

Meridien Resources Limited

ABN 30 131 758 177

ANNUAL FINANCIAL REPORT

for the year ended 30 June 2011

MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177

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MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177

Corporate Directory

DIRECTORS

Mr Kevin Good (Chairman, resigned 28/06/2011)
Mr Nathan Taylor (Chairman, appointed 28/06/2011)
Mr Kevin Shirlaw (Resigned 2/09/2011)
Mr John MacFarlane (Resigned 2/09/2011)
Mr. S. Dhuphelia (Appointed 2/09/2011)
Mr Michael Ivkovic

COMPANY SECRETARY

Mr Richard Hill (Resigned 2/09/2011)
Mr. P. Hunt (Appointed 2/09/2011)

REGISTERED OFFICE

Level 29
Chifley Tower,
2 Chifley Square
Sydney NSW 2000
Ph: (02) 9220 3581
Fax: (02) 9375 2121

SOLICITORS

TressCox Lawyers
Level 9
469 La Trobe Street
Melbourne VIC 3000
Ph: (03) 9602 9444
Fax: (03) 9642 0382

SHARE REGISTRY

Registries Limited
Level 7,207 Kent Street
Sydney NSW 2000
Ph: (02)1300737 760
Fax: (02)1300 653 459

AUDITORS

RSM Bird Cameron Partners
Level 12,60 Castlereagh St
Sydney NSW 2000
Ph: (02) 9233 8933
Fax: (02) 9233 8521

SPONSORING BROKER

Dayton Way Financial Pty Ltd
Level 5, 17-19 Bridget Street
SYDNEY NSW 2000
Ph: (02) 9276 3100
Fax: (02) 9252 0890

MERIDIEN RESOURCES LIMITED
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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 2011.

Board composition:

The Board is comprised of three directors, of which only the Managing Director is an Executive Director.

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. The names of the directors of the company in office at the date of this statement are:

Name	Position
Mr K. J. Good	Non-Executive Chairman (Resigned 28/06/2011)
Mr N. Taylor	Non-Executive Chairman (Appointed 28/06/2011)
Mr K. R. Shirlaw	Non-Executive Director (Resigned 2/09/2011)
Mr J. Macfarlane	Non-Executive Director (Resigned 2/09/2011)
Mr M. J. Ivkovic	Managing Director
Mr R. Hill	Company Secretary (Resigned 2/09/2011)
Mr P. Hunt	Company Secretary (Appointed 2/09/2011)
Mr S. Dhuphelia	Non-Executive Director (Appointed 2/09/2011)

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 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 Board and their attendance at meetings 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 due care is taken by the Board in making sound decisions.

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CORPORATE GOVERNANCE STATEMENT

Trading Policy

The company's policy regarding directors and employees trading in its securities is set by the board under advice from TressCox Lawyers. 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. A copy of the Company's Trading Policy has been made publicly available on the **company's website**

Audit committee

The audit and risk committee comprised of Mr Kevin Shirlaw (Chairperson), Mr John MacFarlane and Mr Kevin Good. On 28 June 2011, Mr Good tendered his resignation as Chairman of the Company. Subsequent to 30 June 2011, both Mr Macfarlane and Mr Shirlaw have tendered their resignations as Directors of the Company. No committee meetings have been held and the Company has yet to appoint a new committee at the time of this report.

Board Roles and Responsibilities

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

The Board sought external guidance from TressCox Lawyers 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 Resources 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 and reassessing 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.

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CORPORATE GOVERNANCE STATEMENT

Remuneration Policies Continued

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 Meridien Resources Limited 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 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.

Remuneration Committee

At this stage the company does not have a Remuneration Committee. The full Board makes the decision on remuneration.

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.meridienresources.com.au/>>

**MERIDIEN RESOURCES LIMITED
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DIRECTORS' REPORT

Your directors present their report, together with the financial statements of the Company for the full financial year ending 30 June 2011.

PRINCIPAL ACTIVITIES

Meridien Resources Limited is an emerging gold exploration company that successfully listed on the ASX, On 7 April 2011. Listing the Company on the ASX has been a major focus for the directors since listing on the NSX on 29 October 2009. Over the past twelve months, the directors have worked hard to secure additional tenements in central west New South Wales and are confident of the outlook for the region.

The Lachlan Fold Belt in central west New South Wales hosts a number of Australia's most significant operating copper-gold mines and remains highly prospective for copper, gold, base metal and nickel deposits. This has led to the opening of new operations at Northparkes (operated by Rio Tinto Limited), Lake Cowal (operated by Barrick Gold Corporation) and the Cadia Hill gold mine (owned by Newcrest Mining Limited).

During the year, Meridien progressed the Lucky Draw tailings project to define a JORC compliant resource of 1,415,500 tones at an average grade of 0.47g/t for a total of 21,400 ounces (Of this 17,900 ounces is Measured). The Company also acquired 80% of Springfield from Jaguar Minerals Ltd ("Jaguar"). The tenement has an JORC compliant Inferred resource of 2.636Mt at 1.0g/t Au for a contained 85,000 ounces.

In addition to these tenements, the Company has also acquired 80% of Weelah from Augur Resources Ltd ("Augur") and has an active farm in agreement with Jaguar in respect of Mt David.

Meridien will continue to maintain and progress these projects as well as continue to assess opportunities which may add further value to shareholders.

OPERATING RESULTS AND REVIEW OF OPERATIONS

OPERATING RESULTS

The Company recorded a loss of \$1,013,721 for the twelve month period to 30 June 2011. This compared to a loss of \$540,060 for the corresponding period last year. The increase in losses was largely caused by once off costs in relation to the migration of the listing from NSX to ASX, and an increase in administrative and employee costs due to the expansion of operations.

REVIEW OF OPERATIONS

The Company has an expert technical committee with experience in both local and international mining projects. Their geological and metallurgical expertise is further complimented by PYBAR Mining Services Pty Ltd. They have the geological and engineering expertise to assess, develop and operate small to medium scale mining projects in a professional and cost effective manner.

Good tenements have been secured by Meridien and the Company has JORC compliant resources at Lucky Draw and Springfield. The Company will also explore the less advanced tenements Weelah and Mt David with the aim of defining an economic JORC compliant resource in the short to medium term.

FINANCIAL POSITION

The net assets of the Company increased from \$498,010 as at 30 June 2010 to \$3,208,817 as at 20 June 2011.

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DIRECTORS' REPORT

PROJECTS

Lucky Draw Tailings Dam
100% Meridien Resources

The tenement is situated near the township of Burruga, approximately 3 hours west of Sydney. The Lucky Draw tailings dam is located 1.3km northeast of the Lucky Draw gold mine, an open cut mine that ceased operation in 1991.

During the year GeoRes was engaged to Interpret of the results of the 2009/2010 drilling programs that were undertaken. These samples were taken using a combination of air core and push tube drilling methods.

A resource statement was received by the Company with sign off on a JORC classified resource (Measured and Indicated) of 1,415,500 tonnes at an average grade of 0.47g/t for a total of 21,400 ounces of in-situ gold.

Lucky Draw Tailings Dam Gold Resources – classified – December 2010					
Within Meridien's EL 6810 portion of the dam					
Resource class	Class % by tonnage	Cut-off (g/t)	Tonnes (t)	Gold (g/t)	Gold (oz)
Inferred	13%	-	187,500	0.31	1,900 (9%)
Indicated	12%	-	174,600	0.28	1,600 (7%)
Measured	75%	-	1,053,100	0.53	17,900 (84%)
Total		-	1,415,500	0.47	21,400

On 1 June 2011, a Deed of Agreement was executed with PYBAR Mining Services Pty Ltd ('PYBAR'). Under this agreement, PYBAR will provide project management services, coordination and evaluation for Stage 1 – Concept Study of the Lucky Draw mining project.

Springfield

80% Meridien Resources, 20% Jaguar Minerals

During the year, Meridien exercised the option with Jaguar to acquire 80% of Springfield. Meridien paid Jaguar \$100,000 cash and issued 1,000,000 fully paid ordinary shares to acquire an 80% interest in the property. Jaguar retains a 20% interest in the property which is free carried to feasibility

Springfield is situated approximately 220km north west of Sydney and lies between the towns of Gulgong and Mudgee. The tenement covers 70km² and is located in the upper catchment of the historically significant Gulgong alluvial goldfield.

Between 1870 and 1927 the Gulgong Gold Field produced an estimated 1,000,000 ounces Au (officially recorded production was 550,000 ounces Au).

