

Shandong Tianye Australia Limited

A.C.N. 004 450 033

Annual Report 2009

Shandong Tianye Australia Limited
A.C.N. 004 450 033

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Shandong Tianye Australia Limited
A.C.N. 004 450 033

CORPORATE DIRECTORY

Directors	Jeffrey Beaumont - <i>Chairman</i> Gabriel Ehrenfeld Ling Ling Zhang
Secretary	Ian Sanderson
Registered Office	201 National Innovation Centre Australian Technology Park Eveleigh NSW 1430 Tel: +61 2 8399 7500 Fax: + 61 2 8399 7507 Shandong Tianye Australia Limited was incorporated in Victoria ACN 004 450 033 ABN 50 004 450 033
Auditors	BDO Audit (NSW-VIC) Pty Ltd Level 19 2 Market Street Sydney NSW 2000
Share Register	Computershare Investor Services Pty Limited Yarra Falls 452 Johnston Street Abbotsford VIC 3067
Stock Exchange Listing	Shandong Tianye Australia Limited shares are listed on the Australian Securities Exchange (ASX) – Code ‘SDT’. The Company’s securities have been suspended from trading since previous directors of the Company appointed voluntary administrators on 30 August 2004.

Shandong Tianye Australia Limited
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DIRECTORS' REPORT

Your directors present their report on the company for the year ended 3 December 2009.

Directors

The following persons were directors of Shandong Tianye Australia Limited during the whole year up to the date of this report unless otherwise stated.

Mr Jeffrey Kevin Beaumont	
Mr Rodney Birch	Resigned 23 June 2008
Mr Peter Robert Camm	Resigned 30 June 2009
Mr Gabriel Ehrenfeld	Appointed 3 February 2009
Ms Ling Ling Zhang	Appointed 29 September 2010

Principal Activities

Until it was placed into administration, the principal business activity of the company was rice milling. The company received approval from shareholders at the Annual General M held on 5 February 2010 to change its activities to the exploration for and extraction of gypsum from a prospect in Shandong Province in the People's Republic of China.

Operating Results

The loss of the company after providing for income tax amounted to \$262,589 (2008: Loss of \$58,466).

Dividends

No dividends were paid or recommended for payment during or since the end of the financial year.

Review of Operations

The Company has carried out no activities during the year ended 3 December 2009 other than proceeding with the necessary steps in relation to the reinstatement to quotation of its securities on the ASX. Included in these activities was the raising of \$320,000.

On 6 May 2009 the company entered into a contract to purchase all shares in a company that owned the gypsum mine for \$300,000. That contract is conditional on member approval for the acquisition of shares and other necessary approvals. It has not yet been completed.

Events subsequent to reporting date

As at the date of this directors' report, the directors are not aware of any matter of circumstance that has arisen that has significantly affected, or may significantly affect, the operation of the Company, the results of those operations or the state of affairs of the Company in the financial years subsequent to 3 December 2009.

Likely Developments

The Company is currently in the process of finalising a prospectus as part of the recapitalisation process to have its securities reinstated to quotation on Australian Securities Exchange, it is likely, subject to the successful completion of that process, that the Company will be applying to ASX for the reinstatement to trading of its securities, and that shares in the Company will be able to be traded on ASX.

Shandong Tianye Australia Limited
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Director's Report (continued)

Environmental Regulations

The Company is not subject to any Environmental Regulation.

Significant Changes in State of Affairs

During the year the company raised \$320,000 through the issue of 320,000,000 ordinary shares.

Information on directors

Details of the directors of the company in office at the date of this report are:

• Jeffrey Kevin Beaumont

Appointed 9 August 2007

Mr Beaumont has 14 years of investment experience including trading experience in foreign exchange, futures, warrants/options and lead advisor on several mergers and acquisitions. He has broad business experience as a principle investor in early stage ventures having successfully graduated these businesses from expansion to exit. He has also been an exclusive Eastern seaboard Australasian representative of a New York based investment fund since 2004. This partnership has seen him active in arranging funding for ASX equities, through structured equity lines and convertible instruments. Mr Beaumont has been responsible for the identification, analysis and successful completion of several multi-million dollar ASX transactions.

He holds a Diploma in Financial Services, is a member of the Australian Financial Markets Association (AFMA) and a member of the Australian Institute of Company Directors.

Mr Beaumont holds no other listed company directorships.

▪ Gabriel Ehrenfeld

Appointed 3 February 2009

Mr Ehrenfeld is a merger, acquisition and recapitalisation specialist, with concentration on the financial, legal and commercial restructure of distressed businesses. He has over 25 years industry experience including extensive participation in information technology, internet service provision, property development, water sports, boat building, manufacturing, mergers and acquisitions, research and development, and product commercialisation. His current focus is on the acquisition of substantial projects in the mining, real estate and construction sectors in the growing markets of mainland China.

He is currently:

Trade Ambassador in Australia for People's Government Zhifu District Yantai, China.

Representative in Australia of the Club (China) of World Famous Chateaus.

