



MAZU ALLIANCE LIMITED

6 March 2015

ANNOUNCEMENT FOR RELEASE TO THE MARKET

MAZU ALLIANCE LIMITED

ASX: MZU

Half Yearly Report 31 December 2012

RESULTS FOR ANNOUNCEMENT TO THE MARKET

The Company provides its results for announcement to the market for the half year ending 31 December 2012. This is half year information given to ASX under listing rule 4.2A. The information should be read in conjunction with the annual financial report for the year ended 30 June 2012 and the latest annual financial report.

The results are prepared in accordance with IFRS and are presented in AUD.

Revenue	Up	From \$0	to	\$1
Profit / (loss) attributable to members	Up	36%	to	(\$715,941)
Net tangible asset backing per fully paid share as at 31 December 2012	Down	1%	to	\$0.161
Dividends per share during period	No dividends were declared during the period.			
Dividends per share for previous corresponding period	No dividends were declared in the previous corresponding period.			

This statement was approved by the Board of Directors.

ENQUIRIES

Enquiries can be directed to the Company at the contact details below.

Raymond Taylor
Company Secretary



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**Mazu Alliance Limited
ABN 45 077 226 183
and Controlled Entities**

Half year financial report for period ended 31 December 2012



**MAZU ALLIANCE
LIMITED**

**This information is for the half year ended 31 December 2012
and should be read in conjunction with the annual report for the year ended 30 June 2012**

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CORPORATE DIRECTORY

DIRECTORS

Bingkun HUANG (Chairman)
Gabriel EHRENFELD (Vice-Chairman)
Yong Teng Dixie KOR
Huichun (Tom) XU
Yuling (Lynn) XU

COMPANY SECRETARY

Raymond TAYLOR

REGISTERED OFFICE

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HOME EXCHANGE

Australian Securities Exchange
ASX Code: MZU

AUDITOR

DFK Richard Hill
2nd Floor, 32-36 Martin Place
SYDNEY NSW 2000

DIRECTORS' REPORT

Your directors submit their report for the half year ended 31 December 2012. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

DIRECTORS

The directors of Mazu Alliance Limited at any time during or since the end of the half year are:

Gabriel EHRENFELD (Appointed 07/11/2011)
Bingkun HUANG (Appointed 10/06/2011)
Yong Teng Dixie KOR (Appointed 01/09/2011)
Fuling (Teddy) LI (Appointed 01/09/2011, Resigned 09/12/2014)
Tseng-Jung WANG (Appointed 11/04/2012, Resigned 09/12/2014)
Huichun (Tom) XU (Appointed 15/04/2011)
Yuling (Lynn) XU (Appointed 21/03/2012)

REVIEW OF OPERATIONS

The Company is undertaking the development of Mazu City, raising additional capital and taking steps to have its securities reinstated to quotation on ASX.

On 17 September 2012, the Company announced that construction of the expanded temple complex and other elements of Mazu City had commenced.

On 17 September 2012, the Company announced that of the 3,600 private shrines to be constructed in Mazu City, the Company already has signed preliminary agreements with 280 Mazu congregations in Taiwan for each of them to lease a private shrine at Mazu City. Each temple will subscribe for shares in the Company and enter into a 70 year lease of a private shrine during which time they will pay lease and management fees, and also organise for their congregants to visit Mazu City.

The Mazu City site now has 7 temples built or under construction.

Zhangzhou Wushi Tourism Development Co. Ltd has continued to engage Zhangpu Wushi Palace of Queen of Heaven Administrative Committee (the Committee) to manage the day-to-day operation of the existing Wushi Palace of Queen of Heaven Temple. The Committee has the right to pay all operational costs from the revenue received. The arrangement requires that any net profit from the operation is to be remitted to Zhangzhou Wushi Tourism Development Co. Ltd on a timely basis. Operations are still at an early stage and there have not been net profits to date. This is not anticipated to change prior to the comprehensive commercialisation of the temple and other Mazu City operations, which commercialisation activities shall only become sufficiently advanced following future capital raising activities by the Company.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Refer to Note 6 of the financial statements for details of the significant events after the reporting date.