RC and diamond drilling has defined an inferred resource of 2.636 Mt at 1.0g/t Au for a contained 85,000 ounces Au. The following table presents the inferred Resource estimates at 0.75g/t Au and 0.5g/t Au lower cut offs on the whole tenement at Springfield:

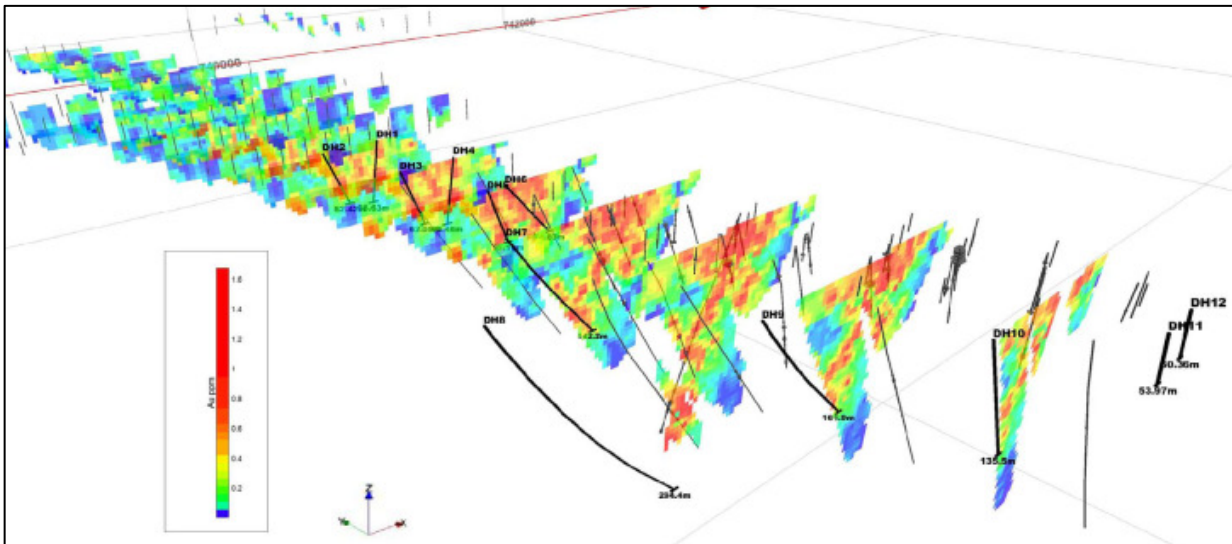
Zone	Cut Off Grade	Tonnes	Grade	Ounces Gold
Global	0.75	1,877,000	1.15	69,000
Global	0.50	2,636,000	1.00	85,000

The Springfield deposit is considered the most prospective target in the area. The bulk of the resource is relatively near surface and remains open along strike and down dip.

Centric Minerals Management Pty Ltd ('Centric') conducted 3D Voxel modeling of data obtained from drilling by previous explorers. Results from the Voxel modeling support the previous resource estimate and indicate good potential for resource extensions, both near surface and at depth.

DIRECTORS' REPORT

Eleven RC and one diamond drill hole totaling 1,230m in length are proposed at Springfield. They are designed to test deep and shallow targets as extensions to known mineralization. The diamond hole is designed to test the extension of a 40m (150-190m) long dip intersection averaging 1.4 ppm Au, including 12m (160-172m) averaging 2.84 ppm Au, near the end of SRC200, a hole drilled in 1990 by Newmont.



3D Voxel Model of historical drilling (Centric Minerals Management Pty Ltd)

Centric also identified 3 additional targets being Divide 4; Orchard West; and Canadian Lead Embayment.

Mt David

100% Jaguar Minerals

EL 5242 is held by Jaguar Mineral Limited. In mid-2010, Jaguar entered into a farm-in arrangement with Meridien to progress the exploration program of the tenement.

Mount David is centered approximately 17 km north-northeast (NNE) of Burruga and 40 km south of Bathurst in the Central Tablelands region of New South Wales (NSW). The tenement covers an area of approximately 128 km² and lies in the highly prospective Ordovician volcanics. The old Mt David gold mine produced approximately 27,000 ounces at 12.39g/t Au during the late 19th and early 20th centuries. The exploration target in this tenement is structurally controlled epithermal gold and porphyry copper-gold related mineralization.

Two forms of mineralisation have been identified and are targets by Jaguar and Meridien. These include:

- Disseminated porphyry mineralisation within the Ordovician Rockley Volcanics; and
- Structurally controlled lode gold mineralisation.

To date, five Reverse Circulation (RC) drilling holes have already been completed on the northern end of Mount David. The best intersections were 2m @ 2.3g/t Au from 28m and 2m @ 1.7g/t Au from 40m. Additional targets have been identified on the tenement. All targets require further research, and continued field investigations will involve geochemical surveys, with anomalies to be followed up by geophysics and drilling.

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DIRECTORS' REPORT

Weelah

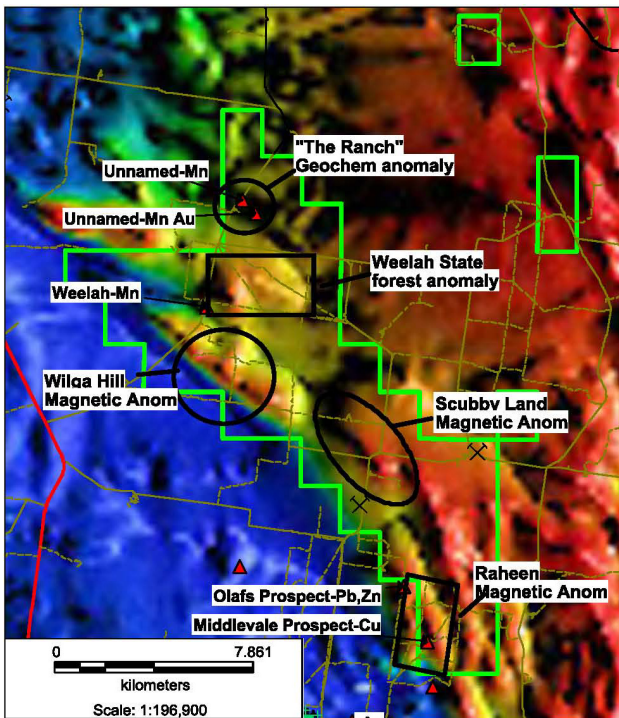
80% Meridien Resources, 20% Augur Resources

During the year, Meridien exercised the option it had with Augur to acquire 80% of Weelah. Meridien paid Augur \$10,000 cash and issued 150,000 fully paid ordinary shares to acquire an 80% interest in the property. Augur retains a 20% interest in the property which is free carried to feasibility.

The Weelah Tenement (150km²) covers an area of the Cowl Volcanics and a splay of the locally mineralised "Gilmore Suture". The tenement is located 32km to the northwest of Barrick Gold Corporation's Cowl gold mine, a 4 Moz epithermal/porphyry deposit where gold is present in quartz, carbonate and sulphide veins.

The tenement is prospective for Lake Cowl style carbonate-base metal and porphyry copper-gold style mineralisation. An interpretation of the available prospect information and aeromagnetic data indicates that exploration should focus on dilatant splays off the Gilmore Suture. These dilatant zones are prospective for Lake Cowl style carbonate-base metal epithermal gold mineralisation or Ordovician porphyry Cu-Au mineralisation.

The Wilga Hill, Scrubby Lane and Raheen prospects all fall on interpreted splays off the Gilmore Suture, and warrant further investigation.



EL 6309 Aeromagnetic data, old workings (red triangles), and prospects/anomalies to be investigated further (black polygons)

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DIRECTORS' REPORT

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

- ❖ During July to September 2010, the Company raised \$251,000 by way of issue additional securities under NSX listing rule 6.25 which allows directors to issue up to 15% of the issued capital in the Company. This issue was ratified at the AGM held 24 November 2010. In December 2010, the Company raised a further \$345,000 by way of Convertible Notes.
- ❖ On 31 March 2011, the company issued 1,150,000 ordinary shares as part of the total costs to acquire EL 6309 and EL 5991 for a total consideration of \$230,000.
- ❖ In March, the Company issued 1,000,000 broker options exercisable at \$0.25 on or before 30 March 2014 to Dayton Way Financial Pty Ltd.
- ❖ The Company was successfully listed on the ASX on 7 April 2011 and issued 15,897,500 shares at the IPO price of \$0.20 per share to raise \$3,179,500.
- ❖ On 29 April 2011, 100,000 Options were exercised. 100,000 ordinary shares were issued for a total consideration of \$20,000.
- ❖ On 3 May 2011, 25,000 options were exercised. 25,000 ordinary shares were issued for a total consideration of \$5,000.
- ❖ On 28 April 2011, the Company entered in to a corporate advisory services agreement with Sapphire Securities and Derivatives Pty Ltd ("SSL"). In accordance with the agreement, the Company issued 2,500,000 ordinary shares. In addition, the Company agreed to pay \$20,000 each month in cash to SSL for corporate financial advice for 12 months from 29 April 2011
- ❖ On 30 June 2011, the company issued 150,000 ordinary shares at \$Nil as non-cash consideration for settlement of loan agreements with Andre Kenneth Bruce and Proto Resources & Investments for a total value of \$30,000.