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Director's Report (continued)

Member Australian Institute of Company Directors.

Executive Chairman of Coldfever International Group which owns the Boto Ski Free project.

Principal at Steinbruck Capital.

Director of a number of unlisted Public and Private companies in Australia, Hong Kong and China.

Other listed company directorships are:

Vice-Chairman and Managing Director of Advanced Energy Systems Ltd, a company listed on the Australian Securities Exchange (ASX: AES).

Director of Quoin (Int) Ltd, a PNG foreign public company listed on the Australian Securities Exchange (ASX: QIL).

Director of Reeltime Media Limited, a company he is currently recapitalising that is listed on the Australian Securities Exchange (ASX: RMA).

• Ling Ling Zhang

Appointed 29 September 2010

Ms Zhang is experienced in production management, in particular, in the steel fabrication and manufacturing sectors. She currently holds a Senior Management position working in a Foreign Joint Venture Company based in China.

Ms Zhang graduated with an English Major, and a degree in Mechanical Design and Manufacturing Automation. She is also fluent in English and Mandarin Chinese.

Former Directors

The following persons were directors from the beginning of the financial year (unless otherwise specified) until their resignation:

▪ Mr Rodney Birch

Appointed 21 September 2007 - Resigned 23 June 2008

Mr Birch has a background in financial services, consulting and compliance, having performed roles in government, top tier accounting firms and a major Australian bank. He is active in private equity having established a number of specialist funds for high net worth family groups.

Mr Birch holds no other listed company directorships.

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Director's Report (continued)

▪ Peter Robert Camm

Appointed 9 August 2007 – Resigned 30 June 2009

Mr Camm holds a Bachelor of Economics from Monash University. He has a finance and merchant banking background with over 30 years' banking and finance experience arranging debt and equity finance for private and public companies.

Over the last 10 years he has provided advice to boards and shareholders on strategic direction and risk assessment procedures as well as raising debt and equity funds. He has also participated in several successful change management and company reconstructions.

He is a director of several private companies and the Robin Boyd Foundation.

Mr Camm holds no other listed company directorships.

Relevant Interest of Directors

The number of shares and options in Shandong Tianye Australia Limited in which each director, at the date of this report, has a relevant interest in are:

	Ordinary Shares held directly **	Ordinary Shares held indirectly **	Options held directly**	Options held indirectly**
Jeffrey Kevin Beaumont	Nil	5,253,666	Nil	Nil
Gabriel Ehrenfeld	10,000	328,390,000	Nil	10,000,000
Ling Ling Zhang	Nil	Nil	Nil	Nil

** As at the date of this report.

Company Secretary

• Ian Robert Sanderson

Appointed 23 June 2008

Ian Sanderson holds a Bachelor of Laws from Sydney University and a Graduate diploma in Company Secretarial Practice from Chartered Secretaries Australia.

He was engaged in private practice in commercial law for over 20 years including an extensive period as a barrister in Sydney.

He has acted as in house General Counsel since 2001.

Shandong Tianye Australia Limited
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Directors' Report (continued)

Meetings of Directors

The following table sets out the number of meetings of the company's directors held during the year ended 3 December 2009, and the number of meetings attended by each director.

	Number Held	Number Eligible to Attend	Number Attended
Peter Robert Camm	Nil	Nil	Nil
Jeffrey Kevin Beaumont	Nil	Nil	Nil
Gabriel Ehrenfeld	Nil	Nil	Nil

During the recapitalisation process, all business of the Company has been conducted by circulating resolution.

Remuneration Report - Audited

This report details the nature and amount of remuneration for each director of the Company.

a. Names and Positions held of key management personnel in office at any time during the financial year are:

Key Management Position	Position
J K Beaumont	Chairman and Director (Executive)
G Ehrenfeld	Managing Director (Executive)
P R Camm	Director (Non-executive)

There are no executives (other than directors) with authority for strategic decision and management.

Ian Sanderson (company secretary) is included as he is one of the 5 highest paid executives of the company, although not considered part of key management personnel, as required under the Corporations Act 2001.

b. Compensation Practices

During the year ended 3 December 2009, management and consulting fees totalling \$120,000 were paid to Steinbruck Management Services Pty Ltd, a company controlled by Gabriel Ehrenfeld.

Remuneration Policy

There is no current directors' remuneration policy.

Service Agreements

Steinbruck Management Services Pty Ltd is to be paid management and consulting services of \$10,000 per month.

