

# **MUI CORPORATION LIMITED**

**ABN 54 072 350 817**

**HALF-YEAR FINANCIAL REPORT  
31 DECEMBER 2014**

## CONTENTS

---

	Page
CORPORATE INFORMATION	1
DIRECTORS' REPORT	2
AUDITOR'S INDEPENDENCE DECLARATION	4
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	5
STATEMENT OF FINANCIAL POSITION	6
STATEMENT OF CHANGES IN EQUITY	7
STATEMENT OF CASH FLOWS	8
NOTES TO THE FINANCIAL STATEMENTS	9
DIRECTORS' DECLARATION	13
INDEPENDENT AUDITOR'S REVIEW REPORT TO MUI CORPORATION LIMITED	14

## CORPORATE INFORMATION

---

### DIRECTORS

Mr J Bell (Chairman)  
Mr P Silva  
Mr D Martino

### COMPANY SECRETARY

Ms L Martino

### REGISTERED OFFICE

Level 5, 56 Pitt Street  
Sydney NSW 2000  
Ph: (02) 8823 3177

### PRINCIPAL PLACE OF BUSINESS

Level 5, 56 Pitt Street  
Sydney NSW 2000

### AUDITORS

William Buck  
Level 20, 181 William Street  
Melbourne VIC 3000

### LAWYERS

ClarkeKann Lawyers  
Level 7, 55 Clarence Street  
Sydney NSW 2000

### BANKERS

Commonwealth Bank of Australia  
10 Bridge Street  
Sydney NSW 2000

### SHARE REGISTRY

Computer Share Registry Services Pty Limited  
Level 5  
115 Grenfell Street  
Adelaide SA 5000  
Ph: 1300 787 272

### INTERNET ADDRESS

[www.mui.net.au](http://www.mui.net.au)

### ASX CODES

Shares: MUI

### COUNTRY OF INCORPORATION AND DOMICILE

Australia

## DIRECTORS' REPORT

---

Your directors submit their report for the half-year ended 31 December 2014. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

### DIRECTORS

The names of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

**Mr John Bell**

**Mr Philip Silva**

**Mr Domenic Martino**

### REVIEW AND RESULTS OF OPERATIONS

During the 6 months to 31 December 2014, the Company made a loss of \$3,703,365 (to December 2013: \$284,355) and had net operating cash outflows totalling \$175,221 (to December 2013: \$126,288).

On 14 March 2014, the Company entered in to a Put and Call Option Deed with AusAsia on the following terms:

- AusAsia Energy Pty Ltd ("AusAsia") grants a call option to MUI to purchase the shares of its wholly owned subsidiary, JEMS Exploration Pty Ltd ("Shares"), which holds the Grey Ranges and Laura Basin exploration tenements ("Call Option");
- MUI grants to AusAsia a put option to require MUI to purchase the Shares, which can only be exercised if MUI does not exercise the Call Option, on terms and conditions contained in the Share Purchase Agreement ("Put Option");
- The expiry date of the Put and Call Options is 15 December 2014 (since extended to 15 December 2015);
- The conditions to be met prior to exercising the options are as follows:
  - MUI obtaining all shareholder approvals necessary;
  - Compliance with Chapters 1 and 2 of the ASX Listing Rules as a result of the application of Listing Rule 11;
  - JEMS remaining the holder of the tenements, and all such tenements remain in good standing; and
  - MUI being satisfied with its due diligence investigations in respect of JEMS and the tenements.
- A Share Purchase Agreement will come into effect on exercise of either the Put Option or Call Option, and its terms are as follows:
  - The Company will purchase 100% of AusAsia's 100% owned subsidiary JEMS Exploration Pty Ltd ("JEMS") which holds 100% of the following tenements:
    - Queensland Exploration Permit for Coal EPC 2510 – Grey Ranges;
    - Queensland Exploration Permit for Coal EPC 2544 – Grey Ranges;
    - Queensland Exploration Permit for Coal EPC 2557 – Grey Ranges; and
    - Queensland Exploration Permit for Coal EPC 2755 – Laura Basin.
  - No MUI shares will be issued and no cash will be paid by the Company to acquire the Shares;
  - The transfer of the Shares to MUI on exercise of either the Put Option or the Call Option is in full and final satisfaction of all outstanding amounts under the Loan Facility Agreement, which is currently \$3.5m, as amended.