DIVIDENDS

No dividends were paid or declared by the company during the financial year or the prior year. The directors do not recommend the payment of a dividend.

AFTER BALANCE DATE EVENTS

Subsequent to the balance date, the Company terminated the arrangement with Sapphire Securities and Derivatives Pty Ltd. In full and final settlement, the Company paid SSL \$200,000 (GST inclusive).

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

Other than the activities referred to in the other sections of the Directors' Report, as at the date of this report, there are no future developments or events of a material nature have been finalised which are likely, in the opinion of the Directors, to significantly affect the prospects of the Company, in future financial years.

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DIRECTORS' REPORT

ENVIRONMENTAL ISSUES

The Company is subject to environmental regulation in respect of its exploration activities. However the Directors of the company believe that there are no significant environmental issue at this early stage of exploration.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

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

NON-AUDIT SERVICES

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

- all non-audit services are reviewed and approved by the board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor
- the nature of services does not compromise the general principles relating to auditor independence in accordance with APES 100: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.
- RSM Bird Cameron was paid \$14,425 for an investigating accountants report.

INFORMATION ON DIRECTORS

Directors

The names of directors in office at any time during or since the end of the year are:

Mr N. Taylor	Non-Executive Chairman (Appointed 28/06/2011)
Mr S. Dhuphelia	Non-Executive Director (Appointed 2/9/2011)
Mr M. J. Ivkovic	Managing Director
Mr K. R. Shirlaw	Non-Executive Director (Resigned 2/09/2011)
Mr J. Macfarlane	Non-Executive Director (Resigned 2/09/2011)
Mr K. J. Good	Non-Executive Chairman (Resigned 28/06/2011)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Mr Nathan Taylor	—	Chairman (Non-Executive) (Appointed 28/06/2011)
Qualifications	—	Bachelor of Commerce and a Bachelor of Laws from Bond University
Experience		Appointed to the Board in 28 June 2011.
Interest in Shares and Options	—	N/A
Directorships held in other listed entities during the three years prior to the current year	—	Current director of Energio Limited (ASX:EIO)

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Mr S. Dhupelia	—	Non-Executive Director (Appointed 2/9/2011)
Qualifications	—	Bachelor of Laws and a Bachelor of Commerce from the University of Queensland.
Experience		Has almost a decade of corporate transaction and advisory experience. He began his career in law before joining Merrill Lynch's investment banking division based in Sydney. After several years working in Australia he moved to Hong Kong to broaden his experience across regional markets. During his time working with the firm he was involved in over 100 equity capital market transactions for many of Australia's and Asia's largest companies.
Interest in Shares and Options	—	Nil
Directorships held in other listed entities during the three years prior to the current year	—	Nil
Mr M. Ivkovic	—	Managing Director
Qualifications	—	Bachelor of Commerce – University of New South Wales
Experience		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 and Options	—	Ivkovic Holdings Pty Ltd – 1,250,000 Ordinary Shares and 625,000 Option
Directorships held in other listed entities during the three years prior to the current year	—	Current director of Meridien Capital Limited (NSX:MEK)
Mr K. R. Shirlaw	—	Non-Executive Director (Resigned 2/09/2011)
Qualifications	—	Chartered Accountant (FCA, ACIS)
Experience	—	Appointed to the Board in 2008. 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 and Options	—	Direct - 250,000 Ordinary Shares and 125,000 Options Indirect – 100,000 Ordinary Shares
Directorships held in other listed entities during the three years prior to the current year	—	Current director of Meridien Capital Limited (NSX:MEK)

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Mr J. Macfarlane	—	Non-Executive Director (Resigned 2/09/2011)
Qualifications	—	Fellow of the Financial Services Institute of Australia. Practitioner Member of the Securities and Derivatives Industry Association.
Experience	—	Appointed to the Board in 2008. John has been involved in Australian Stockbroking, Finance and Capital markets since 1964 with a particular emphasis on capital raising for resources and mining companies. He is formerly a member of the Stock Exchange of Melbourne and Australian Stock Exchange Limited.
Interest in Shares and Options	—	Direct - 260,000 Ordinary Shares and 125,000 Options Indirect – 650,000 Ordinary Shares and 250,000 Options
Directorships held in other listed entities during the three years prior to the current year	—	Nil
Mr K. J Good	—	Chairman (Non-Executive) (Resigned 28/06/2011)
Qualifications	—	N/A
Experience	—	Appointed to the Board in 2008. 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 and Options	—	250,000 Ordinary Shares and 125,000 Options
Directorships held in other listed entities during the three years prior to the current year	—	Current director of Meridien Capital Limited (NSX:MEK)

COMPANY SECRETARY

Mr P. Hunt - Company Secretary (Appointed 2/09/2011)

Mr Hunt is currently a partner at PKF Adelaide and is a Fellow of the Institute of Chartered Accountants and a Member of the Australian Institute of Company Directors.

His experience includes due diligence assignments, valuations, expert opinion and investigative work associated with take-overs, reconstructions, acquisitions, mergers, back door and public listings and corporate reconstructions.

Mr R. Hill (Resigned 2/09/2011)

Mr Hill is a Chartered Accountant with more than 30 years experience in both Australia and Papua New Guinea. Mr Hill is a principal of DFK - Richard Hill Chartered Accountants and Business Advisors where he has provided secretarial, taxation, accounting and auditing services to a wide variety of clients including Santos Limited, Marengo Mining Limited, Drillsearch Limited, Great Artesian Oil and Gas Limited, Bounty Oil and Gas NL and Queensland Mining Corporation Limited. He is a member of the Australasian Institute of Chartered Accountants.

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DIRECTORS' REPORT

MEETINGS OF DIRECTORS

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

	Number eligible to attend	Number attended
K Shirlaw	5	5
K Good	5	4
M Ivkovic	4	4
J. Macfarlane	5	5
N. Taylor	0	0

OPTIONS

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

Grant Date	Date of Expiry	Exercise Price	Number under Option
30 Nov 2008	31 Oct 2013	\$0.50	2,134,000
30 Apr 2009	31 Oct 2013	\$0.50	782,500
12 Jun 2009	31 Oct 2013	\$0.50	172,000
15 Jun 2009	31 Oct 2013	\$0.50	8,000
29 October 2009	31 Oct 2013	\$0.50	497,500
			3,594,000
On 1 Nov 2010 Split options basis of 5 options for every 2 options held			8,985,000
30 Mar 2011	30 Mar 2014	\$0.25	1,000,000
Exercised date			
29 Apr 2011		\$0.20	(100,000)
3 May 2011		\$0.20	(25,000)
			9,860,000

PROCEEDINGS ON BEHALF OF COMPANY

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the Corporations Act 2001.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2011 has been received and can be found on page 21.

REMUNERATION REPORT

This report details the nature and amount of remuneration for each key management person of Meridien Resources Limited, and for the executives receiving the highest remuneration.

Remuneration policy

The remuneration policy of Meridien Resources Limited has been designed to align key management personnel 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 Company'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 the best key management personnel to run and manage the Company, 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 Company 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 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

One key management personnel received performance-based cash bonus during the financial year (See Table of Benefits and Payments for the Year Ended 30 June 2011 for more details)

Relationship between Remuneration Policy and Company Performance

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.

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REMUNERATION REPORT

Employment Details of Members of Key Management Personnel and Other Executives

The following table provided employment details of persons who were, during the financial year, members of key management personnel of the company. 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 2011 and any changes during the year	Contract details (duration & termination)	Proportions of elements of remuneration related to performance			Proportions of elements of remuneration not related to performance	
			Non-salary cash-based incentives%	Shares/ Unites%	Options/ Rights%	Fixed Salary/Fees %	Total %
Key Management Personnel							
Mr. Nathan Taylor	Chairman (Non-Executive) Appointed 28/06/2011	No fixed term.	N/A	N/A	N/A	100	100
Mr. K. J Good	Chairman (Non-Executive) Resigned 28/08/2011	No fixed term.	N/A	N/A	N/A	100	100
Mr. K. R. Shirlaw	Director (Executive)	No fixed term.	N/A	N/A	N/A	100	100
Mr. J. Macfarlane	Director (Non-Executive)	No fixed term.	N/A	N/A	N/A	100	100
Mr. M. Ivkovic	Managing Director	2 years contract from 17 December 2010 to 16 December 2012	46%	N/A	N/A	54%	100
Mr. D. Ivkovic	General Manager	2 years contract from 1 July 2010 to 30 June 2012.	N/A	N/A	N/A	100	100
Other Executives							
Mr. R. Hill	Company Secretary	No fixed term.	N/A	N/A	N/A	100	100
Mr. Charles Straw	Technical Committee	One year contract from 7/4/2011.	N/A	N/A	N/A	100	100
Mr. Chris Sylvester	Technical Committee	One year contract from 7/4/2011.	N/A	N/A	N/A	100	100

The employment terms and conditions of key management personnel and executives are yet to be formalised in contracts of employment.