GOING CONCERN

Relating to the financial position of the Company pursuant to S299A(1)(b) of the Corporations Act 2001, the Company recorded a loss of \$715,941 and had net cash outflows from operating activities of \$49,249 for the half year ended 31 December 2012, leaving cash and cash equivalents of \$273,334. The group has a net shortfall of current assets of \$2,193,306 (Current Assets less Current Liabilities) but a total surplus of all assets over liabilities of \$37,575,072. This potentially creates a short term funding difficulty. These factors indicate a significant uncertainty as to whether the Company will continue as a going concern and therefore whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The directors believe after consideration of the following matters, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable and is a going concern because of the following factors:

- The ability to raise additional capital;
- The Company has net assets of \$37,575,072;
- The ability to collect debtors outstanding.

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

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* for the half year ended 31 December 2012 is attached to this report.

Signed in accordance with a resolution of the Board of Directors.



Bingkun Huang
Director

Dated this 5th day of March 2015

HALF YEAR FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME FOR PERIOD ENDED 31 DECEMBER 2012

	Note	Consolidated Group 31 Dec 2012	Consolidated Group 31 Dec 2011
Revenue			
Income from investments		\$1	-
Total Revenue		\$1	\$0
Expenses			
Amortisation		\$653,271	-
ASX listing fee		\$14,900	\$21,946
Depreciation		\$25,673	-
General & administrative expenses		\$4,237	\$3,567
Operating expenses		\$21,123	-
Promotional expenses		-	\$67,663
Start up expenses		(\$3,245)	\$369,093
Unrealised foreign exchange		(\$17)	\$63,502
Total Expenses		\$715,942	\$525,771
Profit / (loss)			
Profit / (loss) before income tax		(\$715,941)	(\$525,771)
Income tax expense		-	-
Net profit / (loss) from continuing operations		(\$715,941)	(\$525,771)
Net profit / (loss) for the period		(\$715,941)	(\$525,771)
Other comprehensive income			
Net gain from acquisition	1	-	\$7,698,120
Net gain on revaluation		-	\$16,564,890
Other comprehensive income for the period, net of tax		-	\$24,263,010
Total comprehensive income for the period		(\$715,941)	\$23,737,239
Net profit / (loss) attributable to:			
Members of the parent entity		(\$715,941)	\$23,737,239
Non-controlling interests		-	-
Earnings per share for the period			
Basic profit / (loss) per share (cents per share)		(0.30)	33.30
Diluted profit / (loss) per share (cents per share)		(0.26)	28.50

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.
This information is for the half year ended 31 December 2012 and should be read in conjunction with the annual report for the year ended 30 June 2012.

STATEMENT OF FINANCIAL POSITION FOR PERIOD ENDED 31 DECEMBER 2012

	Note	Consolidated Group 31 Dec 2012	Consolidated Group 30 Jun 2012
ASSETS			
Current Assets			
Cash & Cash Equivalents		\$273,334	\$290,321
Material & Inventories		\$94,215	\$95,193
Other Assets		\$199,250	\$109,170
Total Current Assets		\$566,799	\$494,684
Non-Current Assets			
Construction in Progress		\$1,856,017	\$1,875,508
Plant & Equipment	3	\$214,290	\$238,583
Property	2	\$54,888,188	\$55,230,273
Trade and other receivables		\$2,298,090	\$2,423,637
Total Non-Current Assets		\$59,256,585	\$59,768,001
Total Assets		\$59,823,384	\$60,262,685
LIABILITIES			
Current Liabilities			
Accruals		\$22,767	\$26,449
Other Payables		\$2,733,656	\$2,750,963
Total Current Liabilities		\$2,756,423	\$2,777,412
Non-Current Liabilities			
Related Party Liability		\$723,733	\$723,733
Deferred Tax liability		\$18,453,287	\$18,453,287
Total Non-Current Liabilities		\$19,177,020	\$19,177,020
Total Liabilities		\$21,933,443	\$21,954,432
NET ASSETS		\$37,889,941	\$38,308,253
EQUITY			
Issued Capital		\$62,741,586	\$62,741,586
Accumulated Losses		(\$25,177,139)	(\$24,461,198)
Reserves		\$325,484	\$27,865
Total Shareholders' Equity		\$37,889,941	\$38,308,253

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

This information is for the half year ended 31 December 2012 and should be read in conjunction with the annual report for the year ended 30 June 2012.

STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 31 DECEMBER 2012

Consolidated group	Share Capital	Accumulated Losses	Reserves		Total
			Share Capital Option Reserve	Foreign Exchange Reserve	
Balance as at 1 July 2011	\$45,169,926	(\$46,617,615)	-	-	(\$1,447,689)
Profit / (Loss) for the half year	-	\$23,737,239	-	-	\$23,737,239
Shares issued during the half year	\$17,571,660	-	-	-	\$17,571,660
Options issued during the half year	-	-	\$1,000	-	\$1,000
Movement in Foreign translation reserve	-	-	-	(\$7,471)	(\$7,471)
Balance as at 31 December 2011	\$62,741,586	(\$22,880,376)	\$1,000	(\$7,471)	\$39,854,739
Balance as at 1 July 2012	\$62,741,586	(\$24,461,198)	\$1,000	\$26,865	\$38,308,253
Profit / (Loss) for the half year	-	(\$715,941)	-	-	(\$715,941)
Movement in Foreign translation reserve	-	-	-	\$297,629	\$297,629
Balance as at 31 December 2012	\$62,741,586	(\$25,177,139)	\$1,000	\$324,494	\$37,889,941

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This information is for the half year ended 31 December 2012 and should be read in conjunction with the annual report for the year ended 30 June 2012.

STATEMENT OF CASH FLOWS FOR PERIOD ENDED 31 DECEMBER 2012

	Note	Consolidated Group 31 Dec 2012	Consolidated Group 31 Dec 2011
Cash Flows from Operating Activities			
Payments to creditors & suppliers		(\$49,249)	(\$42,010)
Net Cash Outflows from Operating Activities		(\$49,249)	(\$42,010)
Cash Flows from Investing Activities			
Cash received on acquisition		-	\$138,004
Purchase of property, plant & equipment		-	(\$3,280)
Net Cash Outflows from Investing Activities		-	\$134,724
Cash Flows from Financing Activities			
Proceeds from issue of shares and options		-	\$2,013,001
Proceeds from other entities		-	\$636
Net Cash Outflows from Financing Activities		-	\$2,013,637
Net movement in cash		(\$49,249)	\$2,106,351
Cash at the beginning of the financial half year		\$290,321	-
Effect of foreign currency translation		\$32,261	(\$64,326)
Cash at the end of the period		\$273,334	\$2,042,025

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

This information is for the half year ended 31 December 2012 and should be read in conjunction with the annual report for the year ended 30 June 2012.

NOTES TO THE FINANCIAL STATEMENTS FOR PERIOD ENDED 31 DECEMBER 2012

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

This general purpose financial report for the half year reporting period ended 31 December 2012 has been prepared in accordance with the Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2012 and any public announcements made by Mazu Alliance Limited during the interim reporting period, in accordance with the continuous disclosure requirements of the *Corporations Act 2001*. The accounting policies adopted in this interim financial report are the same as those policies applied in the 2012 Annual Report.

The Company has adopted all of the new and revised standards and interpretations issued by the Australian accounting standards board that are relevant to its operations and effective for the current period. This adoption has not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported in the current and prior periods.

NOTE 1

Acquisition of entity

No acquisition of any entity occurred in the half year. In the previous corresponding period, the acquisition of the land in China and the acquisition of a subsidiary occurred. The financial details are included for comparative purposes.

Acquisition of entity in prior period	31 Dec 2011
Purchase consideration consisting of:	
Cash consideration	-
Shares issued	\$14,244,749
Total Consideration	\$14,244,749
Fair value of assets at acquisition date	
Property, buildings and infrastructure	\$32,219,415
Other assets	\$1,290,913
Deferred tax liability	(\$8,054,854)
Other liabilities	(\$213,412)
Net Assets Acquired	\$25,242,062
Gain / (Loss) on Acquisition	\$10,997,314
Deferred tax Liability	(\$3,299,194)
Net Gain on Acquisition	\$7,698,120

As part of the development of the business, Mazu Alliance Limited obtained control over Zhangzhou Wushi Tourism Development Co. Ltd in 2011. The former shareholders of that company were issued shares in Mazu Alliance Limited as consideration for the acquisition of all of the outstanding share capital of the company, and control of the business and all of the assets including the ownership of the site is now with Mazu Alliance Limited.

