Oz Brewing Limited
(and Controlled Entities)
ABN 24 118 159 881

Financial Statements
for the Year Ended 30 June 2011

CORPORATE DIRECTORY

Board of Directors	Mr David Wheeler — Non-Executive Chairman Mr Joe Graziano — Non-Executive Director Mr Michal Safrata — Non-Executive Director
Company Secretary	Ms Nicki Farley
Registered Office	Level 24, St Martin's Tower 44 St George's Terrace Perth WA 6000 Telephone: 61 8 6211 5099 Facsimile: 61 8 9218 8875
Postal Address	Level 24, St Martin's Tower 44 St George's Terrace Perth WA 6000
Auditors	Grant Thornton Level 1, 10 Kings Park Road West Perth WA 6005
Share Registry	Security Transfer Registrars Pty Ltd 770 Canning Highway Applecross WA 6153 Telephone: 08 9315 2333 Facsimile: 08 9315 2233
Stock Exchange Listing	Australian Securities Exchange Perth, Western Australia
Website Address	www.ozbrewing.com.au
ASX Code	OZB – ordinary shares OZBO – options expiring 31 December 2012

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CHAIRMAN'S REVIEW

Dear Shareholder

It is my pleasure as Chairman to present to you the Company's Annual Report.

I was appointed to the Board, together with your other two new Board Directors, Michal Safrata and Joe Graziano, on 15 April 2011. Consequently whilst we are signing off these accounts for 30 June 2011, none of us were on the Board of the Company during the year the subject of these accounts.

We have joined the Board with the view to the future and we are pleased to note that since we have joined the Board the Company has:

- Raised $400,000 through the issue of Convertible Notes, which have since been converted to shares at ½ cent per share; and

- Concluded a Public Capital Raising of $2,500,000 through the issue of 250 million shares at one cent per share.

The effect of the above two raisings is that they have:

- allowed the Company to pay $300,000 to outstanding creditors through the Deed of Company Arrangement entered into between the Administrator of the Company, Kevin Ernest Judge of Judge Constable, Chartered Accountants, and Trident Capital Pty Ltd effectively removing the Company from Administration;

- provided funds to do all things necessary to achieve reinstatement of the company to the ASX including the preparation of the Prospectus and payment of audit and accounting costs associated with lodging outstanding accounts with the ASX and ASIC; and

- commence the pursuit of business opportunities within the hospitality industry in which the Company operates, including formal commencement of the Oz Brewing Joint Venture with Ironbark Brewery in Caversham, Western Australia.

On behalf of the Board we welcome all new shareholders to the Company and thank all of the original shareholders for their patience with the Company to date. We look forward to keeping you informed about all new activities once we have been reinstated to the ASX.

Yours faithfully,

David Wheeler
Chairman

REVIEW OF OPERATIONS

Oz Brewing Limited ("Company") was admitted to the Official List of the ASX in December 2006. The principal activity of the Company was to operate in the boutique brewing industry. It was planning to achieve this outcome initially through the establishment of a micro brewery within a restaurant setting in Fremantle – a brew cafe, The Mad Monk.

There were some delays in the commencement of operations of the Mad Monk Brew Cafe, which commenced trading in October 2007. The delays related to design and fit out activities which saw an increase in costs for the brew cafe, and as a result it commenced trading with a higher capital cost to recover than was originally anticipated.

Through 2008 trading was steady, though the parent company, the Company was running out of capital to support the business through a period where it needed to reach a critical mass.

Ultimately the Company could no longer support Mad Monk, and it entered into an agreement in August 2008 to sell 49% of the operating entity, Mad Monk Pty Ltd, to Emem Management Pty Ltd, for $515,000. It also granted Emem Management Pty Ltd an option to acquire a further 51%, subject to approval by the Company's shareholders.

The Global Financial Crisis of late 2008 then saw the Company with limited opportunities to raise additional capital, and the Company was placed in Administration in September 2008.

A Deed of Company Arrangement ("DOCA") was executed in December 2008 between the Administrator of the Company, Kevin Ernest Judge, and Trident Capital Pty Ltd to restructure and recapitalise the Company and seek reinstatement of the Company on the ASX.

Mad Monk Pty Ltd was placed in liquidation on 5 October 2010.

The Company raised $400,000 in June of 2011 through the issue of convertible notes which have since been converted to ordinary shares at ½ cent per share. The issue of these convertible notes allowed the company to pay $300,000 to the Creditor's Trust in accordance with the terms of the DOCA, thereby allowing for the DOCA to be effectuated.

The DOCA was effectuated in June of 2011, and the control of the Company passed from the Administrator back to the Board of Directors, who had been appointed in April 2011.

Upon reinstatement to the Official List of ASX, the Company will recommence the brewing, distribution, marketing and sales of its Mad Monk range of beers. Its approach to this process will be through licensing, joint venture and possibly acquisition of established venues.

The first premise has already been established through a Joint Venture arrangement with the Ironbark Brewery in the Swan Valley who will brew the Mad Monk beers under license and retail them through their outlet. Ironbark, as part of the Joint Venture arrangements, will also look to expand its facilities to provide for more paying customers. The arrangement also provides the Company with an opportunity to participate in a convention centre which Ironbark are considering establishing on its premises.

Aside from the Joint Venture activities with Ironbark, the Company will be seeking additional opportunities to sell its Mad Monk beers, as follows:

- Identifying established beer outlets willing to carry part or all of the Mad Monk range of beers through their facility, which would be brewed in the first instance through the Joint Venture in line with a normal supplier/retailer relationship;

- Expansion through acquisition or investment of other boutique breweries, though only after a rigorous examination of the different opportunities;

- Commencing retail sales of its more popular styles through packaged take home beers;

REVIEW OF OPERATIONS

- Considering expansion opportunities through other States and possibly overseas.

The Directors of the Company have experience within the hospitality and beverage industries, as well as a broad set of commercial experiences, and will consider other opportunities for growth as and when they might arise.

In addition, the Company will explore all investment opportunities both within and outside the hospitality and beverage industry.

CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Company is committed to implementing the highest standards of corporate governance.

This Statement reports on the Company's key governance principles and practices. These principles and practices are reviewed regularly and revised as appropriate by the Company to ensure they comply with changes in the law and reflect developments in Corporate Governance.