Changes in Directors and Executives Subsequent to Year-end

There have been no changes in Directors and Executives Subsequent to Year-end except as noted above. Subsequent to year end Mr John Macfarlane and Mr Kevin Shirlaw resigned as non-executive directors on 2 September 2011. Mr Sunil Dhupelia was appointed to the position of non-executive director on 2 September 2011.

MERIDIEN RESOURCES LIMITED
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REMUNERATION REPORT

Remuneration Details for the Year Ended 30 June 2011

The following table of benefits and payments details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Company and, to the extent different, the five Company executives and five company executives receiving the highest remuneration:

Table of Benefits and Payments for the Year Ended 30 June 2011

2011	SHORT-TERM BENEFITS			POST-EMPLOYMENT		SHARE-BASED		Termination	Total
	Cash and Salary Fees	Cash bonus**	Non-monetary benefits	Pension and Superannuation	Other	Shares/Units**	Options/Rights***	Benefit s	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Directors									
Nathan Taylor									
Kevin Shirlaw	45,645					-	-		45,645
J MacFarlane	51,967					-	-		51,967
Kevin Good	52,248							22,000	74,248
Michael Ivkovic	70,000	60,000		6,300					136,300
Other Key management personnel									
Richard Hill*	146,260								146,260
David Ivkovic	110,000			9,900					119,900
Chris Sylvester	2,083								2,083
Charles Straw	6,250								6,250
Total Key Management Personnel	484,453	60,000	-	16,200	-	-	-	22,000	582,653

* Richard Hill, Company Secretary, is a partner of DFK Richard Hill Pty Ltd which provides advisory, accounting and company secretarial services to Meridien Resources Ltd. The contract between Meridien Resources Ltd and DFK Richard Hill Pty Ltd is based on normal commercial terms. A total of \$121,259 (2010: \$150,059) was charged by DFK Richard Hill Pty Ltd in relation to this contract for the year, including \$35,000 (2010: \$63,250) which was still outstanding as at 30 June 2011 and included in Trade and Other Payables as per Note 14.

**M. Ivkovic received performance-based cash bonus after the company was successfully listed on ASX.

**MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177**

REMUNERATION REPORT

Table of Benefits and Payments for the Year Ended 30 June 2010

2010	SHORT-TERM BENEFITS			POST-EMPLOYMENT		SHARE-BASED		Total
	Cash and Salary Fees	Cash bonus	Non-monetary benefits	Pension and Super-annuation	Other	Shares/Units **	Options/Rights ***	
	\$	\$	\$	\$	\$	\$	\$	\$
Directors								
Kevin Shirlaw	25,000	-	-	-	-	-	-	25,000
J MacFarlane	25,000	-	-	-	-	-	-	25,000
Kevin Good	25,000	-	-	-	-	-	-	25,000
Other Key management personnel								
Richard Hill	150,059	-	-	-	-	-	-	150,059
Michael Ivkovic	-	10,000	-	-	-	-	-	10,000
David Ivkovic	49,980	5,000	-	3,300	-	-	-	58,280
Total	275,039	15,000	-	3,300	-	-	-	293,339

Securities Received that are not Performance Related

There were no securities issued that are not performance related for the year ended 30 June 2011.

Shares and options issued as part of remuneration for the year ended 30 June 2011

There were no shares or options issued as part of the remuneration for the year ended 30 June 2011.

This report has been signed in accordance with a resolution of the directors made pursuant to s298(2) of the Corporations Act 2001.

For and on behalf of the directors



M Ivkovic
Director
Sydney

29 September 2011

Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 22 to 52, 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 2011 and of the performance for the year ended on that date of the company and the Company;
2. the financial statements and notes thereto also comply with International Financial Reporting Standards, as disclosed in Note 1; and
3. The Chief Executive Officer have declared that:
 - (a) the financial records of the company for the year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the IFRS and other Accounting Standards; and
 - (c) the financial statements and the notes for the financial year give a true and fair view;
4. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.
On behalf of the directors



M Ivkovic
Director

Sydney, 29 September 2011

Auditor's independence declaration


RSM Bird Cameron Partners
Chartered Accountants

RSM Bird Cameron Partners
Level 12, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001
T +61 2 9233 8933 F +61 2 9233 8521

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Meridien Resources Limited for the year ended 30 June 2011 I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



RSM BIRD CAMERON PARTNERS
Chartered Accountants



Cameron J. Hume
Partner

Sydney, NSW
Dated: 29th September 2011

Liability limited by a
scheme approved
under Professional
Standards Legislation

Major Offices in:
Perth, Sydney, Melbourne,
Adelaide and Canberra
ABN 36 965 185 036

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MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177

Statement of Comprehensive Income
for the financial year ended 30 June 2011

	Note	2011 \$	2010 \$
Revenue	2	18,137	929
Other Income	2	7,170	2,320
Employee benefits expense		(394,912)	(128,280)
Depreciation expense		(4,087)	(7,621)
Occupancy expense		(50,320)	(28,554)
Corporate financing/listing advisory		(164,385)	(117,447)
Professional/Advisory/Services		(185,065)	(113,583)
Financial cost		(61,769)	-
Impairment investment		(25,000)	(680)
ASX listing charge		(38,073)	-
Corporate activities		(13,512)	(3,563)
Travel and accommodation		(30,385)	(13,461)
NSX delisting charge		(20,000)	-
Other expenses		(51,520)	(130,120)
(Loss) before income tax	3	(1,013,721)	(540,060)
Income tax expense	4	-	-
Loss for the year		(1,013,721)	(540,060)
Loss attributable to members of the company		(1,013,721)	(540,060)
Losses per share			
Basic loss per share (cents per share)	7	5	7.66
Diluted loss per share (cents per share)	7	NA	NA
Loss for the year		(1,013,721)	(540,060)
Other comprehensive income:		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(1,013,721)	(540,060)

Notes to the financial statements are included on pages 26 to 54

MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177

Statement of financial position
as at 30 June 2011

	Notes	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	1,858,134	35,169
Trade and other receivables	9	89,925	74,696
Other financial assets	11	19,304	37,134
Other assets	13	516,667	-
TOTAL CURRENT ASSETS		2,484,030	146,999
NON-CURRENT ASSETS			
Property, plant and equipment	12	135,884	9,004
Other non current assets	13	998,166	527,307
TOTAL NON-CURRENT ASSETS		1,134,050	536,311
TOTAL ASSETS		3,618,080	683,310
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	96,427	185,300
Other financial liabilities	15	301,875	-
Provision		10,961	-
TOTAL CURRENT LIABILITIES		409,263	185,300
TOTAL LIABILITIES		409,263	185,300
NET ASSETS		3,208,817	498,010
EQUITY			
Issued Capital	16	4,879,855	1,226,036
Share option reserve	24	77,609	6,900
Accumulated losses		(1,748,647)	(734,926)
TOTAL EQUITY		3,208,817	498,010

Notes to the financial statements are included on pages 26 to 54

MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177

Statement of changes in equity
for the financial year ended 30 June 2011

	Attributable to equity holders			Total equity
	Issued capital	Options Reserves	Accumulated losses	
	\$	\$	\$	
Balance at 1 July 2009	674,720	6,900	(194,866)	486,754
Shares issued during the year	669,000	-	-	669,000
Transaction costs	(117,684)	-	-	(117,684)
Loss for the period	-	-	(540,060)	(540,060)
Balance at 30 June 2010	<u>1,226,036</u>	<u>6,900</u>	<u>(734,926)</u>	<u>498,010</u>
Shares issued during the year	4,283,258	-	-	4,283,258
Transaction costs	(715,689)	-	-	(715,689)
Loss for the period	-	-	(1,013,721)	(1,013,721)
Equity component of convertible notes	86,250	-	-	86,250
Options Reserve	-	70,709	-	70,709
Balance at 30 June 2011	<u>4,879,855</u>	<u>77,609</u>	<u>(1,748,647)</u>	<u>3,208,817</u>

Notes to the financial statements are included on pages 26 to 54

MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177

Statement of cash flows
for the financial year ended 30 June 2011

	2011	2010
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of GST)	(1,069,265)	(365,832)
Interest received	17,895	929
Interest paid	(18,643)	(396)
Taxes (paid) received- GST	95,760	(33,652)
Net cash inflow from operating activities	(974,256)	(398,951)
Cash flows from investing activities		
Payment for property, plant and equipment	(124,717)	(6,250)
Proceeds from sale of financial assets	-	47,329
Payment for purchase of financial assets	-	-
Payment for Exploration Assets	(240,859)	(156,857)
Net cash (outflow) from investing activities	(365,576)	(115,778)
Cash flows from financing activities		
Proceeds from issues of shares and other equity securities	2,796,183	551,315
Proceeds from borrowings	345,000	-
Repayment of related parties loan	21,614	611
Net cash inflow from financing activities	3,162,797	551,926
Net increase in cash and cash equivalents	1,822,965	37,197
Cash at the beginning of the year	35,169	(2,028)
Cash at the end of the financial year	1,858,134	35,169

Notes to the financial statements are included on pages 26 to 54

**MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177**

Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 a 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 IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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.

