

## **Appendix 4E**

### **Preliminary final report**

# **MUI Corporation Limited**

**(to be renamed Skyland Petroleum Limited)**

**ABN 54 072 350 817**

**31<sup>st</sup> December 2015**

Lodged with the ASX under Listing Rule 4.3A

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## MUI Corporation Limited

(to be renamed Skyland Petroleum Limited)

### Results for Announcement to the Market

Six months ended 31 December 2015

(Previous corresponding period: Six months ended 31 December 2014)

<b>Revenues</b> from continuing ordinary activities	Down	83%	to	\$1
<b>Loss</b> from ordinary activities after tax attributable to members	Down	93%	to	\$255,510
<b>Net loss</b> for the period attributable to members	Down	93%	to	\$255,510

<b>Net tangible asset backing per ordinary shares</b>	
As at 31 December 2015 (cents per share)	(0.03)
As at 31 December 2014 (cents per share)	(0.02)

<b>Dividends / distributions</b>	Amount per security	Franked amount per security
Final dividend	-	-
Interim dividend	-	-

**Record date** for determining entitlements to the dividend

N/A

#### Explanation of Revenue

Revenue from continuing ordinary activities comprises interest income of \$1 (Dec 2014: \$6).

#### Explanation of Loss from ordinary activities after tax

The Company has changed its financial year-end to 31 December to align with the Skyland Petroleum Group Limited accounting period once completion of the acquisition takes place (refer note 2).

For the six months to 31 December 2015 the Company recorded a loss of \$255,510 compared to a loss of \$3,703,365 for the six months ended 31 December 2014. The loss to 31 December 2015 comprised general operating costs of the business such as accounting, company secretarial, office rental, director fees, legal, share registry and ASX fees. The corresponding period was predominantly made up of a \$3,487,171 impairment made to the loan to AusAsia Pty Ltd ("AusAsia"). AusAsia has not made payment of loan instalments and consequently the Directors believed that it was prudent for the Company to fully provide for the loan in the financial statements.

#### Explanation of Net Loss

See above: explanation of loss from ordinary activities after tax.

# MUI Corporation Limited

(to be renamed Skyland Petroleum Limited)

## Financial Information

Six months ended 31 December 2015

(Previous corresponding period: 12 months ended 30 June 2015)

## Preliminary statement of comprehensive income

For the period ended 31 December 2015

	December 2015 \$	June 2015 \$
<b>Continuing operations</b>		
Revenue	1	137
Impairment of financial asset	-	(3,487,171)
Corporate administration expense	(255,511)	(421,294)
<b>Loss before tax</b>	<b>(255,510)</b>	<b>(3,908,328)</b>
Income tax expense	-	-
<b>Loss for the year from continuing operations</b>	<b>(255,510)</b>	<b>(3,908,328)</b>
<b>Loss for the year</b>	<b>(255,510)</b>	<b>(3,908,328)</b>
<b>Other comprehensive income / loss</b>	-	-
<b>Total comprehensive loss for the year attributable to Members of the Company</b>	<b>(255,510)</b>	<b>(3,908,328)</b>
Basic and diluted loss per share (cents)	(0.01)	(0.11)
Weighted average number of shares used to determine both basic and diluted loss per share (note that the effect of options and convertible notes have been excluded from the calculation as they are anti-dilutive):	3,693,857,804	3,693,857,804

The above preliminary statement of comprehensive income should be read in conjunction with the accompanying notes.

# MUI Corporation Limited

(to be renamed Skyland Petroleum Limited)

## Preliminary statement of financial position As at 31 December 2015

	December 2015 \$	June 2015 \$
<b>Current assets</b>		
Cash and cash equivalents	12,716	45,584
Trade and other receivables	49,588	26,833
Other current assets	20,000	20,000
Financial assets	-	-
Total current assets	<b>82,304</b>	<b>92,417</b>
<b>Total assets</b>	<b>82,304</b>	<b>92,417</b>
<b>Current liabilities</b>		
Trade and other payables	549,201	278,538
Financial liabilities	20,000	-
Convertible note	640,701	616,384
Total current liabilities	<b>1,209,902</b>	<b>894,922</b>
<b>Total liabilities</b>	<b>1,209,902</b>	<b>894,922</b>
<b>Net deficiency of assets</b>	<b>(1,127,598)</b>	<b>(802,505)</b>
<b>Equity</b>		
Contributed equity	35,694,847	35,764,430
Reserves	31,784	31,784
Accumulated losses	(36,854,229)	(36,598,719)
<b>Total equity</b>	<b>(1,127,598)</b>	<b>(802,505)</b>

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

MUI Corporation Limited  
(to be renamed Skyland Petroleum Limited)

Preliminary statement of cash flows  
For the period ended 31 December 2015

	December 2015 \$	June 2015 \$
<b>Cash flows from operating activities</b>		
Interest income	1	137
Payments to suppliers and employees	(42,434)	(185,543)
<b>Net cash flows used in operating activities</b>	<b>(42,433)</b>	<b>(185,406)</b>
<b>Cash flows from investing activities</b>		
Loan to AusAsia Energy Pty Ltd	(896)	(11,820)
<b>Net cash flows/(used in) investing activities</b>	<b>(896)</b>	<b>(11,820)</b>
<b>Cash flows from financing activities</b>		
Loan from third party	20,000	-
Payments in respect of capital raising	(9,539)	-
<b>Net cash flows from financing activities</b>	<b>10,461</b>	<b>-</b>
Net increase / (decrease) in cash and cash equivalents	(32,868)	(197,226)
Cash and cash equivalents at beginning of period	45,584	242,810
<b>Cash and cash equivalents at end of period</b>	<b>12,716</b>	<b>45,584</b>