The Company is pleased to advise that its practices are largely consistent with the revised ASX Recommendations. As consistency with the guidelines has been a gradual process, where the Company did not have certain policies or committees recommended by the ASX Corporate Governance Council in place during the reporting period, we have identified such policies or committees.

Where the Company's corporate governance practices do not correlate with the practices recommended by the ASX Corporate Governance Council, the Company is working towards compliance however it does not consider that all the practices are appropriate for the Company due to the size and scale of Company operations.

Board of Directors of the Company

Composition of the Board
The Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given its current size and scale of operations. Directors are appointed based on the specific skills required by the Company and on their decision-making and judgment skills.

As at the date of this report, the Board is comprised of three (3) Directors, all of whom are non-executive Directors.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. The following criteria has been adopted by the Company as a non-prescriptive guide for independence:

An Independent Director is a Non-Executive Director and:

(a) is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
(b) within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;
(c) within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member. Or an employee materially associated with the service provided;
(d) is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
(e) has no material contractual relationship with the Company or other group member other than as a Director of the Company;
(f) has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
(g) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

Independent Professional Advice
The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities.

CORPORATE GOVERANCE STATEMENT

Performance Review/Evaluation
It is the policy of the Board to conduct an annual evaluation of its performance and that of its senior executives. The objective of this evaluation will be to provide best practice corporate governance to the Company.

Risk Management Policy
The Company has a Risk Management Policy which sets out the manner in which the Company identifies, assesses, monitors and manages business risk. All high level strategies and new initiative risks are reviewed annually by the Board at its annual strategy and planning meeting.

In relation to risk management, monitoring the status of each risk and any necessary action plans relating to their treatment takes place on a regular basis by controlled self assessment as well as by management's regular review of risk action plans, with respect to the effectiveness and suitability of each risk action plan.

The overall results of these assessments are presented to the Board at least annually and updated as necessary. Any action or recommendations by senior management arising out of these review processes are approved by the Board and implemented by management.

Security Trading Policy
The Board is committed to ensuring that the Company, its Directors and executives comply with their legal obligations as well as conducting their business in a transparent and ethical manner. Directors and senior executives must ensure that any trading in securities issued by the Company is undertaken within the framework set out in the Security Trading Policy.

The Board has a policy which prohibits trading in the securities of the Company by Directors and senior staff and employees unless prior to trading, notification has been provided to the Chairman and consent is obtained from the Chairman.

Shareholder Communications Policy
The Board supports practices that provide effective and clear communications with security holders and allow security holder participation at general meetings. A formal Shareholder Communications Policy has been adopted. In addition to electronic communication via the ASX web site, the Company publishes all significant announcements together with all financial reports. These documents are available in both hardcopy on request and on the Company web site at www.ozbrewing.com.au.

Audit Committee
Due to the size and scale of its operations the Company does not have a separate audit committee. It is the Board's view that an Audit Committee would not be a more efficient mechanism than the full Board for focusing the Company on specific issues and it cannot be justified based on a cost benefit analysis. The Audit Committee is chaired by an independent director (who is not the Chairman) and is responsible for assisting the Board in fulfilling its financial reporting, risk management and compliance responsibilities, compliance with legal and regulatory requirements, internal control structure and the internal and external audit functions (the responsibilities of the Risk Management Committee have also been delegated to the Audit Committee). The Audit Committee meets at least twice per year and at such other times as the Audit Committee deems necessary.

The Audit Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors.

Remuneration Committee
The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies and practices which:

(a) enable the Company to attract, retain and reward talented Directors and employees; and
(b) reward Directors and employees fairly and responsibility.

CORPORATE GOVERANCE STATEMENT

The Company currently does not have a separate remuneration committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues. However, in accordance with the ASX Listing Rules, the Company is moving towards establishing a remuneration committee consisting primarily of Independent Directors, chaired by an independent director and consisting of at least 3 members.

Nomination Committee
The role of a Nomination Committee is to help achieve a structured Board that adds value to the Company by ensuring an appropriate mix of skills are present in Directors on the Board at all times.

The Company currently does not have a nomination committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

Corporate Governance Compliance
Oz Brewing Limited is in compliance with each of the Corporate Governance Principles and the corresponding Best Practice Recommendations, other than in relation to the matters specified below:

Principal No	Recommendation	Compliance	Reason for Non-compliance
2.4	The Board should establish a nomination committee.	The Company currently does not have a separate Remuneration and Nomination Committee. The roles and responsibilities of a Remuneration and Nomination Committee are currently undertaken by the full Board.	Given the size and nature of the Company the Board considers the composition of the Board is appropriate at this stage.
4.2	The audit committee should be structured so that it: • consists only of Non-Executive Directors; • consists of a majority of independent Directors; • is chaired by an independent chair, who is not chair of the Board; • has at least three members.	The Company currently does not have a separate Audit Committee. The roles and responsibilities of an Audit Committee are currently undertaken by the full Board.	Given the size and nature of the Company the Board considers the composition of the Board is appropriate at this stage.
8.1	The Board should establish a remuneration committee.	The Company has not established a separate remuneration committee. The roles and responsibilities of a Remuneration and Nomination Committee are currently undertaken by the full Board.	Given the size and nature of the Company, the Board considers the composition of the Remuneration and Nomination Committee is appropriate at this stage.
8.2	The Remuneration Committee should be structured so that it: • consists of a majority of independent directors; • is chaired by an independent director; and • has at least three members.	The Company has not established a separate remuneration committee. The roles and responsibilities of a Remuneration and Nomination Committee are currently undertaken by the full Board.	Given the size and nature of the Company, the Board considers the composition of the Remuneration and Nomination Committee is appropriate at this stage.

DIRECTORS' REPORT

The Directors present their report on Oz Brewing Limited and the entities it controlled during the year ended 30 June 2011 (the Company). In order to comply with the provision of the Corporations Act 2001, the directors report as follows:

These Financial Statements cover the period from 1 July 2010 to 30 June 2011. On 17 September 2008 the Company appointed Kevin Judge of Judge Constable, Chartered Accountants, as Administrator of the Company. The Company was subject to a Deed of Company Arrangement (DOCA), which has the effect of extinguishing the current debts and facilitate the Company being recapitalized and reinstated to quotation on the Australian Securities Exchange (ASX). That DOCA has been effectuated and the recapitalization of the Company has occurred. These Financial Statements report results and the financial position that are not representative of the position of the Company following completion of the recapitalisation and should not be used as the basis for any decision about the Company or its prospects.