Going Concern

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

As disclosed in the financial statements, the company incurred a loss of \$1,013,721, and had net cash outflows from operating activities of \$1,049,314 for the year ended 30 June 2011.

The Directors believe that it is reasonably foreseeable that the company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The company has been successful in raising capital during the year (per note 16);
- The company has the ability to continue to raise additional funds on a timely basis, pursuant to the *Corporations Act 2001*;
- The company has cash at bank at balance date of \$1,858,134, net working capital of \$2,074,767 and net assets of \$3,208,817;
- The ability of the company to further scale back certain parts of their activities that are non essential so as to conserve cash; and
- The company entity retains the ability, if required, to wholly or in part dispose of interests in mineral exploration and development assets.

MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177

Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

a. 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.

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, (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.

**MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177**

Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

b. 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.

Property, Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment.

The carrying amount of property, 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 Company 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 Company 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 company 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.

c. Exploration and Development Expenditure

Exploration, evaluation and development expenditure incurred are accumulated in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon that area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

Costs of site restoration are provided over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

d. 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 sales of the assets (ie 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 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 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 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 either 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 company 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 fair value are included in profit or loss.

MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177

Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

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 company'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.

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 (ie 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.

e. Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carry value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177**

Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

f. Impairment of Assets

At the end of each reporting period, the company 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. 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 and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalue amount in accordance with another Standard (eg in accordance with the revaluation model in AASB116). Any impairment loss of revalue asset is treated as a revaluation decrease in accordance with that other Standard.

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

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

g. Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of the company is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

h. Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Equity-settled compensation

The company operates equity settled share-based payment employee share and option schemes. The fair values of the equity to which employee become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

i. Provisions

Provisions are recognised when the company 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.

j. 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 in the statement of financial position.

k. Revenue and Other Income

Revenue is measured at the 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 recognised 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.

Interest revenue is recognised using the effective interest rate method,

Dividend revenue is recognised when the right to receive a dividend has been established.

MERIDIEN RESOURCES LIMITED
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Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Investment property revenue is recognised on a straight-line basis over the period of lease term so as to reflect a constant periodic rate of return on the net investment.

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

I. 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 and loss in the period in which they are incurred.

m. 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.

MERIDIEN RESOURCES LIMITED
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Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

n. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

o. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates

Impairment

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

Key judgments

Exploration and Evaluation Expenditure

The company capitalised expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage that permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the period at \$998,166.

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.

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Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

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 and which the Company has decided not to early adopt of these standards. A discussion of those future requirements and their impact on the Company is as follows:

- AASB 9: Financial Instruments (December 2010) (applicable for annual reporting period commencing on or after 1 January 2013).

The standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognising requirements for financial instruments. The company has not yet determined any potential impact on the financial statements.

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; and
- 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
- 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.

MERIDIEN RESOURCES LIMITED
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Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

- AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a “related party” to remove inconsistencies and simplify the structure of the standard. No changes are expected to materially affect the Company.

- AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1,2,3,5,7,8,101,102,107,108,110,111,112,116,117,119,121,123,124,127,128,131,133,134,136,137,138,140,141,1050 & 1052 and Interpretations 2,4,5,15,17,127,129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprised the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

The following entities are required to apply Tier 1 reporting requirements (ir full IFRS):

- For-profit private sector entities that have public accountability; and
- The Australian Government and state, territory and local governments.

Since the company is a for-profit private sector entity that has public accountability, it does not qualify for the reduced disclosure requirements for Tier 2 entities.

AASB 2010-2 makes amendments to Australian Accounting Standards and Interpretations to give effect to the reduced disclosure requirements for Tier 2 entities. It achieves this by specifying the disclosure paragraphs that a Tier 2 entity need not comply with as well as adding specific “RDR” disclosures.

- AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the company.

- AASB 2009-14: Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan.

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Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

This Standard is not expected to impact the company.

- AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

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

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;
- adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;
- amending AASB 101 to the effect that disaggregation of changes in each component of equity arising from transactions recognized in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and
- making sundry editorial amendments to various Standards and Interpretations.

This Standard is not expected to impact the Company.

- AASB 2010-5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023, 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

- AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them.

Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the Company.

- 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] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9.

As noted above, the Company has not yet determined any potential impact on the financial statements from adopting AASB 9.

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

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Notes to the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

This Standard makes amendments to AASB 112: Income Taxes.

The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

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 by 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 brought in by this Standard also incorporate Interpretation 121 into AASB 112.

The amendments are not expected to impact the Company.

- AASB 2010-9: Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1] (applies to periods beginning on or after 1 July 2011).

This Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards.

The amendments brought in by this Standard provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.

Furthermore, the amendments brought in by this Standard also provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.

This Standard is not expected to impact the Company.

- AASB 2010-10: Further Amendments to Australian Accounting Standards – removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7] (applies to periods beginning on or after 1 January 2013).

The standard makes amendments to AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9, and AASB2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

The amendments brought in by this Standard ultimately affect AASB 1: First-time Adoption of Australian Accounting Standards and provide relief for first-time adopters from having to reconstruct transactions that occurred before their transition date.

[The amendments to AASB 2009-11 will only affect early adopters of AASB 2009-11 (and AASB 9: Financial Instruments that was issued in December 2009) as it has been superseded by AASB 2010-7.]

This Standard is not expected to impact the Company.

MERIDIEN RESOURCES LIMITED
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Notes to the financial statements

NOTE 2: REVENUE AND OTHER INCOME

	2011	2010
	\$	\$
a. Revenue from continuing operations		
Other revenue:		
- Interest received	18,137	929
	<u>18,137</u>	<u>929</u>
Other income:		
- Unrealised gains on financial assets at fair value through profit and loss:	7,170	2,320
	<u>7,170</u>	<u>2,320</u>

NOTE 3: LOSS FOR THE YEAR

Profit (Loss) before income tax from continuing operations included the following specific:

NSX listing charges	6,206	-
Telephone charges	9,916	5,408
ASX fees	7,259	-
Unrealised Loss on fair value of listed shares	-	28,035
Entertainment	9,735	5,770

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Notes to the financial statements

NOTE 4: INCOME TAX EXPENSE

	2011	2010
	\$	\$
Prima facie tax benefit on loss from ordinary activities before income tax at 30%	304,116	\$162,018
Add:		
Tax effect of:		
Blackhole expenses write off	\$60,447	\$19,970
Exploration & Evaluation expenses capitalized	\$89,020	\$35,313
Accrued expenses	\$22,954	-
Other deductible	\$20,302	-
	\$192,723	\$55,283
Less:		
Tax effect of:		
Accrued expenses	-	\$27,482
Unrealized capital loss	-	\$8,411
Other non-allowable items	\$14,867	\$7,355
	\$14,867	\$43,248
Tax effect of tax losses not brought to account as they do not meet the recognition criteria	481,972	\$174,053
Income tax attributable to operating loss	-	-
Total income tax losses for which no deferred tax asset has been recognised	721,721	\$239,749

NOTE 5: INTERESTS OF KEY MANAGEMENT PERSONNEL (KMP)

Refer to the Remuneration Report contained in the Report of Directors for details of the remuneration paid or payable to each member of the Company's key management personnel for the year ended 30 June 2011.