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

# MUI Corporation Limited

(to be renamed Skyland Petroleum Limited)

## Preliminary statement of changes in equity

For the period ended 31 December 2015

	Issued Capital \$	Options Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 1 July 2014</b>	<b>35,764,430</b>	<b>52,751</b>	<b>(32,711,358)</b>	<b>3,105,823</b>
Comprehensive loss for the year	-	-	(3,908,328)	(3,908,328)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(3,908,328)</b>	<b>(3,908,328)</b>
<i>Transactions with owners in their capacity as owners:</i>				
Expiry of options	-	(20,967)	20,967	-
<b>At 30 June 2015</b>	<b>35,764,430</b>	<b>31,784</b>	<b>(36,598,719)</b>	<b>(802,505)</b>
<b>Balance at 1 July 2015</b>	<b>35,764,430</b>	<b>31,784</b>	<b>(36,598,719)</b>	<b>(802,505)</b>
Comprehensive loss for the year	-	-	(255,510)	(255,510)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(255,510)</b>	<b>(255,510)</b>
<i>Transactions with owners in their capacity as owners:</i>				
Costs associated with capital raising	(69,583)	-	-	(69,583)
<b>At 31 December 2015</b>	<b>35,694,847</b>	<b>31,784</b>	<b>(36,854,229)</b>	<b>(1,127,598)</b>

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

# MUI Corporation Limited

(to be renamed Skyland Petroleum Limited)

## Notes to the preliminary financial statements

For the period ended 31 December 2015

### **Note 1. Change in Financial Year End**

The Company has changed its financial year-end to 31 December to align with the Skyland Petroleum Group Limited accounting period once completion of the acquisition takes place (refer note 2). Accordingly, the figures presented within this financial information reflect the transactions for MUI Corporation Limited for the six months being 1 July 2015 to 31 December 2015. The comparative figures presented represent the Company's results for the year 1 July 2014 to 30 June 2015.

### **Note 2. Future Developments**

#### **Acquisition of Skyland Petroleum Group Limited**

On 20 November 2015 the Company entered in to a conditional term sheet to acquire 100% of Skyland Petroleum Group Limited ("SPG") (the "Transaction"). SPG identifies strategic opportunities for the development and operation of oil and gas projects predominantly in the former Soviet Union. As part of the Transaction, MUI sought shareholder approval (which was given on 18 February 2016) to allow:

1. A 50 to 1 share consolidation;
2. A capital raising of at least \$14 million and up to \$17 million;
3. Change in the nature and scale of the business;
4. MUI to issue up to 13 million shares (post-consolidation) at an issue price of \$0.10 per Share for the conversion of a convertible note previously issued by the Company; and
5. MUI to acquire SPG via the issue of 798,647,010 Shares (post-consolidation) at an issue price of \$0.10 per Share.

As a condition precedent to the Transaction, MUI will change its name to "Skyland Petroleum Limited" and the current Board of MUI, with the exception of Mr Martino, will resign and be replaced by new Board members nominated by SPG. Receipt from ASX of conditional re-listing approval is also required, as well as completion of due diligence. These terms were incorporated into a Share Exchange agreement that was signed with the Vendors of SPG on 29 January 2016. Completion of the Transaction will occur once all conditions precedents are met. Full details of the transaction can be found in the Notice of Meeting lodged with ASX on 19 January 2016.

#### **Option held over the shares of JEMS**

The Company holds a put and call option to purchase 100% of the shares of JEMS Exploration Pty Ltd ("JEMS"), a company that owns four Exploration Permits for Coal in Queensland from AusAsia Energy Pty Ltd ("AusAsia").

The Company agreed binding terms with AusAsia for the repayment of the Company's loan to AusAsia, and to relinquish the option to purchase JEMS, with a payment by AusAsia of \$6 million by 15 December 2015.

To date the Company has received \$160,000 of the above consideration as repayment of the AusAsia loan. The Directors are currently reviewing their alternatives in respect of the option held and the loan repayable by AusAsia, including the potential sale of these assets.

### Note 3. Financial Assets

	December 2015 \$	June 2015 \$
<b>Current</b>		
Related Party Loan – AusAsia Energy Pty Ltd	3,487,780	3,487,171
Impairment of loan	(3,487,780)	(3,487,171)
	<u>-</u>	<u>-</u>

The Company has amended its Loan Facility Agreement providing 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 \$3,487,780 has been loaned as at 31 December 2015;
- Expiry date – formerly 15 December 2015, extended to 15 December 2016;
- 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 an associate of AusAsia Energy Pty Ltd (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.

### Note 4. NTA Backing

	December 2015	June 2015
Net tangible asset backing per ordinary share (cents per share)	<u>(0.03)</u>	<u>(0.02)</u>

### Note 5. Dividends / distributions

	Amount per security	Franked amount per security
Final dividend	-	-
Interim dividend	-	-

### Note 6. Other information

This preliminary 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 2015, half-year report to 31 December 2014 and any public announcements made by the Company during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

### Audit

This report is based on accounts that are in the process of being audited. For the 30 June 2015 financial year the Company received an unmodified audit opinion containing an emphasis of matter in respect of going concern.