Directors

The names and details of the Directors of Oz Brewing Limited during the financial year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

David Wheeler
Non -Executive Chair, age – 53 (appointed 15 April 2011, appointed Non-Executive Chairman 22 June 2011)
Mr Wheeler has more than 30 years of executive management experience, through general management, CEO and managing director roles across a range of companies and industries.

He has worked on business projects in the USA, UK, Europe, New Zealand, China, Malaysia, and the Middle East (Iran). David has been a Fellow of the Australian Institute of Company Directors (FAICD) since 1990. He has experience on public and private company boards.

Joe Graziano
Non-Executive Director, age – 45 (appointed 15 April 2011)
Mr Graziano has 22 years' experience providing a wide range of business, financial and taxation advice to small cap unlisted and listed public companies and privately owned businesses in Western Australia's resource-driven industries, particularly mining, banking and finance, professional services and logistics.

He has the knowledge and experience in corporate advisory and strategic planning with corporations and private businesses going through a growth phase and restructuring those businesses to assist with the next phase of their growth strategy.

He has specific expertise in the mining services and resource exploration sectors, as well as in banking, finance, professional services businesses and privately owned businesses. Mr Graziano is currently a principal of Crowe Horwath Perth in Business Advisory Services.

Michal Safrata
Non-Executive Director, age – 35 (appointed 15 April 2011)
Mr Safrata is a businessman who has over ten years of experience in the hospitality industry. He is a non- executive director of ASX listed Oroya Mining Limited and Mammoth Resources Limited, an unlisted public company engaged in the mineral resources sector.

Former Directors

Adam Roujae
Non-Executive Director, age – 31 (appointed 15 September 2008, resigned 15 April 2011)
Mr Roujae is a Business Manager with a finance background. He is currently a director of Interwest Group Pty Ltd.

DIRECTORS' REPORT

Rober Roget
Non-Executive Director, age – 70 (appointed 15 September 2008, resigned 15 April 2011)
Mr Roget has extensive experience in the public and private business sector having held several directorships over the course of 30 years. He actively finances and raises capital for business ventures predominately in the public sector.

Administrator and Deed Administrator

Kevin Judge, age - 64 (appointed Administrator 17 September 2008, appointed Deed Administrator 8 December 2008, resigned 3 June 2011)
Mr Judge is a Chartered Accountant and has operated in public practice for forty years providing corporate and personal insolvency services and taxation, accounting, audit and business advisory services. Mr Judge also acts as a director of a number of ASX listed companies.

Company Secretary

Nicki Farley, age - 35 (appointed 8 June 2011)
Ms Farley holds a Bachelor of Laws and Arts from the University of Western Australia and has over 10 years experience working within the corporate advisory area providing advice in relation to capital raisings, corporate and securities laws, mergers and acquisitions and general commercial transactions. Ms Farley has also held a number of company secretarial roles for ASX listed companies.

Directors' Interests

As at the date of this report the Directors' interests in shares and unlisted options of the Company are as follows:

Director	*Directors' Interests in Ordinary Shares*	*Directors' Interests in Options*
D Wheeler	2,000,000	2,000,000
J Graziano	357,143	2,000,000
M Safrata	-	2,000,000

Directors' Meetings

The number of meetings of the Company's Directors held during the year ended 30 June 2010, whilst each director was in office, and the number of meetings attended by each Director, were:

Director	*Board of Directors' Meetings*	
	No. eligible to attend	*No. attended*
R Roget (appointed 15 September 2008, resigned 15 April 2011)	Nil	Nil
A Roujae (appointed 15 September 2008, resigned 15 April 2011)	Nil	Nil
D Wheeler (appointed 15 April 2011)	1	1
J Graziano (appointed 15 April 2011)	1	1
M Safrata (appointed 15 April 2011)	1	1

Principal Activities

DIRECTORS' REPORT

The principal activities of the Group during the financial year consisted of the operation of a microbrewery and bar/restaurant in Fremantle, Perth Western Australia.

On 17 September 2008 the Board appointed Kevin Ernest Judge as Administrator of the Company. On 8 December 2008 the Company entered into a Deed of Company Arrangement (DOCA) and appointed Mr Judge as the Deed Administrator. During the term of the DOCA until fully effectuated on 3 June 2011 the Company did not trade and investigated other micro-brewing opportunities.

Results of Operations

The consolidated net profit after income tax for the financial year was $649,110 (2010: Loss of $5,825).

Dividends

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year.

Review of Activities

Operations

The company has not commenced trading operations during the reporting period. The main activity has been the investigation of micro-brewing opportunities and the development of the business strategy and identity.

A more detailed review of the Group's operations is set out in the section titled "Review of Operations" in this Annual Report.

Financial Position

At the end of the financial year the Company had $38,032 (2010: $6,142) in cash and at call deposits.

Financial Performance

The Company did not have any sales revenue for the financial year.

The $649,110 profit for the year (2010: Loss of $5,825) is stated after debts forgiven of $689,433 (2010: nil) and incurring non direct administration expenses of $40,323 (2009: $61,468).

Significant Changes in the State of Affairs

Significant changes in the state of affairs of the Group during the financial year were as follows:

- On 8 December 2008 the Company announced that it had executed a Deed of Company Arrangement (DOCA) with Trident Capital Pty ltd as the proponent and appointed Kevin Judge as Deed Administrator. The DOCA provided for the reconstruction and recapitalization of the Company and for the payment of $300,000 to pay Administrator's fees and costs, Deed Administrator's fees and costs and the balance to creditors in full and final satisfaction of their provable debts in accordance with section 439C of the Corporations Act
- During the year the Deed Administrator continued to administer the Company whilst Trident Capital Pty Ltd progressed towards effectuating the DOCA
- On 3 June 2011 the DOCA was fully effectuated resulting in $689,433 worth of debt being forgiven.

Options Over Unissued Capital

DIRECTORS' REPORT

Unlisted Options

During the financial year the Company granted nil options over unissued shares and issued nil ordinary fully paid shares on the exercise of options. During the financial year nil options lapsed unexercised.