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

Short-term employee benefits	363,193	275,039
Post-employment benefits	16,200	3,300
Other long-term benefits	-	-
Cash Bonus	60,000	15,000
Termination benefits	22,000	-
Share-based payments	-	-
	461,393	293,339

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Notes to the financial statements

NOTE 5. INTEREST OF KEY MANAGEMENT PERSONNEL (KMP) CONTINUED

KMP Options and Rights Holdings

The number of options over ordinary shares held by each KMP of the Company during the financial year is as follows:

30 June 2011	Balance at Beginning of Year	Split options basis of 5 shares for every 2 shares held	Granted as Remuneration during the Year	Exercised during the Year	Other Changes during the Year	Balance at End of Year	Vested during the Year	Vested and Exercisable	Vested and Unexercisable
Mr. Kevin Shirlaw	50,000	125,000	-	-	-	125,000	-	-	125,000
Mr. John Macfarlane ¹	150,000	375,000	-	-	-	375,000	-	-	375,000
Mr. Kevin Good	50,000	125,000	-	-	-	125,000	-	-	125,000
Mr. Michael Ivkovic	250,000	625,000	-	-	-	625,000	-	-	625,000
Mr. David Ivkovic	25,000	-	-	-	-	25,000	-	25,000	-
Mr. Nathan Taylor	-	-	-	-	-	-	-	-	-
Mr. Richard Hill	250,000	625,000	-	-	-	625,000	-	-	625,000
Mr. Chris Sylvester	-	-	-	-	-	-	-	-	-
Mr. Charles Straw	-	-	-	-	-	-	-	-	-
Total	775,000	1,875,000	-	-	-	1,900,000	-	-	1,900,000

30 June 2010	Balance at Beginning of Year	Granted as Remuneration during the Year	Exercised during the Year	Other Changes during the Year	Balance at End of Year	Vested during the Year	Vested and Exercisable	Vested and Unexercisable
Mr. Kevin Shirlaw	50,000	-	-	-	50,000	-	-	50,000
Mr. John Macfarlane ¹	150,000	-	-	-	150,000	-	-	150,000
Mr. Kevin Good	50,000	-	-	-	50,000	-	-	50,000
Mr. Michael Ivkovic	250,000	-	-	-	250,000	-	-	250,000
Mr. Richard Hill	250,000	-	-	-	250,000	-	-	250,000
Total	750,000	-	-	-	750,000	-	-	750,000

¹Of the 375,000 (2010: 150,000) Options held by Mr John MacFarlane, 125,000 (2010: 50,000) are held directly and 250,000 (2010: 100,000) are held by Collins Street Securities Pty Limited.

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Notes to the financial statements

NOTE 5. INTEREST OF KEY MANAGEMENT PERSONNEL (KMP) CONTINUED

KMP Shareholdings

The number of ordinary shares held by each KMP of the Company during the financial year is as follows:

30 June 2011	Balance at Beginning of Year	Split shares basis of 5 shares for every 2 shares held	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	100,000	250,000	-	-	-	250,000
Mr. John Macfarlane ¹	100,000	750,000	-	-	160,000	910,000
Mr. Kevin Good	100,000	250,000	-	-	-	250,000
Mr. Michael Ivkovic	500,000	1,250,000	-	-	-	1,250,000
Mr. David Ivkovic	20,000	50,000	-	-	-	50,000
Mr. Nathan Taylor	-	-	-	-	-	-
Mr. Richard Hill	500,000	1,250,000	-	-	(740,799)	509,201
Mr. Chris Sylvestor	-	-	-	-	-	-
Mr. Charles Straw	-	-	-	-	-	-
Total	1,320,000	3,800,000	-	-	(580,799)	3,219,201

KMP Shareholdings

30 June 2010	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	100,000	-	-	-	100,000
Mr. John Macfarlane ¹	300,000	-	-	-	300,000
Mr. Kevin Good	100,000	-	-	-	100,000
Mr. Michael Ivkovic	500,000	-	-	-	500,000
Mr. David Ivkovic	20,000	-	-	-	20,000
Mr. Richard Hill	500,000	-	-	-	500,000
Total	1,320,000	-	-	-	1,320,000

¹Of the 910,000 (2010: 300,000) Ordinary Shares held by Mr John MacFarlane, 260,000 (2010: 100,000) are held directly and 650,000 (2010: 200,000) are held by Collins Street Securities Pty Limited. Mr MacFarlane is the sole director and 50% share holder of this Company.

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Notes to the financial statements

Note 6: AUDITORS' REMUNERATION

	2011	2010
	\$	\$
Remuneration of the auditor of the entity for:		
- auditing or reviewing the financial report	27,136	20,000
- Investigating Accountant Report	14,425	-
	41,561	20,000

NOTE 7: EARNINGS PER SHARE

a. Reconciliation of earnings to profit and loss

Loss	(1,013,721)	(540,060)
Losses used to calculated basic EPS	(1,013,721)	(540,060)
Losses used in the calculation of dilutive EPS	(1,013,721)	(540,060)

b. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	18,694,845	7,047,343
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NOTE 8: CASH AND CASH EQUIVALENTS

Cash at bank and in hand	1,858,134	35,169
	1,858,134	35,169

Reconciliation of cash

Cash at end of the financial year as shown in the cash flow statement is reconciled to items in the valance sheet as follows:

Cash and cash equivalents	1,858,134	35,169
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Notes to the financial statements

NOTE9: TRADE AND OTHER RECEIVABLES

	2011	2010
CURRENT	\$	\$
Other receivables	72,257	28,459
Amounts receivable from:		
Other related parties (secured)	10,900	32,782
Other related parties (unsecured)	6,768	13,455
	89,925	74,696

Note 10: JOINT VENTURE

The company has no material joint ventures transactions.

NOTE 11: OTHER FINANCIAL ASSETS

CURRENT

Financial Assets Comprise

a. Held-for-trading Listed investments, at fair value

 Shares in listed corporations

	19,304	12,134
	19,304	12,134

b. Available-for-sale financial assets

 Unlisted investments, at cost

 Shares in other corporations

	-	25,000
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Total Available-for-sale investment at cost

	-	25,000
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Note 12: PROPERTY, PLANT AND EQUIPMENT

LAND

Freehold land at:

- at cost

	130,967	-
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Total land

	130,967	-
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PLANT AND EQUIPMENT

Office equipment at cost

	909	909
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Less accumulated depreciation

	(693)	(477)
--	-------	-------

	216	432
--	-----	-----

Website design at cost

	17,541	17,541
--	--------	--------

Less accumulated depreciation

	(12,840)	(8,969)
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	4,701	8,572
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Total plant and equipment

	4,917	9,004
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Total property, plant and equipment

	135,884	9,004
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Notes to the financial statements

NOTE 13. OTHER ASSETS

	2011	2010
	\$	\$
CURRENT		
Prepayments*	516,667	-
NON-CURRENT		
Deposit for Exploration Licence	4,000	4,000
Exploration expenditure capitalised:		
	Tenement	
EL 6810	Lucky Draw Tailings	583,259 498,307
JV farm - in option cost - Cape River Mining Pty Ltd		4,000 15,000
EL 5991	Springfield	328,605 10,000
EL 6309	Weelah	45,304 -
EL 5242	Mt David	32,998 -
Total Exploration and Evaluation expenditure (13a)		994,166 523,307

Note 13a:

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and sale of products:

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Notes to the financial statements

NOTE 14. TRADE AND OTHER PAYABLES

	2011	2010
	\$	\$
CURRENT		
Sundry payables and accrued expenses	96,427	185,301
	96,427	185,301
The Trade payables and accrued expenses is made up of:		
Payable to Key Management Personnel		
DFK Richard Hill Pty Ltd	35,000	63,250
Mr. Kevin Shirlaw	-	13,100
Mr. John Macfarlane	3,667	18,750
Mr. Kevin Good	-	18,750
Mr. Charles Straw	6,875	-
Payable to supplies of services	8,720	71,450
	54,262	185,300

NOTE 15. OTHER FINANCIAL LIABILITIES

Convertible Notes		
Face value	345,000	-
Fair value adjustment made	(43,125)	-
Liability Component	301,875	-

Main terms and conditions of the convertible notes are:

Issue Price	\$0.20 per Convertible Note	
Term	The Convertible Notes will have a term ending on 1 January 2012 unless previously repaid or converted into Shares.	
Interest Rate	10% per annum on the Issue Price.	
Interest Payments	Interest is payable quarterly in arrears on each Interest Payment Date. The first Interest Payment Date is 31 March 2011 with the first payment being accrued interest from the Issue Date to that date. Accrued interest will be paid in the event of early Conversion or Redemption.	
Conversion Note Holder	by	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 \$0.20 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.
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.

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Notes to the financial statements

NOTE 15. OTHER FINANCIAL LIABILITIES CONTINUED

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 \$258,750. The balance of \$86,250 was recognised in equity.