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Directors' Report (continued)

c. Key Management Personnel Compensation

Details of the remuneration of each director of Shandong Tianye Australia Ltd, including their personally related entities are set out below:

2009	Short-term		Post Employment		Long Term	Share Based Payments		Performance related
	Cash Salary & Fees	Management fees	Superannuation	Retirement Benefits	Long service leave	Share based	Total	%
Name								
Key Management Personnel Compensation								
P R Camm	-	-	-	-	-	-	-	-
J K Beaumont	-	-	-	-	-	-	-	-
G Ehrenfeld	-	120,000	-	-	-	-	-	-
Total Key Management Personnel Compensation	-	120,000	-	-	-	-	-	-
Other Executives Compensation								
I Sanderson	-	-	-	-	-	-	-	-
Total Other Executives Compensation	-	-	-	-	-	-	-	-

2008	Short-term		Post Employment		Long Term	Share Based Payments		Performance related
	Cash Salary & Fees	Management fees	Superannuation	Retirement Benefits	Long service leave	Share based	Total	%
Name								
P R Camm	-	-	-	-	-	-	-	-
J K Beaumont	-	-	-	-	-	-	-	-
R Birch	-	-	-	-	-	-	-	-
Total Key Management Personnel Compensation	-	-	-	-	-	-	-	-

d. Shares granted as part of remuneration

No share-based payment compensation was paid during the year by Shandong Tianye Australia Ltd.

End of Audited Remuneration Report

Shares issued on exercise of options

During or since the end of the financial year, no ordinary shares were issued as a result of the exercise of options.

Un-issued shares under option

At the date of report, there are 10,000,000 shares of Shandong Tianye Australia Limited under option. The options are B class options issued on 6 January 2009. They expire 30 months from the date of issue and are exercisable at 20 cents.

Director's Report (continued)

Indemnifying Officers or Auditors

During or since the end of the financial year, the Company has not, in respect of any person who is or has been an officer or auditor of the company or a related body corporate:

- Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, other than costs and expenses of successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Proceedings on Behalf of Company

No person has applied for leave of Court under section 237 of the Corporations Act 2001 for leave 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 Related Services

No amount was paid or payable to the auditor for non-audit related services.

Auditor's Independence

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 11.

Insurance of Directors and Officers

The company did not have any insurance policies on the directors during the year.

Signed 6th July 2011 for and on behalf of the board in accordance with a resolution of the directors.



Gabriel Ehrenfeld

Director

DECLARATION OF INDEPENDENCE BY IAIN KEMP TO THE DIRECTORS OF SHANDONG TIANYE AUSTRALIA LIMITED

As lead auditor of Shandong Tianye Australia Limited for the year ended 3 December 2009, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



Iain Kemp
Director

BDO Audit (NSW-VIC) Pty Ltd

Dated in Sydney, this *6th* day of July 2011.

Corporate Governance Statement

Our approach to corporate governance

The current Directors of Shandong Tianye Australia Ltd ACN 004 450 033 have only recently been appointed in the course of the recapitalisation of the Company. To date, their attention has been focused on the process of achieving the recapitalisation, and they have not, as yet, set policies in relation to compliance with the Principles of Good Corporate Governance published by the ASX Corporate Governance Council.

The Directors are aware of those Principles and will develop guidelines in relation to those Principles as a matter of priority after the recapitalisation is complete. Those guidelines will be set out in the Annual Report of the Company which will be forwarded to shareholders in the near future and which will be announced to ASX, as required by the Listing Rules. The following matters are a statement of the intended broad policy of the Company.

Principles

1. Respective roles of board and management

- 1.1. The Board sees itself as providing strategic guidance to management of the Company. Senior management will have day-to-day control of the Company subject to the strategic guidance of the Board.
- 1.2. The CEO, while being a Director, will not be the Chairman providing effective separation of the two roles.

2. Management and oversight

- 2.1. The Board presently comprises 2 members, 1 of whom one is an executive director and 1 who is a non-executive director.
- 2.2. The Chairman is a substantial shareholder of the Company.
- 2.3. It is likely additional directors will be appointed in the future.

3. Trading restrictions

- 3.1. The Company proposes to develop guidelines in relation to officers and senior employees trading in the Company's shares.

4. Financial Reporting

- 4.1. The Company will establish an Audit Committee.

5. Disclosure

- 5.1. The Company proposes to establish a system to ensure that appropriate disclosure is made to shareholders and the ASX.

Corporate Governance Statement (Continued)

6. Communication with shareholders

- 6.1. The Company is committed to open and timely disclosure of relevant material to shareholders at general meetings.
- 6.2. The Company will develop a web site to facilitate disclosure of information.

7. Management of risk

- 7.1. Due to the nature of the Company's business and as the Company is minimally capitalized, the Board consider that there is no present need to appoint a separate committee or system to manage risk.

8. Performance monitoring

- 8.1. As above, there is no present need to appoint a separate committee to monitor performance of the Board or individual members.

9. Remuneration policy

- 9.1. At this stage a remuneration policy for Directors, employees and other officers has not been established.

10. Interests of stakeholders

- 10.1. The Company recognises the interests of external stakeholders and the importance of maintaining its reputation in the broader commercial and general communities.
- 10.2. The Company will develop a Code of Conduct to ensure that the Company complies with legal and community obligations.

11. Best Practice

- 11.1. The Company has not complied with the ASX best practice guidelines.