## DIRECTORS' REPORT

Whilst the Company continued to review its film library assets, it also reviewed its options to develop the coal tenements held by JEMS (over which MUI holds a call option to purchase) and, given the sustained depressed market conditions for coal and their effect particularly on the junior coal sector, MUI has explored a number of alternatives to maximise the value of the call option.

MUI has agreed binding terms with AusAsia to relinquish MUI's call option to purchase JEMS and for the repayment of MUI's loan to AusAsia as follows:

1. AusAsia will pay MUI:
  - a. A non-refundable cash payment of \$1,200,000 via instalments; and
  - b. \$4,800,000 in cash by 15 December 2015.
2. MUI will release its security upon receipt of the last of the above payments.
3. On payment of the \$1,200,000, the expiry date of the call option will extend to 15 December 2015. In addition, the Loan Facility Agreement with AusAsia extends to 15 December 2015. This has since been amended to extend both agreements to 15 December 2015;
4. Should the transaction not complete by 15 December 2015 with the payment of \$4,800,000 (assuming the \$1,200,000 has been paid), AusAsia will relinquish 30% of the shares of JEMS to a third party nominated by AusAsia and MUI will retain its option to acquire 70% of the shares of JEMS. In this event the security as mentioned above will continue (except to the extent of the 30% of shares in JEMS is transferred to the party nominated by AusAsia).

To date the Company has received \$160,000 of the above consideration as repayment of the AusAsia loan. As the consideration was not received by 15 December 2014, the expiry date of the Put and Call Option was extended to 15 December 2015.

AusAsia has not made any further payment of instalments and consequently the Directors believe that it is prudent for the Company to fully provide for the loan in the financial statements. The Directors are currently working towards finalising discussions concerning an achievable payment plan with AusAsia. MUI is also reviewing its options in respect of the security and guarantee held in respect of the loan. In addition, the Company is reviewing a number of proposals for potential projects that may be undertaken by MUI.

## SUBSEQUENT EVENTS

There are no subsequent events.

## AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 4 for the half-year ended 31 December 2014.

This declaration forms part of the directors' report.



John Bell  
Director  
27 February 2015

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE  
CORPORATIONS ACT 2001 TO THE DIRECTORS OF MUI CORPORATION LIMITED**

I declare that, to the best of my knowledge and belief during the year ended 31 December 2014 there have been:

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

*William Buck*

**William Buck Audit (Vic) Pty Ltd**  
ABN 59 116 151 136

A handwritten signature in blue ink, appearing to read 'J.C. Luckins', with a horizontal line extending to the right.

**J.C. Luckins**  
Director

Dated this 27th day of February 2015

**CHARTERED ACCOUNTANTS  
& ADVISORS**

**Melbourne Office**  
Level 20, 181 William Street  
Melbourne VIC 3000

**Hawthorn Office**  
Level 1, 465 Auburn Road  
Hawthorn East VIC 3123

PO Box 185, Toorak VIC 3142  
Telephone: +61 3 9824 8555  
**williambuck.com**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

		<b>31 December 2014</b>	<b>31 December 2013</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Revenue		<b>6</b>	946
Corporate administrative expenses	2	<b>(202,149)</b>	(243,612)
Impairment of financial asset	3	<b>(3,478,702)</b>	(20,833)
Finance costs		<b>(22,520)</b>	(20,856)
<b>Loss before income tax expense</b>		<b>(3,703,365)</b>	(284,355)
Income tax expense		-	-
<b>Loss after tax</b>		<b>(3,703,365)</b>	(284,355)
<b>Loss for the period attributable to members of the Company</b>		<b>(3,703,365)</b>	(284,355)
Other comprehensive income		-	-
<b>Total comprehensive loss for the period</b>		<b>(3,703,365)</b>	(284,355)
<b>Loss per share (cents per share)</b>			
Basic and diluted loss per share		<b>(0.10)</b>	(0.01)

The statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014

		As at 31 December 2014 \$	As at 30 June 2014 \$
	Note		
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		63,949	242,810
Trade and other receivables		27,781	22,445
Other current assets		20,000	20,000
Financial assets	3	-	1,040,000
<b>Total Current Assets</b>		<b>111,730</b>	<b>1,325,255</b>
<b>Non Current Assets</b>			
Financial assets	3	-	2,435,062
<b>Total Non Current Assets</b>		<b>-</b>	<b>2,435,062</b>
<b>TOTAL ASSETS</b>		<b>111,730</b>	<b>3,760,317</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		115,910	83,652
Convertible note	4	593,362	570,842
<b>Total Current Liabilities</b>		<b>709,272</b>	<b>654,494</b>
<b>TOTAL LIABILITIES</b>		<b>709,272</b>	<b>654,494</b>
<b>NET DEFICIENCY OF ASSETS</b>		<b>(597,542)</b>	<b>3,105,823</b>
<b>EQUITY</b>			
Issued capital	5	35,764,430	35,764,430
Reserves		31,784	52,751
Accumulated losses		(36,393,756)	(32,711,358)
<b>TOTAL EQUITY</b>		<b>(597,542)</b>	<b>3,105,823</b>

The statement of financial position should be read in conjunction with the accompanying notes.



**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

	<i>Issued Capital</i>	<i>Options Reserve</i>	<i>Accumulated Losses</i>	<i>Total Equity</i>
	\$	\$	\$	\$
Balance at 1 July 2014	35,764,430	52,751	(32,711,358)	3,105,823
Comprehensive loss for the period	-	-	(3,703,365)	(3,703,365)
Options expired December 2014 On 24 December 2014, 70,000,000 unlisted options expired	-	(20,967)	20,967	-
<b>At 31 December 2014</b>	<b>35,764,430</b>	<b>31,784</b>	<b>(36,393,756)</b>	<b>(597,542)</b>
Balance at 1 July 2013	35,307,863	39,318	(32,192,500)	3,154,681
Comprehensive loss for the year	-	-	(284,355)	(284,355)
At 31 December 2013	35,307,863	39,318	(32,476,855)	2,870,326

The statement of changes in equity should be read in conjunction with the accompanying notes.

## STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	31 December 2014 \$	31 December 2013 \$
<b>Cash flows from operating activities</b>		
Interest income	6	946
Payments to suppliers and directors	(175,227)	(127,234)
<b>Net cash flows used in operating activities</b>	<b>(175,221)</b>	<b>(126,288)</b>
<b>Cash flows from investing activities</b>		
Loans to AusAsia Energy Pty Ltd	(3,640)	-
<b>Net cash flows used in investing activities</b>	<b>(3,640)</b>	<b>-</b>
<b>Net cash flows provided by financing activities</b>	<b>-</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents	(178,861)	(126,288)
Cash and cash equivalents at beginning of period	242,810	135,379
<b>Cash and cash equivalents at end of period</b>	<b>63,949</b>	<b>9,091</b>

The statement of cash flows should be read in conjunction with the accompanying notes.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE HALF YEAR ENDED 31 DECEMBER 2014

---

#### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

##### (a) Statement of compliance

These interim financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: 'Interim Financial Reporting', accounting interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2014 and any public announcements made by MUI Corporation Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period, being the half-year ended 31 December 2014. In adopting these new and revised pronouncements, the Company has determined that there has been no material impact to the Company's reported position or performance.

##### (b) Basis of preparation

The half-year report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

##### (c) Going Concern

The half-year report has been prepared on a going concern basis, notwithstanding the fact that for the half-year ended 31 December 2014 the company generated a loss of \$3,703,365 and incurred net cash outflows from operations of \$175,221. As at 31 December 2014 the company had available cash reserves of \$63,949 and negative working capital of \$597,542.