NOTE 16. ISSUED CAPITAL

	2011	2010
	\$	\$
40,563,926 (2010: 7,665,142) fully paid ordinary shares	5,697,121.55	1,558,864
Less Issue Cost	(1,048,517)	(332,828)
	4,768,605	1,226,036

	Note	No.	No.
a. Ordinary shares			
At the beginning of reporting period		7,665,142	6,193,003
shares issued during the year			
1-Oct-09			994,997
11-Feb-10			30,000
30-Jun-10			447,142
July 2010	(1)	228,571	
August 2010	(1)	42,857	
September 2010	(1)	360,000	
Total as at 31/10/2010		8,296,570	
On 01/01/2011 shares were split based on 5 shares for every 2 shares held		20,741,426	
March 2011	(2)(3)	16,987,500	
April 2011	(4)(5)	160,000	
May 2011	(6)(7)(8)	2,525,000	
June 2011	(9)	150,000	
At reporting date		40,563,926	7,665,142

(1) From July to September 2010, the company issued 6,31,428 ordinary shares to investor for a total consideration of \$251,000

(2) On 31 March 2011, the company issued 1,150,000 ordinary shares as part of the total costs to acquired EL 6309 and EL 5991 for a total consideration of \$230,000

**MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177**

Notes to the financial statements

NOTE 16. ISSUED CAPITAL CONTINUED

- (3) On 31 March 2011, the company issued 15,837,500 ordinary shares to investors for a total consideration of \$3,167,500.
- (4) On 4 April 2011, the company issued 60,000 ordinary shares to investors for a total consideration of \$12,000.
- (5) On 29 April 2011, 100,000 Options were exercised. 100,000 ordinary shares were issued for a total consideration of \$20,000.
- (6) On 3 May 2011, 25,000 options were exercised. 25,000 ordinary shares were issued for a total consideration of \$5,000.
- (7) On 3 May 2011, the company issued 1,660,000 ordinary shares at \$Nil as non-cash consideration to the appointed financial services providers Sapphire Securities for a total value of \$332,000.
- (8) On 31 May 2011, the company issued 840,000 ordinary shares at \$Nil as non-cash consideration to the appointed financial services providers Sapphire Securities for a total value of \$168,000.
- (9) On 30 June 2011, the company issued 150,000 ordinary shares at \$Nil as non-cash consideration for settlement of loan agreements with Andre Kenneth Bruce and Proto Resources & Investments for a total value of \$30,000.

b. Options

There has been no share options issued to key management personnel during the financial year.

c. Capital risk management

The company is at its start-up stage and the management actively controls the capital of the company. The company has been seeking to raise more funds to meet operation needs and funding for further exploration activities. The attempt to list the company in ASX is progressing and the directors of the company believe it will provide stronger capital structure and funding to take the company to the next level.

NOTE 17. CAPITAL AND LEASING COMMITMENTS

a) Exploration and Evaluation Commitments

In order to maintain current rights of tenure to its exploration permits, the Company has certain obligations to perform work in accordance with the work programmes, as approved by the relevant statutory body, when the permits are granted. These work programmes form the exploration commitment which may be renegotiated, varied between permits, or reduced due to farm-out, sale, reduction of exploration area and/or relinquishment of non-prospective permits. Work in excess of the work programmes may also be undertaken.

**MERIDIEN RESOURCES LIMITED
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Notes to the financial statements

NOTE 17. CAPITAL AND LEASING COMMITMENTS CONTINUED

a) Exploration and Evaluation Commitments

The following discretionary exploration expenditure requirements have not been provided for in the accounts:

	2011	2010
	\$	\$
Payable		
- Not later than 1 year	234,000	40,000
- Later than 1 year but not later than 5 years	234,000	20,000
Sum Total	468,000	60,000

The commitments at the balance date are outlined as followed:

Permit EL6810: The key terms and conditions to maintain the permit is that the Company has a minimum annual expenditure requirement for the EL of \$5,000. The application for renewal for a further term of 2 years has been lodged with the Department of Primary Industries. The annual commitment remains \$5,000 per annum.

Permit EL5991: The Company exercised its Option to purchase 80% of the EL on 31 March 2011 with a payment of \$100,000 cash and \$200,000 in the value of ordinary shares in Meridien Resources Limited. The key terms and conditions to maintain the permit is that the Company has a minimum annual expenditure requirement for the EL of \$54,000. The permit is due for renewal in September but the Directors believe that the annual commitment will most likely to stay the same. An Application for transfer (from Jaguar Minerals Limited) has been lodged with the Department of Primary Industries.

Permit EL6309: The Company exercised its Option to purchase 80% of the EL on 31 March 2011 with a payment of \$10,000 cash and \$30,000 in the value of ordinary shares in Meridien Resources Limited. The key terms and conditions to maintain the permit is that the Company has a minimum annual expenditure requirement for the EL of \$90,000. An application for transfer (from Augur Resources Limited) has been lodged with the Department of Primary Industries. The permit is due for renewal next year but the Directors believe that the annual commitment will most likely to stay the same.

b) Other commitments

Jaguar Minerals is the registered holder of EL 5242. On 3 June 2010, the Company entered into a farm in agreement with Jaguar Minerals in relation to EL 5242 (Mt David Farm in Agreement). The Mt David Farm in Agreement provides that the Company may acquire:

- (a) a 20% interest in EL 5242 if it commits \$60,000 exploration expenditure by 26 June 2011;
- (b) an additional 25% interest by incurring an additional \$100,000 of exploration expenditure by 26 February 2012; and
- (c) a further 15% interest by incurring a further \$100,000 of exploration expenditure by 26 February 2013.

In addition, the key terms and conditions to maintain the permit is that the Company has a minimum annual expenditure requirement for the EL of \$75,000. The application for renewal for a further term of 2 years has been lodged with the Department of Primary Industries. The annual commitment remains \$75,000 per annum.

**MERIDIEN RESOURCES LIMITED
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Notes to the financial statements

NOTE 18. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities as at the reporting date.

NOTE 19. OPERATING SEGMENTS

Segment Information

The company operates in two business segments in Australia: 1) investment in Australian Listed and unlisted companies; 2) exploration and mining, mainly in Exploration License (EL) 6810 which covers the Lucky Draw gold tailings dam at Burruga New South Wales.

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

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

**(i) Segment performance
30 June 2011**

	Investment	Exploration	Total
	\$	\$	\$
Revenue			
Unallocated items:			
Other	-	-	18,137
<i>Reconciliation of segment result to group net (loss) before tax</i>			
Unallocated items:			
Other			(<u>\$1,031,858</u>)
Net profit before tax from continuing operations			(<u>\$1,013,721</u>)

30 June 2010

	Investment	Exploration	Total
	\$	\$	\$
Revenue			
Interest revenue			927
<i>Reconciliation of segment result to group net (loss) before tax</i>			
Unallocated items:			
Other			(<u>\$540,989</u>)
Net profit before tax from continuing operations			(<u>\$540,062</u>)

MERIDIEN RESOURCES LIMITED
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Notes to the financial statements

NOTE 19. OPERATING SEGMENTS CONTINUED

(ii) Segment assets

30 June 2011

	Investment	Exploration	Total
	\$	\$	\$
Segment assets	37,134	527,307	564,441
Segment asset increases for the period	(17,830)	470,859	453,029
	<u>19,304</u>	<u>998,166</u>	<u>1,017,470</u>
Unallocated assets:			
Other			2,600,610
Total assets			<u><u>3,618,080</u></u>

30 June 2010

	Investment	Exploration	Total
	\$	\$	\$
Segment assets	110,178	370,450	480,628
Segment asset increases for the period		156,857	156,857
	<u>110,178</u>	<u>527,307</u>	<u>637,485</u>
Unallocated assets:			
Other			45,825
Total assets			<u><u>683,310</u></u>

NOTE 20: CASH FLOW INFORMATION

	2011	2010
	\$	\$
a. Reconciliation of Cash Flow from Operations with Loss from Ordinary Activities after Income Tax		
Loss from ordinary activities after income tax	(1,024,211)	(540,060)
Non-cash flows in profit from ordinary activities		
Impairment	25,000	-
Unrealised loss(gain)	(7,170)	28,035
Depreciation	4,087	7,621
Share based payments	-	77,070
Cost of Sale of listed investments	-	-
Sale of listed investments	-	(47,329)
Interest write off for convertible notes	43,125	-
	<u>(959,169)</u>	<u>(551,734)</u>
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Increase/(decrease) in financial assets	-	45,009
(Increase)/decrease in debtors	-	-
(Increase)/decrease in income tax paid	-	-
(Increase)/decrease in other assets	103,333	680
Increase/(decrease) in trade creditors and accruals	(77,484)	107,093
(Increase)/decrease in other debtors	(40,936)	-
Cash flow from operations	<u>(974,256)</u>	<u>(398,951)</u>

**MERIDIEN RESOURCES LIMITED
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Notes to the financial statements

b) Non-Cash flow Finance & investing activities

- (i) 2.5 million ordinary shares were issued to Sapphire Securities Pty Ltd that is related to the service contract for the 10 months from 1 July 2011 to April 2012.

These 2.5 million ordinary shares were issued to Sapphire during the re-listing of the company from NSX to ASX. The subscription price paid by the ordinary investors at the relisting was \$0.20 per shares, which has been used to calculate the share-based payment of the 2.5 million shares issued to Sapphire. The Directors of the Company believe that the resulting total amount of \$500,000 reflects the best estimated value for those shares.

