 and accrued interest totalling approximately $1,100,000 are now overdue for conversion or repayment by the company. However the Board of Directors believe that the financial report should still be prepared on the going concern basis of accounting and have set out their reasons in Note 1(b).

In particular, it appears to be of paramount importance for the company to raise the funds of $800,000 referred to in Note 1(b) over the 60 day time interval disclosed and to achieve an early waiver of their escrow over the shares held in Meridien Resources Ltd to enable their sale if it becomes necessary.

The financial conditions and other matters outlined in Notes 1(b) and 25 including the entity's dependence on the successful raising of sufficient further funding to ensure that the company can pay its debts, commitments and contingent liabilities (if any) as they become due and payable indicates the existence of a material uncertainty which casts significant doubt about the company's ability to continue as a going concern.

Consequently, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

G. C. C. Business & Assurance Pty Ltd

Report on the Remuneration Report

We have audited the remuneration report included on pages 12 to 14 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the remuneration report of Meridien Capital Limited for the year ended 30 June 2012 complies with section 300A of the *Corporations Act 2001*.

G C C Business + Assurance P/L

GCC BUSINESS & ASSURANCE PTY LTD
(Authorised Audit Company)

Graeme Green

GRAEME GREEN
Director

Sydney
5 November, 2012

Additional NSX information

The following is additional information provided in accordance with the listing requirements of the National Stock Exchange Limited.

1. Shareholdings at 30 June 2012

(a) Substantial shareholders

As shown in the company's register of substantial shareholders is set below:

	Ordinary shares	%
UCAN NOMINEES PTY LTD	900,000	12.32
FAIR CHOICE LIMITED	700,000	9.58

(b) Distribution of shareholder's holdings as at 30 June 2012 is:

Holdings Ranges	Holders	Total Units	%
1-1,000	0	0	0.000
1,001-5,000	64	262,763	3.595
5,001-10,000	42	331,259	4.533
10,001-100,000	89	2,859,601	39.129
100,001-99,999,999,999	16	3,854,588	52.743
Totals	**211**	**7,308,211**	**100.000**

(c) Voting rights

On show of hands one vote for every registered Shareholder and on a poll, one vote for each share held by a registered Shareholder.

(d) Additional information

The company reports to NSX which makes available all reports to those who wish to access them. All NSX releases and other background information are posted regularly on the company's website. The company intends to post on its website its annual report and all other required notices to its shareholders.

The board reviews and receives advice on areas of operational and financial risks. Business risk management strategies are developed as appropriate to mitigate all identified risks of the business. The directors are aware of the guidelines for the content of a code of conduct to guide compliance with legal and other obligations to shareholders but have not formally established such a code. Where applicable to its activities, the directors ensure that the company is responsible to its shareholders, employees, contractors, advisers, individuals and the community.

Additional NSX information

(e) Top twenty shareholders as at 30-06-2012

The names of the 20 largest holders of fully paid ordinary shares constituting a class of quoted equity securities on the NSX including the number and percentage held by those at 30 June 2012 are as follows:

Top 20 Holdings as at 30-06-2012

Holder Name	Balance at 30-06-2012	%
UCAN NOMINEES PTY LTD	900,000	12.315
FAIR CHOICE LIMITED	700,000	9.578
DALUA PTY LTD	304,000	4.160
FINLAY (AUST) PTY LTD <SHIRLAW FAMILY A/C>	250,000	3.421
MR ANDREW ROACH & MRS CARRIE ROACH <CARAND FAMILY A/C>	200,000	2.737
MR MARK BATTERHAM & MRS KAREN BATTERHAM <BATTERHAM FAMILY S/FUND A/C>	197,143	2.698
PROTO RESOURCES & INVESTMENTS LTD	179,445	2.455
KARELA GISELLE PTY LTD	164,000	2.244
MR KEVIN SHIRLAW	150,000	2.052
MR STEPHEN JAMES WHITE	130,000	1.779
MR ANDREW KENNETH BRUCE MORTIMER	125,000	1.710
THE RAYNER FAMILY SUPERANNUATION FUND PTY LTD <SUPER FUND A/C>	120,000	1.642
OPTEX EXCHANGE PTY LIMITED <DAVID SUTTON SUPER FUND A/C>	115,000	1.574
GE & CA COOPER PTY LTD <COOPER FAMILY SUPER FUND A/C>	110,000	1.505
MEGA INVESTMENTS (AUST) PTY LTD <MEGA INVESTMENT A/C>	106,000	1.450
TRIPLE Z HOLDINGS PTY LTD <THE ROBINSON FAMILY S/F A/C>	104,000	1.423
DIND HOLDINGS PTY LIMITED <DIND SUPER FUND A/C>	100,000	1.368
MR DONALD BRETT MCLENNAN	100,000	1.368
MR ANTHONY KITCHENER & MRS PAMELA HELEN HUNTLEY	100,000	1.368
ROJAN TRADING PTY LTD	100,000	1.368
	4,254,588	58.217

2. The address of the principal registered office in Australia is Level 11, 32 Martin Place, Sydney NSW 2000. Telephone 9200 4500.

3. Stock exchange listing
Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the NSX under the code MEK.