The Company has entered into a new payment arrangement with AusAsia Energy Pty Ltd ("AusAsia") for the repayment of MUI Corporation Limited's ("MUI's") loan to AusAsia and the relinquishment of MUI's option to purchase JEMS (the "MUI Agreement") (refer Note 3). To date the Company has received \$160,000 as repayment of the AusAsia loan. AusAsia has not made any further instalment payments and consequently the Directors believe that it is prudent for the Company to fully provide for AusAsia's loan in the financial statements. The Directors are currently working towards finalising discussions concerning an achievable payment plan with AusAsia. MUI is also reviewing its options in respect of the security and guarantee held in respect of the loan.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE HALF YEAR ENDED 31 DECEMBER 2014

For the 12 months from the date of this report, the Directors have determined that MUI is a going concern based upon a cash flow budget prepared by management. The cash flow budget incorporates a control of costs, as and where appropriate, including the potential to place payments on hold as well as no long term leases, commitments or employee contracts. MUI has, at its discretion, the ability to convert the convertible note held by the Company to equity and the ability to exercise the Company's security relating to AusAsia's loan and liquidate the asset, thereby creating a cash flow. The Company also has the ability of a listed entity to raise capital in the public market. Lastly, the Company has the support of a director that will ensure it has adequate working capital for at least 12 months from the date of this report. In addition to this, the Company has received an undertaking in relation to trade and other payables totalling \$103,575 as at 31 December 2014 owing to Directors and director related parties confirming that repayment of these amounts will not be required for a period of 12 months from the date of this report unless the Company has sufficient cash flows available.

For these reasons, the Directors believe that the assumption of a going concern basis in preparation of these financial statements is appropriate. The financial statements do not include any adjustments in relation to the recoverability or classification of recorded assets or liabilities which might be necessary should the Company not be able to continue as a going concern.

#### 2. CORPORATE AND ADMINISTRATIVE EXPENSES

	31 December 2014 \$	31 December 2013 \$
Auditor's remuneration	8,500	7,500
Corporate costs	135,955	144,368
Directors' fees	54,000	84,000
Other administration expenses	3,694	7,744
	<b>202,149</b>	<b>243,612</b>

#### 3. FINANCIAL ASSETS

	31 December 2014 \$	30 June 2014 \$
<b>Current</b>		
Related Party Loan – AusAsia Energy Pty Ltd	1,040,000	1,040,000
Provision for Related Party Loan	(1,040,000)	-
	<b>-</b>	<b>1,040,000</b>
<b>Non Current</b>		
Related Party Loan – AusAsia Energy Pty Ltd	2,438,702	2,435,062
Provision for Related Party Loan	(2,438,702)	-
	<b>-</b>	<b>2,435,062</b>

#### Loan – AusAsia Energy Pty Ltd

The Company executed a Put and Call Option Deed to acquire all of the issued capital of AusAsia Energy Pty Ltd ("AusAsia"), which in turn owns 100% of Jems Exploration Pty Ltd ("JEMS"). JEMS holds the rights over coal mining tenements in Queensland. The expiry date of the Put and Call

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE HALF YEAR ENDED 31 DECEMBER 2014

Option has been extended from 15 December 2014 to 15 December 2015.

Given the current market conditions particularly in the junior coal sector, MUI and AusAsia have agreed binding terms to relinquish MUI's call option to purchase JEMS and for the repayment of MUI's loan. This binding agreement includes the repayment of \$1,040,000 of the loan to AusAsia within the next 12 months.

To date, \$160,000 of the agreed repayment of the loan has been received. AusAsia has not made any further payment of subsequent instalments and consequently the Directors believe that it is prudent for the Company to fully provide for the amount of loan outstanding in the financial statements.

Directors are currently working towards finalising discussions concerning an achievable payment plan with AusAsia. MUI is also reviewing its options in respect of the security and guarantee held in respect of the loan.

The Company's Loan Facility Agreement continues to provide a secured loan to AusAsia Energy Pty Ltd to fund exploration work. In summary, the Loan Facility Agreement provides the following:

- A loan facility amount of \$4,000,000 of which \$3,478,702 has been loaned as at 31 December 2014. The loaning of funds under the agreement is at MUI's discretion and is only in respect of costs associated with the coal mining tenements. Any costs funded by MUI in respect of the mining tenements from 2 June 2014 are to be reimbursed by AusAsia;
- Security – General security over the assets of AusAsia Energy Pty Ltd and Jems Exploration Pty Ltd;
- Guarantee – Corporate guarantee by Jems Exploration Pty Ltd. Personal guarantee from Mr Domenic Martino who unconditionally and irrevocably guarantees the payment of loan amount and any accrued or capitalised interest;
- The loan is interest free provided full repayment of the funds lent is made prior to the expiry date. Default interest accrues at 12% p.a.