- (ii) The company exercised an option to purchase 80% of EL5991 on 31 March 2011 with a payment of cash of \$100,000 and __1,000,000__ shares to a value of \$200,000.
- (iii) The company exercised an option to purchase 80% of EL6309 on 31 March 2011 with a payment of cash of \$10,000 and _150,000__ shares to a value of \$30,000.

NOTE 21. EVENT AFTER THE REPORTING PERIOD

Subsequent to the balance date, the Company terminated the arrangement with Sapphire Securities and Derivatives Pty Ltd. In full and final settlement, the Company paid SSL \$200,000 (GST inclusive). The company has also expensed pre paid expenditure relating to this contract (Note 13).

NOTE 22. RELATED PARTY TRANSACTIONS

Transactions with related parties:

a. Key Management Personnel

There are no related party transactions with KMP other than remuneration payments made which has been set out in Remuneration Report.

b. Other Related Parties

MEK is a listed company on the NSX. It is one of the largest shareholders of the Company and it holds 5,000,000 ordinary shares in MRJ. During the year, the Company has paid the rent for the shared office of the company and Meridien Capital Ltd. Total amount paid was \$50,319. During the first six months of the financial year, MEK also charged management fees to the Company. Total amount charged was \$11,818.

As at 30 June 2011 an amount of \$10,900 was owed to the Company by Meridien Capital Limited. Subsequent to 30 June 2011, the loan amount has been reduced to \$4,900. The outstanding amount will be repaid in full by 30 September 2011.

NOTE 23. FINANCIAL RISK MANAGEMENT

a. Financial Risk Management Policies

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

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

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

i Treasury Risk Management

Due to the size of the company, a separate finance committee does not exist. The full Board considers credit risk policies and future cash flow requirements as required.

The board's overall risk management strategy seeks to assist the Company in meeting its financial targets, whilst

**MERIDIEN RESOURCES LIMITED
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Notes to the financial statements

minimizing potential adverse effects on financial performance.

ii Financial Risk Exposures and Management

The entity does not have material exposures to credit risk, liquidity risk and market risk.

b. Financial Instruments

i. 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.

**MERIDIEN RESOURCES LIMITED
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Notes to the financial statements

NOTE 23. FINANCIAL RISK MANAGEMENT CONTINUED

a. Financial Risk Management Policies

ii 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 (2010: net fair value).

iii 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.

Interest Rate Sensitivity Analysis

At 30 June 2010 the effect on loss and equity as a result of 2% increase in the interest rate, with all other variables remaining constant would be a decrease in loss by \$24,181 (2010: \$700) and an increase in equity by \$24,181 (2010: \$700).

Foreign Currency Risk Sensitivity Analysis

The Company is not exposed to any material foreign currency risk.

Price Risk Sensitivity Analysis

The Company is not exposed to any particular product or services price risk.

NOTE 24. RESERVES

	2011	2010
	\$	\$
Reserves		
share-based payments reserve	77,609	6,900

Nature and purpose of reserves

Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of options issued to employees, directors and suppliers.

NOTE 25. COMPANY DETAILS

The registered office and principal places of business is:

Level 29
Chifley Tower
2 Chifley Tower
Sydney NSW 2000

MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177

Audit report

RSM Bird Cameron Partners
Chartered Accountants

RSM Bird Cameron Partners
Level 12, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001
T +61 2 9233 8933 F +61 2 9233 8521

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

Report on the Financial Report

We have audited the accompanying financial report of Meridien Resources Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated 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 consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

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*.

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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 entity's preparation and fair presentation 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.

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RSM Bird Cameron Partners

Chartered Accountants

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 Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

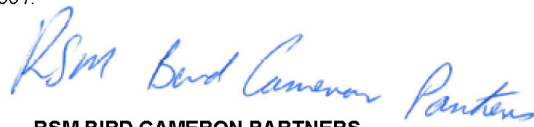
- (a) the financial report of Meridien Resources Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with 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.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the financial year ended 30 June 2011. 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.

Opinion

In our opinion the Remuneration Report of Meridien Resources Limited, for the year ended 30 June 2011 complies with section 300A of the *Corporations Act 2001*.



RSM BIRD CAMERON PARTNERS
Chartered Accountants



C J Hume
Partner

Sydney, NSW
Dated: 29 September 2011

**MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177**

Additional ASX Information

The following is current as at 6 September 2011:

1. Shareholding

(a) Distribution of shareholders

Holdings Ranges	Holders	Total Units	%
1-1,000	1	1	0.000
1,001-5,000	10	33,264	0.082
5,001-10,000	144	1,427,296	3.519
10,001-100,000	142	6,432,253	15.857
100,001-99,999,999,999	60	32,671,112	80.542
Totals	357	40,563,926	100.000

(b) The names of substantial shareholders listed in the holding company's register are:

	Ordinary shares	%
MERIDIEN CAPITAL LTD	5,000,000	12.326
AEGEAN PAL PTY LTD <ELPIDA SUPER FUND A/C>	3,033,960	7.479
MEGA SUPER FUND PTY LIMITED <MEGA SUPER FUND A/C>	2,000,000	4.930
MR JAMES DAVID WILLIAM TAYLOR & MRS ERIN ANN TAYLOR <TAYLOR SUPER FUND A/C>	1,823,335	4.495
MEGA INVESTMENTS (AUST) PTY LIMITED <MEGA INVESTMENT A/C>	1,660,000	4.092

(c) Voting rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

(d) Top twenty shareholders as at 06-09-2011

The names of the 20 largest holders of fully paid ordinary shares constituting a class of quoted equity securities on the ASX including the number and percentage held by those at 06 September 2011 are as follows:

Top 20 Holdings as at 06-09-2011

Holder Name	Balance at 06-09-2011	%
MERIDIEN CAPITAL LTD	5,000,000	12.326
AEGEAN PAL PTY LTD <ELPIDA SUPER FUND A/C>	3,033,960	7.479
MEGA SUPER FUND PTY LIMITED <MEGA SUPER FUND A/C>	2,000,000	4.930
MR JAMES DAVID WILLIAM TAYLOR & MRS ERIN ANN TAYLOR <TAYLOR SUPER FUND A/C>	1,823,335	4.495
MEGA INVESTMENTS (AUST) PTY LIMITED <MEGA INVESTMENT A/C>	1,660,000	4.092
FAIRCHOICE LIMITED	1,250,000	3.082
IVKOVIC HOLDINGS PTY LTD <IVKOVIC FAMILY A/C>	1,250,000	3.082

**MERIDIEN RESOURCES LIMITED
ABN 30 131 758 177**

Additional ASX Information

1. Shareholding Continued

(d) Top twenty shareholders as at 06-09-2011

JAGUAR MINERALS LIMITED	1,000,000	2.465
MR KIERAN JOHN HARFORD <THE HARFORD SUPER FUND A/C>	987,155	2.434
WOBBLY INVESTMENTS PTY LTD	804,917	1.984
PROTO RESOURCES & INVESTMENTS LTD	724,997	1.787
MR BEN EMERY	700,000	1.726
MS THERESE-MARIE TAYLOR	676,665	1.668
A B OVERELL SHOES PTY LTD <AB OVERELL SH PL SF NO2 A/C>	625,000	1.541
ROJAN TRADING PTY LTD	590,000	1.454
COLLINS STREET GROUP LTD	500,000	1.233
COMMON SENSE COMPUTING PTY LTD <COMMON SENSE A/C>	500,000	1.233
DALEXT SUPERANNUATION PTY LTD <DALEXT S/F A/C>	500,000	1.233
DALUA PTY LTD	499,201	1.231
RC FISHING PTY LTD	441,239	1.088
	24,566,469	60.562
Total Issued Capital		40,563,926

2. The name of company secretary is Mr. P. Hunt (Appointed 2/09/2011)

3. The address of the principal registered office in Australia is Level 29, Chifley Tower, 2 Chifley Tower, Sydney NSW 2000.

4. Registers of securities are held at the following addresses:

Registries Limited
Level 7,207 Kent Street
Sydney NSW 2000
Ph: (02)1300737 760
Fax: (02)1300 653 459

5. Stock exchange listing

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the ASX under the code MRJ.

6. Additional information:

Investor	\$	C-Notes	Bonus Share Entitlement
Common Sense Computing Pty Ltd <Common Sense A/C>	\$200,000.00	1,000,000	333,333
Mr Geoffrey Peter Ballard <Ballsup Fund A/C>	\$ 20,000.00	100,000	33,333
Mr Thomas James Richard O'Brien <The O'Brien Super Fund A/C>	\$ 20,000.00	100,000	33,333
Rabin Pty Ltd <Rabin Super Fund A/C>	\$ 50,000.00	250,000	83,333
Dr RJ & Mrs A Summerfield	\$ 35,000.00	175,000	58,333
L H Grace Family Trust	\$ 20,000.00	100,000	33,333
TOTAL	\$345,000.00	1,725,000	574,998