As at the date of this report unissued ordinary shares of the Company under option are:

Number of Options Granted	*Exercise Price*	*Expiry Date*
13,415,372 (listed)	$0.40	31 December 2012
11,000,000 (unlisted)	$0.01	31 December 2014

All options on issue at the date of this report are vested and able to be exercised.

These options do not entitle the holder to participate in any share issue of the Company or any other body corporate. The holders of options are not entitled to any voting rights until the options are exercised into ordinary shares.

Matters Subsequent to the End of the Financial Year

Other than disclosed below, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

- On 3 August 2011 the Company issued 10 million shares to a consultant for general accounting and corporate advisory services.
- On 31 August 2011 the Company issued 5 million shares and 5 million options with an exercise price of 1 cent and an expiry date of 31 December 2014 to Mr Tony Grego.
- On 30 September 2011 the Company issued 250,000,000 shares at an issue price of 1 cent raising $2.5 million pursuant to the Company's prospectus dated 5 August 2011.
- On 30 September 2011 the Company issued 6 million options with an exercise price of 1 cent and an expiry date of 31 December 2014 to the Directors.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Company are included elsewhere in this Annual Report. Disclosure of any further information has not been included in this report because, in the reasonable opinion of the Directors to do so would be likely to prejudice the business activities of the Company and is dependent upon the future operations.

Environmental Regulation and Performance

So far as the Directors are aware, all activities have been undertaken in compliance with all relevant environmental regulations.

Remuneration Report (Audited)

Remuneration Policy

The Company's policy for determining the nature and the amount of remuneration for Directors, officers and executives is as follows:

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced Directors and Senior Executives. The Board assesses the appropriateness of remuneration packages, given trends in comparative

DIRECTORS' REPORT

companies both locally and internationally. Remuneration packages comprise fixed remuneration and may include bonuses or equity based remuneration entirely at the discretion of the Board based on the performance of the Group.

At the date of this report the Company has not entered into any agreements with Directors or Senior Executives which include performance based components. There is no link between the performance of Directors or Senior Executives and the remuneration they are paid.

Refer also to the Corporate Governance Statement for the Board's policy in this area.

Details of Remuneration for Directors and Executive Officers

During the year there were no other Senior Executives, other than where stated, which were employed by the Company for whom disclosure is required.

Details of the remuneration of each Director of the Group are as follows:

2011	***Short Term***		***Post Employment***	***Share Based Payments***	
Directors	***Base Emolument $***	***Other Benefits $***	***Superannuation Contributions $***	***Value of Options $***	***Total $***
R Roget	-	-	-	-	-
A Roujae	-	-	-	-	-
D Wheeler	-	-	-	-	-
M Safrata	-	-	-	-	-
J Graziano	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

2010	***Short Term***		***Post Employment***	***Share Based Payments***	
Directors	***Base Emolument $***	***Other Benefits $***	***Superannuation Contributions $***	***Value of Options $***	***Total $***
T Pugh (i)	-	-	-	-	-
R Roget	-	-	-	-	-
A Roujae	-	-	-	-	-
D Wheeler	-	-	-	-	-
M Safrata	-	-	-	-	-
J Graziano	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Options

No options were granted as remuneration to directors or key management personnel during the financial period. 6 million options exercisable at 1 cent with an expiry date of 31 December 2014 were issued to directors on 30 September 2011 under the Company's prospectus dated 5 August 2011.

Officers' Indemnities and Insurance

During the year the Company did not pay insurance premiums to insure any officers of the Company.

DIRECTORS' REPORT

The Company has not provided any insurance for an auditor of the Company.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

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

Corporate Governance

The Directors recognise the need for the highest standards of corporate behaviour and accountability. The Company's corporate governance statement is contained in the annual report.

Non-audit Services and Auditor's Independence Declaration

During the year Grant Thornton (WA) Partnership (formerly Bentleys MRI Perth Partnership), the Company's auditor, has not performed non-audit services in addition to their statutory duties.

	2011 $	2010 $
Audit and review of the Group's financial statements	21,091	-
Due diligence and independent report provided by an associate of the auditor	-	-
Taxation and other services	-	-
	21,091	-

DIRECTORS' REPORT

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on page 14.

This report is made in accordance with a resolution of the Directors.

DATED at Perth this 26th day of October 2011.

David Wheeler
Chairman

Grant Thornton (WA) Partnership
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Auditor's Independence Declaration
To the Directors of Oz Brewing Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Oz Brewing Limited for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON (WA) PARTNERSHIP
Chartered Accountants

J W Vibert

J W Vibert
Partner

Perth, 26 October 2011

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Note	2011 $	2010 $
Revenue		-	-
Other income	2	689,433	-
Corporate expenses		(18,181)	-
Administration expenses		(4,031)	-
Finance costs		-	55,643
Administrator's expenses		2,980	(61,468)
Audit costs	5	(21,091)	-
Profit / (Loss) from continuing operations before income tax		649,110	(5,825)
Income tax expense	4	-	-
Profit / (Loss) from continuing operations		649,110	(5,825)
Other comprehensive income for the year		-	-
Total comprehensive Profit / (Loss) for the year		649,110	(5,825)
Earnings per share for loss attributable to the ordinary equity holders of the company			
		Cents	Cents
Basic earnings/(loss) per share	19	3.383	(0.031)
Diluted earnings/(loss) per share	19	3.383	(0.031)

The above income statement should be read in conjunction with the accompanying noted.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Note	2011	2010
		$	$
Current assets			
Cash and cash equivalents	6	38,032	6,142
Trade and other receivables	7	6,716	
Total current assets		44,748	6,142
Total assets		44,748	6,142
Current liabilities			
Trade and other payables	9	28,095	503,609
Financial liabilities	10		1,034,990
Total current liabilities		28,095	1,538,599
Total liabilities		28,095	1,538,599
Net assets		16,653	(1,532,457)
Equity			
Issued capital	11	3,799,950	2,899,950
Retained earnings		(3,838,709)	(4,487,819)
Equity compensation reserve	12	55,412	55,412
Total equity		16,653	(1,532,457)

The above balance sheet should be read in conjunction with the accompanying noted