This business combination has been accounted for by applying the acquisition method. The business combination has been accounted for from the date that control was attained, being 7 November 2011. The board of directors had a registered valuer prepare a valuation report on the assets acquired. The valuation report stated the assets were valued at RMB 365,508,480 (\$55,883,544) as at 7 November 2011. Of this amount, \$23,664,129 (of \$55,883,544) has been booked to the accounts of Mazu Alliance Limited as a gain created by the negotiations of the contract and land usage agreement with the Chinese government, together with a related deferred tax liability of \$7,099,239 on that \$23,664,129. The remaining \$32,219,415 (of \$55,883,544), together with a related deferred tax liability of \$8,054,854 on that \$32,219,415, were part of the assets and liabilities purchased by the issue of 104,915,083 fully paid ordinary shares in Mazu Alliance Limited in exchange for 100% of the shares of Zhangzhou Wushi Tourism Development Co. Ltd.

The consideration of 104,915,083 fully paid ordinary shares in Mazu Alliance Limited transferred in the business combination described above acquired \$32,219,415 of property assets, less a deferred tax liability of \$8,054,854, leaving net property assets of \$24,164,561, together with a further \$1,077,501 of other net assets, making a total of \$25,242,063 in assets acquired from Zhangzhou Wushi Tourism Development Co. Ltd. The 104,915,083 fully paid ordinary shares of Mazu Alliance Limited had a fair value of \$14,244,749 based on management's assessment of shares of the Company at the time of issuance. No goodwill on acquisition has been recognised. A gain on acquisition and consolidation amounting to \$10,997,314, together with a corresponding deferred tax liability of \$3,299,194, has been recognised in the accounts.

NOTE 2

Property	31 Dec 2012	31 Dec 2011
Commercial land	\$19,021,551	\$18,914,978
Less accumulated amortisation of land rights (40 Years)	(\$474,207)	-
Residential land	\$28,573,370	\$28,413,280
Less accumulated amortisation of land rights (70 Years)	(\$407,047)	-
Buildings	\$3,463,040	\$3,443,637
Infrastructure	\$5,140,450	\$5,111,649
Less accumulated depreciation for buildings and infrastructure (20 years)	(\$428,969)	-
Total Property	\$54,888,188	\$55,883,544

The acquisition of the assets occurred so close to the 31 December 2011 Balance date no Amortisation or depreciation was calculated against the physical assets and land rights in the previous corresponding half year period. Amortisation and depreciation was calculated for the year end to 30 June 2012 and for the current half year period.

Apportionment between Zhangzhou Wushi Tourism Development Co Ltd and Mazu Alliance Limited

This transaction for the acquisition and development of Mazu City was facilitated by the combination of the land use contracts negotiated by Mazu Alliance Limited with the Chinese government and the existing entitlements of Zhangzhou Wushi Tourism Development Co Ltd. The work performed by Mazu Alliance Limited has been extensive over a long period of time.

The value of the land as at 7 November 2011 is set out below:

Land value	07 Nov 2011	07 Nov 2011
Commercial Land	\$18,914,978	RMB 123,037,200
Residential Land	\$28,413,280	RMB 184,821,280
Total	\$47,328,529	RMB 307,858,480

In assessing the relative contributions of the parties, the board apportioned 50% of the combined commercial and residential land value to Mazu Alliance Limited, and 50% to Zhangzhou Wushi Tourism Development Co Ltd. As such, the amount apportioned to each entity was RMB 153,929,240 (\$23,664,129).

NOTE 3

Plant & equipment	31 Dec 2012	31 Dec 2011
Plant & equipment	\$253,677	\$4,389
Accumulated depreciation	(\$39,387)	-
	\$214,290	\$4,389

The acquisition of the assets occurred so close to the 31 December 2011 Balance date no Amortisation or depreciation was calculated against the physical assets and land rights in the previous corresponding half year period. Amortisation and depreciation was calculated for the year end to 30 June 2012 and for the current half year period.

NOTE 4

Segment Information

The consolidated group was only operating in the construction and operation of religious shrines and ancillary religious activities in China during the half year.