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**INCOME STATEMENT
FOR THE YEAR ENDED 3 DECEMBER 2009**

	Note	2009 \$	2008 \$
Revenue	4	3,125	814
Accounting & Audit Fees		(44,616)	-
Consulting Fees		(191,025)	-
Other expenses		(30,073)	(59,280)
Loss before income tax		(262,589)	(58,466)
Income tax expense	5	-	-
Loss from continuing operations		(262,589)	(58,466)
Net loss for the year		(262,589)	(58,466)
Loss per share for loss from continuing operations			
Basic loss per share (cents per share)	13	(0.082)	(0.34)
Diluted loss per share (cents per share)	13	(0.082)	(0.34)
Loss per share for the year			
Basic loss per share (cents per share)	13	(0.082)	(0.34)
Diluted loss per share (cents per share)	13	(0.082)	(0.34)

The above Income Statement should be read in conjunction with the accompanying notes.

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**BALANCE SHEET
AS AT 3 DECEMBER 2009**

	Note	2009 \$	2008 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	14a	61,585	431
Trade and other receivables	6	24,531	9,219
TOTAL CURRENT ASSETS		86,116	9,650
TOTAL ASSETS		86,116	9,650
CURRENT LIABILITIES			
Trade and other payables	7	70,610	48,555
Unsecured loans	7	260	260
Provisions	8	80,000	-
TOTAL CURRENT LIABILITIES		150,870	48,815
TOTAL LIABILITIES		150,870	48,815
NET LIABILITIES		(64,754)	(39,165)
EQUITY			
Issued capital	9	11,640,530	11,404,530
Reserves		1,000	-
Accumulated losses		(11,706,284)	(11,443,695)
TOTAL EQUITY / (DEFICIENCY)		(64,754)	(39,165)

The above Balance Sheet should be read in conjunction with the accompanying notes.

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 3 DECEMBER 2009**

	Ordinary Share Capital	Accumulated losses	Option Reserve	Total
	\$	\$	\$	\$
Balance at 4 December 2007	11,404,530	(11,385,229)	-	19,301
Loss for the year	-	(58,466)	-	(58,466)
Total income and expense for the year	-	(58,466)	-	(58,466)
Balance at 3 December 2008	11,404,530	(11,443,695)	-	(39,165)
Loss for the year	-	(262,589)	-	(262,589)
Total income and expense for the year	-	(262,589)	-	(262,589)
Issue of shares	336,000	-	-	336,000
Transaction costs	(100,000)	-	-	(100,000)
Issue of options	-	-	1,000	1,000
Balance at 3 December 2009	11,640,530	(11,706,284)	1,000	(64,754)

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

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**CASH FLOW STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(242,923)	(29,441)
Interest received		3,077	437
Net cash used in operating activities	14b	(239,846)	(29,004)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and options		321,000	-
Share issue costs		(20,000)	-
Proceeds from borrowings		-	2,860
Repayment of borrowings		-	(2,600)
Net cash provided by financing activities		301,000	260
Net increase/(decrease) in cash held		61,154	(28,744)
Cash at beginning of financial year		431	29,175
Cash at end of financial year	14a	61,585	431

The above cash flow statements should be read in conjunction with the accompanying notes.

Shandong Tianye Australia Limited
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

1. CORPORATE INFORMATION

The financial report of Shandong Tianye Australia Ltd for the year ended 3 December 2009 was authorised for issue in accordance with a resolution of the directors on 6th July 2011.

Shandong Tianye Australia Ltd is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The financial report covers Shandong Tianye Australia Ltd as an individual entity. Shandong Tianye Australia Ltd is a listed public company, incorporated and domiciled in Australia. The listed shares of the company were suspended from trading up to the date of this report.

There was no principal activity of Shandong Tianye Australia Ltd during the year ended 3 December 2009.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report is prepared on an accruals basis and based on historical costs except for certain financial assets which have been measured at fair value. Cost is based on the fair values of consideration given in exchange for assets.

The financial report is presented in Australian dollars.

Statement of Compliance

The financial report of Shandong Tianye Australia Limited complies with Australian equivalents to International Financial Reporting Standards ('AIFRS'). The financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Going Concern

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

However, the ability of the company to continue as a going concern, and to meet their debts and commitments as they fall due, is dependant upon further capital raisings.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period. Shandong Tianye Australia Ltd's assessments of the impact of new standards and interpretations that may affect the company's are set out below:

- (i) AASB 8 *Operating Segments* and AASB 2007-3 *Amendments to Australian Accounting Standards arising from AASB 8*

AASB 8 and AASB 2007-3 are effective for annual reporting periods commencing on or after 1 January 2009. AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a 'management approach' to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. Shandong Tianye Australia Ltd has not yet decided when to adopt AASB 8. Application of AASB 8 may result in different segments, segment results and different types of information being reported in the segment note of the financial report. However, at this stage, it is not expected to affect any of the amounts recognised in the financial statements.

- (ii) Revised AASB 123 *Borrowing Costs* and AASB 2007-6 *Amendments to Australian Accounting Standards arising from AASB 123* [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12].

The revised AASB 123 is applicable to annual reporting periods commencing on or after 1 January 2009. It has removed the option to expense all borrowing costs and – when adopted – will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the financial report of Shandong Tianye Australia Ltd, as the company does not have any borrowings relating to qualifying assets.