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Note	Share Capital	Accumulated Losses	Equity Compensation Reserve	Total
		$	$	$	$
Balance at 1 July 2009		2,899,950	(4,481,994)	55,412	(1,526,632)
Loss for the year		-	(5,825)	-	(5,825)
Transaction costs of equity issued		-	-	-	-
Sub-total		2,899,950	(4,487,819)	55,412	(1,532,457)
Dividends paid or provided for		-	-	-	-
Balance at 30 June 2010		2,899,950	(4,487,819)	55,412	(1,532,457)
Shares issued during the year		900,000	-	-	900,000
Loss for the year		-	649,110	-	649,110
Sub-total		900,000	649,110	-	1,549,110
Dividends paid or provided for		-	-	-	-
Balance at 30 June 2011		3,799,950	(3,838,709)	55,412	16,653

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Note	2011 $	2010 $
Cash flows from operating activities		-	-
Receipts from customers		-	-
Payments to suppliers and employees		(368,110)	(270)
Interest received		-	-
Finance costs		-	-
Income tax paid		-	-
Net cash provided by (used in) operating activities	14a	(368,110)	(270)
Cash flows from investing activities			
Net cash provided by (used in) investing activities		-	-
Cash flows from financing activities			
Proceeds from issue of convertible notes		400,000	-
Net cash provided by (used in) financing activities		400,000	-
Net change in cash and cash equivalents held		31,890	(270)
Cash and cash equivalents at beginning of the financial year		6,142	6,412
Cash and cash equivalents at end of financial year	6	38,032	6,142

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

1 Statement of significant accounting policies

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

Oz Brewing Limited is a company limited by shares, incorporated and domiciled in Australia.

Statement of compliance
Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the directors on 26th October 2011.

Basis of preparation
The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied. All amounts are presented in Australian dollars which is the Company's functional and presentation currency, unless otherwise noted.

Adoption of new and revised accounting standards
In the current year, 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 annual reporting period.

Significant effects on current, prior or future periods arising from the first-time application of the standards discussed above in respect of presentation, recognition and measurement of accounts are described in the following notes.

Standards and interpretations not yet effective and have not been early adopted by Oz Brewing Limited

At the date of authorisation of the financial report, the following Australian Accounting Standards / Accounting Interpretations have been issued or amended and are applicable to the company but are not yet effective and have not been adopted in preparation of the financial statements.

AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statement. Below is an overview of the key changes and the impact on the Company's financial statements.

Disclosure impact

NOTES TO THE FINANCIAL STATEMENTS
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Terminology changes – the revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity – the revised version of AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owners changes in equity. Owners' changes in equity are to be presented in the statement of changes in equity, with non-owners changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owners changes in equity and other comprehensive income to be presented in the statement of changes in equity.

Statement of comprehensive income – the revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Company's financial statements now contain a statement of comprehensive income.

Other comprehensive income – The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

The Directors have considered new pronouncements and amendments to the Accounting Standards which are issued, but not yet effective and are not aware of any that will have a material impact on the Company's financial statements.

Management anticipate that all new pronouncements and amendments will be adopted in the company's financial statements for the first period beginning after the effective date of the pronouncement, with none being early adopted.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Significant accounting Policies

a. Principles of Consolidation

A controlled entity is any entity that Oz Brewing Limited has the power to control the financial and operating policies of the entity so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

b. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Current tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

NOTES TO THE FINANCIAL STATEMENTS
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Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax
Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. 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 assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c. Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest income
Interest income is recognised as it accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

d. Inventories
Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

e. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Valuations are performed whenever the directors believe there has been a material movement in the value of the assets.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against the related revaluation reserve directly in equity; all other decreases are charged to the income statement.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Each year the difference between depreciation based on the re-valued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Plant and equipment

Plant and equipment are measured at cost less depreciation and impairment losses.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2%
Plant and equipment	5–25%
Motor vehicles	25%
Leased plant and equipment	10%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
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An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

f. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the company, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

g. Financial Instruments

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instrument classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Effective interest rate method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

NOTES TO THE FINANCIAL STATEMENTS
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Classification and subsequent measurement
Financial assets at fair value through profit or loss
Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments
These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments held by the company are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. They are held at fair value with changes in fair value taken through the financial assets reserve directly in equity.

Financial liabilities
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

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.

Impairment of financial assets
At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in equity.

NOTES TO THE FINANCIAL STATEMENTS
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Financial Guarantees
Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118 Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using the probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year's period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

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

h. Impairment of Non-Financial Assets
At each reporting date, the company 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

NOTES TO THE FINANCIAL STATEMENTS
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Exchange difference arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

j. Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

k. Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of amounts required to settle the obligation at balance date.

l. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value..

Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

m. Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

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

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

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

NOTES TO THE FINANCIAL STATEMENTS
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All revenue is stated net of the amount of goods and services tax (GST).

n. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

o. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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.

p. Comparative Figures

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

q. Critical accounting estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

i Key estimates — Impairment

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

No impairment has been recognised in respect of goodwill at reporting date. Should the projected turnover figures be outside 90% of budgeted figures incorporated in value-in-use calculations, an impairment loss would be recognised up to the maximum carrying value.

ii Significant judgments — Provision for impairment of receivables

NOTES TO THE FINANCIAL STATEMENTS
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Included in the comparative accounts receivable at 30 June 2010 is an amount receivable from advances made to Mad Monk Pty Ltd during the current and prior financial years amounting to $2,607,512. Mad Monk Pty Ltd was placed in liquidation on 5 October 2010. The directors believe that full amount of the debt is not recoverable, and a doubtful debt provision has been made at 30 June 2010 for the full amount of the debt owing. This debt has been written out of the accounts at 30 June 2011.