NOTE 5

Contingent Liabilities

The Company did not have any contingent liabilities at 31 December 2012 or 31 December 2010 except for those listed below.

The GXG Acquisition Trust has expended \$870,000 excluding GST on office, travel and personnel expenses that has not been brought to account for the Company. The amount owed to GXG Acquisition Trust of \$724,055 as a current liability is due and will be repaid out of the capital raising to be conducted by the Company. The amount of \$870,000 will only be paid if the capital to be raised by the Company exceeds \$5,000,000 in total.

On 7 June 2011, the shareholders of the Company approved the payment to the GXG Acquisition Trust of a success fee of 5% plus GST and disbursements on all capital sums raised on behalf of the Company prior to quotation on ASX. On 15 June 2011, the Deed Administrator on behalf of the Company entered into an agreement with the GXG Acquisition Trust for the payment of the success fees approved by the shareholders. At acquisition value, the success fee payable on the acquisition of the temple assets is \$2,761,513. This amount may rise or fall under the terms of the contract. GXG Acquisition Trust has advised that other than \$151,350 plus GST, it currently does not intend to claim the balance of this amount prior to the Company raising sufficient capital to meet the obligation. Accordingly, the Company has only made provision for payment of \$151,350 plus GST of this amount at this time. GXG Acquisition Trust has advised that it would seek payment of this amount in the future at the following rates: nil from the first \$5,000,000 raised; a reduction in the obligation if more than \$5,000,000 is raised at the rate of 30 cents per dollar raised up to a total raising of \$9,000,000; and a reduction in the obligation if more than \$9,000,000 is raised at the rate of 43 cents per dollar until the full obligation is discharged.

NOTE 6

Events after Reporting Date

Announcement of proposed capital raising

On 1 November 2013, the Company announced that it would be seeking to raise capital through a public offering at \$2.25 per share in 2014.

Interfaith programme

On 8 January 2014, the Company announced that to strengthen the Company's operations in the development of its 3,600 private temples and cultural halls, it was forming key strategic partnerships with aligned Taoist and Buddhist faiths. In furthering this strategy, the Company is appointing internationally recognised religious dignitaries as advisers to the Company. The Company announced that Mr Taochen Chang had been appointed as the Company's Taoist Chief Adviser commencing on 1 January 2014.

Mr Chang is the 'Heavenly Master', a title originating with the Eastern Han Dynasty. The position of 'Heavenly Master' is allocated to a religious head of the Taoist movement. Taoism has influenced Southeast Asia for over 2,000 years and has also spread internationally. Mazu is a deity in Taoism. In each generation, the position and title of 'Heavenly Master' was bestowed by the emperor of the time. The position has been passed through 64 generations, and Mr Chang, a 64th generation descendant of the family, is the current Heavenly Master. He has an extensive group of followers, and is recognised in Taiwan, Southeast Asia and internationally. Mr Chang is an expert in Taoist affairs and religious worship rituals.

On 27 November 2014, the Company announced that it had appointed Lama Tsewang Rigzin as the

Company's Chief Buddhist Adviser to advise the Company on various Buddhist affairs. Lama Tsewang is the religious leader of the Tibetan Buddhism Nyingma Sect.

Lama Tsewang has studied Buddhism law at Zha Na Temple (in Changdu, Tibet), Yarchen Vddiyana Meditation Monastery (in Sichuan, China), and Larung Gar Five Sciences Buddhist Academy (in Sichuan, China). Lama Tsewang is the current abbot of the Zha Na Temple in Gongjue County, in the Changdu Prefecture of Tibet. This is a significant Buddhist temple with over 200 Buddhist lamas and grounds exceeding 800 hectares that include schools, an Institute of Buddhist Studies and an orphanage. Lama Tsewang is a frequent traveller across China to propagate Buddhism within the Han nationality. He has followers across the world, and is a notable humanitarian. He and his lamas frequently participate in earthquake and disaster relief operations, and raise donations for these causes.

Debtors

The largest debtor of the Company owed RMB 9.65 million (AUD 1.89 million) to the Company, and this debt was settled during the first half year of 2015 financial year, by way of transferring the ownership of a proportionate quantity of Maotai liquor to the Group. In the Company's opinion, the value of this stock has a realisable value of at least the carrying value of the debt.