- (iii) Revised AASB 101 *Presentation of Financial Statements* and AASB 2007-8 *Amendments to Australian Accounting Standards arising from AASB 101*

A revised AASB 101 was issued in September 2007 and is applicable for annual reporting periods beginning on or after 1 January 2009. It requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. Shandong Tianye Australia Ltd intends to apply the revised standard from 4 December 2009.

- (iv) AASB 2009-2 (Issued April 2009) *Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments*

This amendment requires additional disclosures about financial instrument fair values and liquidity risk and is applicable for periods commencing on or after 1 January 2009. As this is a disclosure standard only, there will be no impact on amounts recognised in the financial statements. However, various additional disclosures will be required about fair values of financial instruments and the entity's liquidity risk. No comparative disclosures are required in the first year that these amendments are applied.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

ACCOUNTING POLICIES

(a) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and bank overdrafts.

(c) Contributed Equity

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

(d) Earnings per share

(i) Basic Earnings per Share

Basic earnings per share is determined by dividing net profit/loss after income tax attributable to members 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 by taking 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.

(e) Impairment of assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(f) Financial Instruments

Recognition

Financial instruments are initially measured at fair value on trade date, which includes transaction costs in the case of instruments not at fair value through profit or loss, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets

Financial assets are classified into four categories, which determines the accounting treatment of the item. The categories and various treatments are:

- held-to-maturity, measured at amortised cost;
- financial assets at fair value through profit or loss, measured at fair value with gains or losses charged to the profit and loss;
- loans and receivables, measured at amortised cost; and
- available for sale instruments, measured at fair value with unrealised gains or losses taken to equity.

Financial liabilities

Non-derivative financial liabilities are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, comprising original debt less principle payments and amortisation except for financial liabilities at fair value through profit or loss.

Fair value

Fair value is determined based on current bid prices for all quoted investments. 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

Impairment

At each reporting date, the group assess whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

(g) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised as interest accrues using the effective interest method.

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

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(i) Trade and Other Payables

Trade and other payables are carried at amortised cost. Due to their short term nature they are not discounted. The amounts are unsecured.

(j) Segment Reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments.

A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments.

There are no segments within the current business structure.

(k) Share Based Payments

The Company provides benefits to certain professional advisors in the form of share based payment transactions, whereby services are rendered in exchange for shares (equity settled transactions).

The cost of these equity settled transactions with those professional advisors is measured by reference to the fair value at the date at which they are granted.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on Shandong Tianye Australia Ltd that are believed to be reasonable under the circumstances.

In applying accounting policies, management continually evaluates judgments, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the company. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from judgments, estimates and assumptions.

Management has made no significant judgements, estimates or assumptions in relation to the preparation of the current annual report.

4. REVENUE

	2009	2008
	\$	\$
Continuing Operations		
Interest	3,125	814
	3,125	814

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

5. INCOME TAX EXPENSE

	2009	2008
	\$	\$
The prima facie tax on profit / (loss) from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax (payable) / benefit on profit/(loss) from ordinary activities before income tax at 30% (2008: 30%)	(78,777)	(17,540)
Add/Subtract:		
Fines	59	-
Tax effect of:		
— Timing differences and tax losses not brought to account as future income tax benefits	78,718	17,540
Income tax attributable to entity	-	-

The directors are in the process of determining the amount of unrecognised deferred tax assets which may be available for utilisation against future taxable profits. At present it is not yet appropriate to recognise deferred tax assets in relation to unutilised tax losses or timing differences as the generation of future taxable profits cannot yet be determined as probable. The company has estimated un-recouped income tax losses of \$307,195 (2008: \$58,401)

6. TRADE AND OTHER RECEIVABLES

	2009	2008
	\$	\$
CURRENT		
Sundry receivables	24,531	9,219
	24,531	9,219

As at 3 December 2009, \$23,690 of the sundry receivables amount was GST refundable from the Australian Taxation Office (2008: \$8,427)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

7. TRADE AND OTHER PAYABLES

	Note	2009 \$	2008 \$
CURRENT			
Unsecured liabilities			
Trade payables and accruals		70,610	48,555
Unsecured loan from related party	12	260	260
		70,870	48,815
		70,870	48,815

Defaults and breaches

During the current period, there were no defaults or breaches on the unsecured loan.

8. PROVISIONS

		2009 \$	2008 \$
CURRENT			
Provision for Capital Raising Costs		80,000	-
		80,000	-
		80,000	-

The provision for capital raising costs represents 25% of capital raised in the current period payable to WWH Acquisition Trust, an entity controlled by Gabriel Ehrenfeld, upon successful re-listing of the company on the Australian Securities Exchange. The trust is controlled by Gabriel Ehrenfeld and the raising costs are payable in accordance with an agreement that has been entered into between WWH Acquisition Trust and the company.