2 Revenue

	Note	2011 $	2010 $
Non-operating activities			
Debts forgiven		689,433	
Other Income		689,433	-

3 Income Tax Expense

	Note	Company 2011 $	 2010 $
a. The components of tax expense comprise:			
Current income tax			
Current income tax charge (benefit)		-	-
Current income tax not recognised		-	-
Deferred income tax		-	-
		Nil	Nil
b. The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:			
Profit / (Loss) from continuing operations before income tax expense		649,110	(5,825)
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2008: 30%)		194,733	(1,748)
Tax effect of permanent differences:			
Non-assessable income		(194,733)	-
- Net deferred tax asset not brought to account			1,748
Income tax expense		-	-
The applicable weighted average effective tax rates are as follows:		0%	0%

NOTES TO THE FINANCIAL STATEMENTS
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The nil tax rates for 2011 and 2010 are due to the availability of prior year tax losses to reduce the current tax liability.

c. Deferred tax
Net deferred tax assets and liabilities have not been brought to account as the benefits will not be realised as the conditions for deductibility set out in note 1(b) will not occur:

All unused tax losses were incurred by Australian entities.

4 Key Management Personnel Compensation

The key management personnel compensation included within employee expenses is:

	Short-term benefits $	**Termination benefits** $	**Post employment benefit** $	**Other long-term benefits** $	**Share based payment** $	**Total** $
2011						
Total compensation	Nil	Nil	Nil	Nil	Nil	Nil
2010						
Total compensation	Nil	Nil	Nil	Nil	Nil	Nil

5 Auditors' Remuneration

	Note	**2011** $	**2010** $
Remuneration of the auditor of the company (Grant Thornton) for:			
- auditing or reviewing the financial report		21,091	-
Total auditor's remuneration		21,091	-

6 Cash and Cash Equivalents

	Note	**2011** $	**2010** $
Cash at bank and in hand		38,032	6,142
		38,032	6,142

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

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

Cash and cash equivalents	38,032	6,142
	38,032	6,142

7 Trade and Other Receivables

	Note	2011 $	2010 $
Current			
GST Input Tax Credits		6,716	
Total current other receivables		6,716	-
Non-current			
Loans to subsidiaries:			
Mad Monk Pty Ltd		-	3,122,472
Provision for non recovery of loan	8a	-	(3,122,472)
Total non-current other receivables		-	-

The carrying value of trade and other receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.
The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements. The company does not hold any collateral as security over any receivable balance, nor does it hold any restrictions of title.

Refer to note 17 for more information on the risk management policy of the Company.

a. **Allowance for Impairment of Receivables**

Current trade and term receivables are non-interest bearing loans and generally on 30-day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expenses item.
Movement in the allowance for impairment of receivables is as follows:

	Note	2011 $	2010 $
At 1 July		3,122,472	3,122,472
Provision for impairment recognised in the			

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

year		
Receivables written off as uncollectible	(3,122,472)	
Unused amount reversed		
Balance at 30 June	-	3,122,472

8 Intangible Assets

	Note	2011 $	2010 $
Liquor licence costs		-	-
Brand design costs		-	-
Net carrying value		-	-
Reconciliation			
Liquor licence costs			
Balance at the beginning of year		3,754	3,754
Impairment charge against assets		(3,754)	(3,754)
Carrying value at end of financial year		-	-
Brand design costs			
Balance at the beginning of year		28,200	28,200
Additions			
Impairment charge against assets		(28,200)	(28,200)
Carrying value at end of financial year		-	-

The liquor licence asset relates to costs incurred in securing the liquor licence for the Company's operations and is amortised over the term of the leases where the licence is to remain with the venue, or carried indefinitely where the benefit of the licence remains with the Company. Brand design costs are carried indefinitely until as such time the asset derived from the costs are of no benefit to the Company, when the costs are expensed through the income statement.

The above acquired intangible assets are amortised on a straight line basis over the relevant period, and are subject to an impairment review annually and when an indicator of impairment exists. An impairment loss has been recognised during the 2009 financial year, due to the loss making activities of the Group.

9 Trade and Other Payables

	Note	2011 $	2010 $
Current			
Trade payables and accruals		16,095	526,536
Other payables and accruals		12,000	(22,927)

	28,095	503,609

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

10 Financial Liabilities

	Note	2011 $	2010 $
Current			
Bank loan secured			
Convertible Notes unsecured		-	534,990
Convertible Notes secured		-	500,000
Total current borrowings		-	1,034,990
Total borrowings		-	1,034,990

Details of the Company's exposure to Interest risk and fair value in respect of its liabilities are set out in note 17.

The convertible notes unsecured are unsecured. The convertible notes secured are secured by a first ranking fixed and floating charge of the assets and undertaking of the company.

a The carrying amounts of non-current assets pledged as security are:

	Note	2011 $	2010 $
Floating charge			6,412
		-	6,412

The collateral over cash and cash equivalents represents a floating charge.

Detail of the Companies risk exposure arising from borrowings is provided in note 17.

The fair value of current borrowings approximates their carrying amount as the impact of discounting is not significant.

11 Issued Capital

	Note	2011 No	2010 No	2011 $	2010 $
a **Share capital**					
Ordinary shares fully paid		148,830,742	37,661,501	3,799,950	2,899,950

NOTES TO THE FINANCIAL STATEMENTS
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The company does not have a limited amount of authorised capital and issued shares do not have a par value.

b **Share movements during the year**

At the beginning of the year	37,661,501	37,661,501	2,899,950	2,899,950
Shares reconstructed at 1 for 2	(18,830,759)			
Shares issued during year	130,000,000		900,000	-
Less; costs related to shares issued			-	-
At the end of the year	148,830,742	37,661,501	3,799,950	2,899,950

c **Ordinary shares**

The Company is a public company limited by shares. The Company was incorporated in Perth, Western Australia.

The Company's shares are limited whereby the liability of its members is limited to the amount (if any) unpaid on the shares respectively held by them. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amount paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

By resolution of Shareholders dated 1 June 2011 the existing securities in the Company were consolidated on a 1 for 2 basis on 7 June 2011. The consolidation reduced the number of fully paid ordinary shares on issue to 18,830,758 and did not result in any change to the substantive rights and obligations of existing shareholders.

By resolution of Shareholders dated 1 June 2011, the Company issued 50 million shares on the conversion of the 2008 secured convertible notes on 30 June 2011.

By resolution of Shareholders dated 1 June 2011, the Company issued 80 million shares on the conversion of the 2011 unsecured convertible notes on 30 June 2011.

d **Capital Management**

Management controls the capital of the company in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the company can fund its operations and continue as a going concern.