Share Subscription Agreement

The Chief Executive Officer of Enjoyer Co Ltd, Mr Jianqiang Zhang, in his own right entered into a subscription agreement with the Company for shares in the Company to the value of RMB 60 million. The Company, via a subsidiary, also entered into a construction contract with Enjoyer Co, Ltd. In the event that Mr Zhang did not complete the subscription agreement, the Company was entitled to terminate the construction contract. As it transpired, Mr Zhang did not complete the subscription agreement and the Company did terminate the construction contract.

Construction Contract

The Company's subsidiary, Zhangzhou Wushi Tourism Development Co Ltd, entered into a contract with Enjoyer Co Ltd for construction of some elements at the Mazu City site. Pursuant to the construction contract, Enjoyer Co Ltd was required to pay a construction bond of RMB 5.6 million (AUD 1.1 million), which sum was paid. In the event of successful completion of the construction contract, Enjoyer Co Ltd would be entitled to the return of the bond. In the event that the contract was not successfully completed, the bond would be forfeited by Enjoyer Co Ltd to the Company.

The contract was subject to the total compliance of its CEO, Mr Jianqiang Zhang, with the terms of a share subscription agreement with the Company to subscribe for shares to the value of RMB 60 million (AUD 11.73 million) in the Company. Mr Zhang did not comply with the share subscription agreement. Accordingly, the Company terminated the construction contract and became entitled to the RMB 5.6 million construction bond, which it received. However the RMB 5,6 million remains as part of the other payables in the reporting period.

NOTE 6

Going Concern

Relating to the financial position of the Company pursuant to S299A(1)(b) of the Corporations Act 2001, the Company recorded a loss of \$715,941 and had net cash outflows from operating activities of \$49,249 for the half year ended 31 December 2012, leaving cash and cash equivalents of \$273,334. The group has a net shortfall of current assets of \$2,193,306 (Current Assets less Current Liabilities) but a total surplus of all assets over liabilities of \$37,575,072. This potentially creates a short term funding difficulty. These factors indicate a significant uncertainty as to whether the Company will continue as a going concern and therefore whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The directors believe after consideration of the following matters, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable and is a going concern because of the following factors:

- The ability to raise additional capital;
- The Company has net assets of \$37,575,072;
- The ability to collect debtors outstanding.

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

DIRECTORS' DECLARATION

The half year report is the responsibility of, and has been approved by, the directors. In accordance with a resolution of the directors of Mazu Alliance Limited, the directors declare that, to the best of their knowledge and in their reasonable opinion:

- (a) The financial statements and notes of the economic entity, as set out on pages 4 to 15:
 - (i) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
 - (ii) give a true and fair view of the economic entity's financial position as at 31 December 2012 and of its performance for the half year ended on that date.
- (b) Subject to the matters set out in this report, 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.



Bingkun Huang
Director

Dated this 5th day of March 2015



Partners:

Richard L S Hill
BCom FCA FCPA (PNG)

David G Sharp
BCom FCA

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AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF MAZU ALLIANCE LIMITED AND CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2012 there has been:

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



Richard Hill
Registered company auditor
Date: 16 February 2015
Address: Level2, 32 Martin Place Sydney 2000



Partners:

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**MAZU ALLIANCE LIMITED ABN 45 077 226 183 AND CONTROLLED ENTITIES
INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MAZU ALLIANCE LIMITED**

We have reviewed the accompanying half-year financial report of Mazu Alliance Limited, which comprises the consolidated condensed statement of financial position as at 31 December 2012, the consolidated condensed statement of profit or loss, the consolidated condensed statement of comprehensive income, consolidated condensed statement of changes in equity, and consolidated condensed 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 Mazu Alliance Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 Engagement 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving true and fair view of Mazu Alliance Limited's financial position as at 31 December 2012 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 Mazu Alliance 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 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.

Independence

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

Conclusion

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

- (i) giving a true and fair view of Mazu Alliance Limited's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: *Interim Financial Reporting and the Corporations Regulations 2001*.



Richard Hill
Registered company auditor
Date this 16 day of February 2015
Address: Level 2, 32 Martin Place Sydney 2000