#### 4. CONVERTIBLE NOTE

	31 December 2014	30 June 2014
	\$	\$
Convertible note	500,000	500,000
Interest accrued	93,363	70,842
	<b>593,363</b>	<b>570,842</b>

The company has issued unsecured convertible notes to raise \$500,000. The notes attract an annual interest rate of 7.75%, calculated quarterly and accrued until settlement of the notes. The notes have no expiry date, are convertible at the Company's discretion and on conversion the face value of the notes and interest accrued up to that date will be settled at a conversion price of 0.1 cents per ordinary share.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE HALF YEAR ENDED 31 DECEMBER 2014

#### 5. ISSUED CAPITAL

	31 December 2014	30 June 2014
	\$	\$
<b>Issued capital</b>		
Opening balance	35,764,430	35,307,863
500,000,000 fully paid shares issued for cash at \$0.001	-	500,000
Share Issue costs	-	(43,433)
Closing balance	<u>35,764,430</u>	<u>35,764,430</u>

Fully paid ordinary shares carry one vote per share either in person or by proxy at a meeting of the company and carry the right to dividends. Shares have no par value and the company does not have an authorised amount of share capital.

#### *Movement in Ordinary Shares on Issue:*

	31 December 2014	30 June 2014
	No.	No.
Opening balance	3,693,857,804	3,193,857,804
Fully paid shares issued for cash	-	500,000,000
Closing balance	<u>3,693,857,804</u>	<u>3,693,857,804</u>

The Company also has on issue 50,000,000 unlisted options exercisable at 0.01 cents expiring 3 December 2016.

#### 6. SEGMENT INFORMATION

During the year, the company considers that it has only operated in one segment, being the film industry in Australia.

#### 7. EVENTS SUBSEQUENT TO THE REPORTING PERIOD

There are no events subsequent to the reporting period.

#### 8. COMMITMENTS and CONTINGENT LIABILITIES

There are no capital or lease commitments and no contingent liabilities since the last reporting date.

## DIRECTORS' DECLARATION

### FOR THE HALF YEAR ENDED 31 DECEMBER 2014

---

In accordance with a resolution of the directors of MUI Corporation Limited, it is the opinion of the directors that:

- (a) the financial statements and notes of the Company, as set out on pages 5 to 12:
  - (i) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
  - (ii) give a true and fair view of the Company's financial position as at 31 December 2014 and of its performance for the half-year ended on that date.
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



John Bell  
Director  
Dated: 27 February 2015

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MUI CORPORATION LIMITED**

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

We have reviewed the accompanying half-year financial report of MUI Corporation Limited (the company), which comprises the consolidated condensed statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including:

- giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

As the auditor of MUI Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Accordingly, we do not express an audit opinion.

#### **CHARTERED ACCOUNTANTS & ADVISORS**

Melbourne Office  
Level 20, 181 William Street  
Melbourne VIC 3000

Hawthorn Office  
Level 1, 465 Auburn Road  
Hawthorn East VIC 3123

PO Box 185, Toorak VIC 3142  
Telephone: +61 3 9824 8555  
**williambuck.com**



**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MUI CORPORATION LIMITED (CONT)**

*Independence*

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

*Conclusion*

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

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Regulations 2001.

*Emphasis of Matter*

Without modifying our conclusion, we draw attention to Note 1 in the financial report which indicates that the entity incurred a net loss of \$3,703,365 during the half year ended 31 December 2014, and, as of that date, the company's current liabilities exceeded its total assets by \$597,542. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

*Matters Relating to the Electronic Presentation of the Reviewed Half Year Financial Report*

This auditor's review report relates to the half year financial report of MUI Corporation Limited for the half year ended 31 December 2014 included on MUI Corporation Limited's web site. The company's directors are responsible for the integrity of the MUI Corporation Limited's web site. We have not been engaged to report on the integrity of the MUI Corporation Limited's web site. The auditor's review report refers only to the half year financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed half year financial report to confirm the information included in the reviewed financial report presented on this web site.

A handwritten signature in blue ink that reads 'William Buck'.

**William Buck Audit (Vic) Pty Ltd**

ABN 59 116 151 136

A handwritten signature in blue ink that reads 'J.C. Luckins'.

**J.C. Luckins**  
Director

Dated this 27th day of February, 2015