The company's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the company's capital by assessing the company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the company since the prior year. This strategy is to ensure that the company's gearing ratio remains between 40% and 60%. The gearing ratios for the year ended 30 June 2011 and 30 June 2010 are as follows:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	2011 $	2010 $
Total borrowings		1,034,990
Trade and other payables	16,095	503,609
Less cash and cash equivalents	(38,032)	(6,142)
Net debt	(21,937)	1,532,457
Total equity	3,799,950	2,899,950
Total capital	3,778,013	4,432,407
Gearing ratio	0.00%	52.84%

e **Options**

The options are granted free of charge and are exercisable at a fixed price in accordance with the terms of the grant.

i) Options issued, granted and lapsed during the year
During the financial year the Company granted no options over unissued shares.

During the year no options over unissued shares were exercised.

During the year no options over unissued shares lapsed unexercised.

ii) Options on issue at the balance date
The number of options outstanding over unissued ordinary shares at 30 June 2011 is 13,415,372 (2010: 27,330,750).

By resolution of Shareholders dated 1 June 2011 the existing securities in the Company were consolidated on a 1 for 2 basis on 7 June 2011. The consolidation reduced the number of Options on issue to 13,415,372. The exercise price of issued options was increased to two times the then current exercise price (i.e. an increase in the exercise price of the existing options from $0.20 to $0.40 each).

The terms of these options are as follows:

Number of Options Outstanding	***Exercise Price***	***Expiry Date***
13,415,372	40 cents	31 December 2012

iii) Subsequent to the balance date

5 million options with an exercise price of 1 cent and an expiry date of 31 December 2014 were issued to Mr Tony Grego on 31 August 2011.

6 million options with an exercise price of 1 cent and an expiry date of 31 December 2014 were issued the Directors on 30 September 2011.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

Reconciliation of movement of options over unissued shares during the period including weighted average exercise price (WAEP)

	2011		2010	
	No.	**WAEP (cents)**	**No.**	**WAEP (cents)**
Options outstanding at the start of the year	**27,330,750**	**20**	27,330,750	20
Options granted during the year	**-**	**-**		
Options reconstructed on 1 for 2 basis	**(13,665,378)**	**20**		
Options exercised during the year	**-**	**-**	-	-
Options expiring unexercised during the year	**-**	**-**	-	-
Options outstanding at the end of the year	**13,415,372**	**40**	27,330,750	20

12 Reserves

Equity Compensation Reserve

The equity compensation reserve is used to recognise the fair value of options issued but not exercised.

13 Contingent Liabilities and Contingent Assets

(i) Contingent liabilities

Bank Guarantee:

Oz Brewing Limited had provided a financial guarantee to Mad Monk Pty Ltd. At June 30 2011 Oz Brewing owned 51% in Mad Monk Pty Ltd. Mad Monk had however been placed in liquidation by Order of the Federal Court of Australia in October 2010. The financial guarantee was against Mad Monk's obligation under its bank bill facility. Prior to and since 30 June 2011 the Administrator of Oz Brewing has requested all creditors make claim in the Deed of Company Arrangement of Oz Brewing. There was no such claim made by the beneficiary of the financial guarantee, and all outstanding provable debts of Oz Brewing were extinguished upon the effectuation of the DOCA on 3 June 2011.

The failure of any claims to be made against the guarantee during the course of the Administration of Oz Brewing, in spite of significant default events, together with the extinguishment of all of the company's provable creditors claims through the effectuation of the DOCA, results in the view of the Board that the financial guarantee no longer has effect.

Premises Lease Guarantee:

Oz Brewing Limited had provided a guarantee to Mad Monk Pty Ltd. At June 30 2011 Oz Brewing owned 51% in Mad Monk Pty Ltd. Mad Monk had however being placed in liquidation by Order of the Federal Court of Australia in October 2010. The guarantee was provided to support Mad Monk's lease arrangements at its facilities at South Terrace

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

Fremantle, WA. The lease exposure was potentially for a 20 year period, as a result of which the maximum exposure to Oz Brewing at June 30 2008 was $3.4M.

Prior to and since 30 June 2011 the Administrator of Oz Brewing has requested all creditors make claim in the Deed of Company Arrangement of Oz Brewing. There was no such claim made by the beneficiary of the financial guarantee, and all outstanding provable debts of Oz Brewing were extinguished upon the effectuation of the DOCA on 3 June 2011.

The failure of any claims to be made against the premises lease guarantee during the course of the Administration of Oz Brewing, in spite of significant default events, together with the extinguishment of all of the company's provable creditors claims through the effectuation of the DOCA, results in the view of the Board that the premises lease guarantee no longer has effect.

(ii) Contingent assets

There were no material contingent assets not provided for in the financial statements of the Company or Group as at 30 June 2011.

14 Cash Flow Information

	Note	2011 $	2010 $
a **Reconciliation of Cash Flow from Operations with Profit after Income Tax**			
Profit / (Loss) after income tax		649,110	(5,825)
Changes in assets and liabilities			
- Increase/(decrease) in payables		(1,029,220)	61,198
- Increase/(decrease) in accrued expenses		12,000	(55,643)
Net cash outflow from operating activities		(368,110)	(270)

b **Non-cash Financing and Investing Activities**

By resolution of Shareholders dated 1 June 2011, the Company issued 50 million shares on the conversion of the 2008 secured convertible notes on 30 June 2011.

By resolution of Shareholders dated 1 June 2011, the Company issued 80 million shares on the conversion of the 2011 unsecured convertible notes on 30 June 2011.

15 Events After the Balance Sheet Date

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

Since the end of the financial year:

On 3 August 2011 the Company issued 10 million shares to a consultant for general accounting and corporate advisory services.

On 31 August 2011 the Company issued 5 million shares and 5 million options with an exercise price of 1 cents and an expiry date of 31 December 2014 to Mr Tony Grego.

On 30 September 2011 the Company issued 250,000,000 shares at an issue price of 1 cent raising $2.5 million pursuant to the Company's prospectus dated 5 August 2011.

On 30 September 2011 the Company issued 6 million options with an exercise price of 1 cent and an expiry date of 31 December 2014 to the Directors.

16 Related Party Transactions

Parent entity
The parent entity is Oz Brewing Limited. Oz Brewing Limited is the ultimate parent entity and ultimate controlling entity.