Shandong Tianye Australia Limited
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

9. ISSUED CAPITAL

	2009	2008
	\$	\$
353,119,723 (2008: 17,119,723) fully paid ordinary shares	11,640,530	11,404,530
	11,640,530	11,404,530

	Number	Issue Price	\$
Ordinary Shares			
04/12/2007 Opening Balance	17,119,723		11,404,530
03/12/2008 Closing Balance	17,119,723		11,404,530
Shares issued during the year	320,000,000	0.001	320,000
	16,000,000	0.001	16,000
Share Issue Costs	-		(100,000)
3/12/2009 Closing Balance	353,119,723		11,640,530

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

At the end of the reporting period, there are 10,000,000 shares of Shandong Tianye Australia Limited under option. The options are B class options issued on 6 January 2009 and immediately convertible into ordinary shares. They expire 30 months from the date of issue and are exercisable at 20 cents.

Capital Risk Management

The Company considers its capital to comprise its ordinary share capital. The quantitative summary of share capital is disclosed as per the above table.

In managing its capital, the Company's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders through a combination of capital growth and distributions. In order to achieve this objective, the Company seeks to maintain a sufficient funding base to enable the Company to meet its working capital and strategic investment needs and enable expansion into new business areas.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

10. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation for Key Management Personnel

	2009	2008
	\$	\$
Short-term employee benefits	120,000	-
	120,000	-
	120,000	-

Shareholdings of Key Management Personnel

The number of shares in the company held by each director of Shandong Tianye Australia Ltd, including their personally-related entities as at 3 December 2009 are set out below:

Year ended 3 December 2009

Number of Shares held by Key Management Personnel

Name	Balance at start of the year	Granted during the year for professional services	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year	Balance held nominally
J Beaumont	5,687,000	5,000,000	-	(3,833,334)	6,853,666	-
G Ehrenfeld	-	8,400,000	-	320,000,000	328,400,000	10,000
P Camm	-	-	-	-	-	-
Total	5,687,000	13,400,000	-	316,166,666	335,253,666	10,000

Year ended 3 December 2008

Number of Shares held by Key Management Personnel

Name	Balance at start of the year	Granted during the year for professional services	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year	Balance held nominally
J Beaumont	8,587,000	-	-	(2,900,000)	5,687,000	-
P Camm	-	-	-	-	-	-
R Birch	-	-	-	-	-	-
Total	8,587,000	-	-	(2,900,000)	5,687,000	5,687,000

Options

There were no options over ordinary shares in the company held during the financial year directly by any director of Shandong Tianye Australia Ltd. During the year, 10,000,000 B Class options were granted to an entity controlled by Gabriel Ehrenfeld. There was no movement in the number of options held up to 3 December 2009.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

11. REMUNERATION OF AUDITORS

	2009	2008
	\$	\$
Remuneration of the auditor for:		
- - auditing or reviewing the financial report	10,000	10,000
	10,000	10,000

12. RELATED PARTIES

Ultimate Parent

The ultimate parent of the company is Tilapia Pty Ltd, a company incorporated in Australia, which owns 70.79 % of the ordinary shares in the company at 3 December 2009.

Transactions with Related Parties

All transactions between related parties are on normal commercial terms and conditions and are conducted on an arm's length basis.

Rod Birch provides consultancy services through Birch Partners. During the year ended 3 December 2009 Birch Partners was paid nil (2008 \$7,891) in consulting fees (net of GST). No amounts were outstanding at 3 December 2009 (2008: \$Nil).

Gabriel Ehrenfeld provides consultancy services through Steinbruck Management Services Pty Ltd. During the year ended 3 December 2009 Steinbruck Management Services Pty Ltd was paid \$120,000 (2008 \$Nil) in consulting fees (net of GST). In addition during the current financial year additional amounts totalling \$55,025 were paid to Steinbruck Management Services Pty Ltd for other services outside the scope of the fixed monthly remuneration amounts payable under the Management Service Agreement. No amount was outstanding at 3 December 2009 (2008: \$Nil) in relation to the payment of these consulting fees, but \$128 in expenses were paid by Gabriel Ehrenfeld on behalf of the company and these were outstanding at 3 December 2009 (2008: \$Nil)

During the year, 8,400,000 ordinary shares were issued by the Company directly to Gabriel Ehrenfeld or to entities under his control at nil consideration for the professional services provided during the year as a professional advisor of WWH Acquisition Trust. The fair value of the shares were assessed to be \$0.001 per share.

During the year, 5,000,000 ordinary shares were issued by the Company directly to Tandem Capital Pty Ltd, an entity controlled by Jeffery Beaumont, at nil consideration for the professional services provided during the year as a professional advisor of WWH Acquisition Trust. The fair value of the shares was assessed to be \$0.001 per share.

During the year, 10,000,000 B Class share options were granted to the entity controlled by Gabriel Ehrenfeld. The fair value of the options were assessed to be nil.

A provision for capital raising costs of \$80,000 (2008: nil) was raised in relation to capital raising during the year. This money is payable to an entity controlled by Gabriel Ehrenfeld and is in accordance with an agreement that has been entered into between him and the company.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

During the year \$1,926 (2008: \$4,045) was paid to Moneywatch Pty Ltd, a company controlled by Mr Beaumont's spouse, for bookkeeping services. No amounts were outstanding at 3 December 2009 (2008: \$Nil).

During the year 250,000,000 shares were issued to Tilapia Pty Ltd (a company in which Gabriel Ehrenfeld is a Director and sole shareholder) in exchange for cash of \$250,000.

During the year 70,000,000 shares were issued to Sino Equity Investments Pty Ltd (a company in which Gabriel Ehrenfeld is a Director and sole shareholder) in exchange for cash of \$70,000.

During the year, WWH Acquisition Trust, an entity controlled by Gabriel Ehrenfeld, paid \$16,471 ASX fees on behalf of the Company. The balance was still outstanding as at 3 December 2009 (2008: Nil). In addition, share raising costs of \$20,000 were paid to WWH Acquisition Trust by the company during the year.

A loan received from Freemont (a company controlled by Jeff Beaumont) of \$260 (2008: \$260) remained outstanding as at 3 December 2009. The loan is non-interest bearing and no movement occurred during 2009. In addition at 3 December 2009 \$2,887 (2008: \$2,887) was payable to Freemont in relation to general expenses paid on behalf of the company.

13. LOSS PER SHARE

The following reflects the income used in the basic and diluted loss per share computations:

	2009	2008
	\$	\$
Reconciliation of earnings to profit or loss		
Loss	(262,589)	(58,466)
Loss used to calculate basic EPS	(262,589)	(58,466)
Basic loss per share (cents)	(0.082)	(0.34)
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	321,774,190	17,119,723
Diluted (loss)/earnings per share (cents)	(0.082)	(0.34)

For the purpose of calculating the diluted earnings per share the denominator has excluded the number of options as the effect would be anti-dilutive.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

14. NOTES TO THE STATEMENT OF CASH FLOWS

	2009	2008
	\$	\$
a. Reconciliation of Cash and Cash Equivalents		
Cash at bank and in hand	61,585	431
	61,585	431
	61,585	431
	2009	2008
	\$	\$
b. Reconciliation of Cash Flow from Operations with Profit/(Loss) after Income Tax		
Loss after income tax	(262,589)	(58,466)
Non-cash flows in loss:		
Issue of shares as consideration for consulting fees	16,000	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
Increase in trade and other receivables	(15,312)	(2,410)
Increase in trade payables, accruals and provisions	22,055	31,872
Cashflow from operations	(239,846)	(29,004)

c. Non-cash Financing and Investing Activities:

During the year, 16,000,000 shares were issued as consideration for professional services provided to the company. No cash was received or paid in relation to this share issuance.

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Net Fair Value of Financial Assets and Liabilities

The fair value of financial assets and financial liabilities of the Company approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Balance Sheet and in the Notes to and forming part of these financial statements.

Financial Risk Management

The Company manages its exposure to key financial risks in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets whilst protecting future financial security.

The Company's principal financial instruments comprise cash and cash equivalents, trade and other payables and unsecured loans. The main purpose of the cash and cash equivalents is to earn the maximum amount of interest at a low risk to the company. For the period under review, it has been the Company's policy not to trade in financial instruments.

The main risks arising from the Company's financial instruments are interest rate risk, credit risk and liquidity risk. The Company has no exposure to foreign currency risk and price risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below:

Interest Rate Risk Exposures

The Company is exposed to movements in market interest rates on its cash at bank. The policy is to monitor market interest rates to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Company does not have any material short or long term debt, and therefore this risk is minimal.

As at 3 December 2009 the Company's exposure to interest rate risk was limited to the cash at bank of \$61,585 at floating interest rates. Cash at bank bears weighted average interest rates of 4% (2008: 6%).

Sensitivity Analysis

At 3 December 2009 the interest rate profile of the Company's interest bearing financial instruments were:

	2009	2008
	\$	\$
Cash at Bank	61,585	431

The Company has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results which could result from a change in these risks.

**NOTES TO THE FINANCIAL STATEMENTS
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At 3 December 2009, the effect on profit as a result of changes in the interest rate with all other variables remaining constant would be as follows:

	2009	2008
	\$	\$
Effect on Profit		
Cash at Bank		
Increase in interest rate by 1%	616	4
Decrease in interest rate by 1%	(616)	(4)

Credit Risk Exposures

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The credit risk on financial assets, excluding investments, of the Company, which have been recognised on the balance sheet, is the carrying amount, net of any allowance for doubtful debts.

The Company is not materially exposed to any individual overseas country or individual customer.

Liquidity Risk Exposures

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Financial obligations of the Company consist of trade creditors, unsecured loans and other payables all of which have a maturity of within 60 days.

16. SHARE BASED PAYMENTS

During the year, 16,000,000 ordinary shares were issued to professional advisers of WWH Acquisition Trust at nil consideration for their professional services rendered during the year. The fair value of the shares were deemed to be \$0.001 per share and a professional service fee of \$16,000 was recorded during the period. No similar transaction was incurred in the prior financial year.

17. SUBSEQUENT EVENTS

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operation of the Company, the results of those operations or the status of affairs of the Company in future financial years.

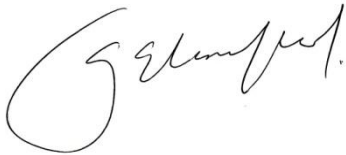
**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 3 DECEMBER 2009**

DECLARATION BY DIRECTORS

The directors of the Company declare that:

1. The financial statements, comprising the income statement, balance sheet, cash flow statement, statement of changes in equity, accompanying notes, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the Company's financial position as at 3 December 2009 and of its performance for the year ended on that date.
 - (c) The Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. The directors have been given the declarations by the Chief Executive Officer and Company Secretary required by section 295A.
4. The remuneration disclosures included on pages 8 and 9 of the directors' report (as part of the audited Remuneration Report), for the year ended 3 December 2009, comply with section 300A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Gabriel Ehrenfeld
Director

Dated on this 6th day of July 2011

INDEPENDENT AUDITOR'S REPORT

To the members of Shandong Tianye Australia Limited

Report on the Financial Report

We have audited the accompanying financial report of Shandong Tianye Australia Limited, which comprises the balance sheet as at 3 December 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies 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 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.

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* would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

Auditor's Opinion

In our opinion:

- (a) the financial report of Shandong Tianye Australia Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 3 December 2009 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Material Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. The financial report of Shandong Tianye Australia Limited has been prepared assuming the company will continue as a going concern. As disclosed in Note 2 of the financial report, the ability of the company to continue as a going concern, and to meet its debts and commitments as they fall due, is dependent upon further capital raisings.

In the event that the company is unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the normal course of business and at amounts different to those currently recorded in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 9 of the directors' report for the year ended 3 December 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Shandong Tianye Australia Limited for the year ended 3 December 2009, complies with section 300A of the *Corporations Act 2001*.



BDO Audit (NSW-VIC) Pty Ltd



Iain Kemp
Director

Dated in Sydney, this  day of July 2011.

ADDITIONAL SHAREHOLDER INFORMATION

The following additional information is provided in compliance with the requirements of the Australian Securities Exchange Limited.

Distribution of Shareholder Numbers

The distribution of shareholders and their shareholdings at 6th July 2011 was as follows: -

Range	Number of Shareholders	%
1 - 1,000	110,269	0.03
1,001 - 5,000	671,523	0.19
5,001 - 10,000	519,599	0.15
10,001 - 100,000	2,692,707	0.76
100,001 - upwards	349,125,625	98.87
Total	353,119,723	100.00

The names of substantial shareholders listed in the company's register as at 1st July 2011 are:

Shareholders Name	Number of Shares	%
Tilapia Pty Ltd	250,000,000	70.80
Sino Equity Investments Pty Ltd	70,000,000	19.82

Voting Rights

All issued shares are of one class being ordinary shares. Each shareholder is entitled to one vote on any matter put to a vote by show of hands at a meeting of shareholders. Each shareholder is entitled to one vote per share on any matter put to a poll at a meeting of shareholders.

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ADDITIONAL SHAREHOLDER INFORMATION

Substantial Shareholders

The top 20 shareholders and their shareholdings at 6th July 2011 were as follows: -

Rank	Name	Units	% of Issued Capital
1	Tilapia Pty Ltd	250,000,000	70.80%
2	Sino Equity Investments Pty Ltd	70,000,000	19.82%
3	Fundamental Capital Pty Ltd	8,390,000	2.38%
4	Tandem Capital Pty Ltd	3,900,000	1.10%
5	Mr David Laurence Mcevoy & Mr Stephen Graham Longley <Water Wheel Creditors A/C>	1,700,000	0.48%
6	Freemont Pty Ltd	1,353,666	0.38%
7	Ebek Pty Ltd	1,301,992	0.37%
8	Mr Tom Leahy	1,300,000	0.37%
9	KM Nominees Pty Ltd	1,200,000	0.34%
10	Invia Custodian Pty Limited <Black A/c>	566,616	0.16%
11	Alljen Pty Ltd	500,000	0.14%
12	Blairgowerie Pty Ltd	500,000	0.14%
13	Mr Robert William George Dein & Mrs Janette Anita Dein	500,000	0.14%
14	Mr David Hayes	500,000	0.14%
15	Mrs Sally Lee Jones	500,000	0.14%
16	Kalonda Pty Ltd <The Leibowitz Super Fund A/C>	500,000	0.14%
17	Kiweva Pty Ltd	500,000	0.14%
18	Mantroz Pty Ltd	500,000	0.14%
19	MC & JA Dillon Pty Ltd <Dillon Family A/C>	500,000	0.14%
20	P&L Drayton Pty Ltd <Drayton Family A/C?>	500,000	0.14%
Total held by Top 20		344,712,274	97.48%
Total Shares on Issue		353,119,723	100.00%