The parent entity sold of 49% of Mad Monk Pty Ltd to Emem Management Pty Ltd on 18 August 2008 and transferred control of the day to day management of Mad Monk Pty Ltd to Emem Management Pty Ltd. From that date, the Company no longer considers Mad Monk Pty Ltd a subsidiary or a controlled entity. On 5 October 2010 Mad Monk Pty Ltd was placed into liquidation.

Key management personnel
Key management personnel disclosures are detailed in note 4.

Other transactions with related parties
There are no other related party transactions during the year.

	Note	2011 $	2010 $
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated			
Transactions with related parties			
a The company has made loans to Mad Monk Pty Ltd. This loan is interest free, unsecured and at call. The loan had been fully provided for in prior years as non-recoverable. This loan was written off upon the appointment of a Liquidator to Mad Monk Pty Ltd in		-	-

October 2010

17 Financial Instrument Risk Management

The company is exposed to a variety of financial risks through its use of financial instruments.

This note discloses the company's objectives, policies and processes for managing and measuring these risks.

The company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Market risk - cash flow interest rate risk and price risk
- Credit risk
- Liquidity risk

Financial instruments used
The principal categories of financial instrument used by Oz Brewing Limited are:

- Trade and other receivables
- Cash at bank
- Trade and other payables
- Financial liabilities

Objectives, policies and processes
Risk management is carried out by the Company's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies.

The Board receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Specific information regarding the mitigation of each financial risk to which the company is exposed is provided below.

a. Market risk
Cash flow interest rate sensitivity
The company is not exposed to interest rate risk as funds are borrowed at fixed rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. During 2009 and 2010, the Company's borrowings at fixed rate were all denominated in Australian dollars.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

The company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At 30 June 2011, the company is exposed to changes in market interest rates through its convertible note borrowings, which are subject to fixed interest rates - see note 10 for further information. As in the previous year, all other financial assets and liabilities have fixed rates.

b. Credit risk analysis

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in a financial loss to the Company.

The company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date.

The company's management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due. See note 7 for further information on impairment of financial assets that are past due.

The company had fully provided for the impairment of its receivable at 30 June 2010 from Mad Monk Pty Ltd and has written this receivable off at balance date due to the appointment of a Liquidator to that company.

None of Oz Brewing Limited's financial assets are secured by collateral or other credit enhancements.

c. Liquidity risk analysis

Liquidity risk arises from the company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the balance sheet date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

As at 30 June 2011, the company does not have any liabilities which have contractual maturities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

d. Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision of trade and other receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade and other receivables and payables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

18 Earnings per share

	2011 Cents	2010 Cents
a) Basic earnings per share		
Profit / (Loss) attributable to ordinary equity holders of the company	3.383	(0.031)
b) Diluted earnings per share		
Profit / (Loss) attributable to ordinary equity holders of the company	3.383	(0.031)
c) Profit / (Loss) used in calculation of basic and diluted loss per share		
Profit / (Loss) after tax from continuing operations	649,110	(5,825)
d) Weighted average number of shares used as denominator		
Weighted average number of shares used as denominator in calculating basic and diluted earnings per share	19,186,914	18,830,751

There are on issue 13,415,372 (2010: 27,330,750) options at 30 June 2011 which are not considered to be dilutive

e) Information concerning the classification of securities

Options

Options to acquire ordinary shares granted by the company and not exercised at the reporting date are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share

19 Operating Segments

The Directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separately identifiable segments.

The Company remains focused on the sale of its Mad Monk beers.

20 Company Details

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

The registered office of the company is:
Oz Brewing Limited
Level 24, St Martin's Tower
44 St George's Terrace
Perth WA 6000

The principal place of business is:
Oz Brewing Limited
Level 24, St Martin's Tower
44 St George's Terrace
Perth WA 6000

DIRECTOR'S DECLARATION

The directors of the company declare that:

1. The accompanying financial statements and notes are in accordance with the Corporations Act 2001:

    a comply with Accounting Standards and the Corporations Regulations 2001; and

    b give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the company and

    c complies with International Financial Reporting Standards as disclosed in Note 1

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.

The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2011.

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

David Wheeler
Chairman

Dated this 26th day of October 2011

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Independent Auditor's Report
To the Members of Oz Brewing Limited

Report on the financial report

We have audited the accompanying financial report of Oz Brewing Limited (the "Company"), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Company.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001. This responsibility includes such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, 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 which require us to 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 Company'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 Company'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.

Basis for Disclaimer of Auditor's Opinion

The following scope limitations occurred during the course of our audit:

- The comparative figures in the financial report (as presented in the 30 June 2010 financial report) were accompanied by a disclaimer of auditor's opinion on opening balances due to the unavailability of certain books and records

- The Company was placed into voluntary administration on 17 September 2008 and the administrators became deed administrators of the Company pursuant to a Deed of Company Arrangement (DOCA) executed on 8 December 2008;

- On 3 June 2011, the DOCA was fully effectuated and as set out in note 13 to the financial report, all outstanding provable debts of the Company were extinguished. To the extent that liabilities brought forward from prior periods were forgiven this has been recognised as other income in the statement of comprehensive income.

Due to above matters and the resultant unavailability of certain books and records and personnel involved in their preparation, we were unable to obtain sufficient and appropriate audit evidence to enable us to carry out our audit procedures on opening balances in accordance with Australian Accounting Standards

Disclaimer of auditor's opinion

In our opinion, because of the significance of the above matters in relation to the results of the company's operations for the year to 30 June 2011, we are not in a position to, and do not, express an opinion on the comparatives or the results of its operations and its cash flows for the year ended on that date.

In our opinion, the statement of financial position for Oz Brewing Limited is in accordance with the Corporations Act 2001, including:

a giving a true and fair view of the Company's financial position as at 30 June 2011 and

b complying with Australian Accounting Standards (including the Australian interpretations) and the Corporations Regulations 2001.

Report on the remuneration report

We have audited the remuneration report included in pages 10 to 11 of the directors' report for the year ended 30 June 2011. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Oz Brewing Limited for the year ended 30 June 2011, complies with section 300A of the Corporations Act 2001.

Grant Thornton

GRANT THORNTON (WA) PARTNERSHIP

J W Vibert
Partner

Perth, 26 October 2011

ASX ADDITIONAL INFORMATION

Pursuant to the Listing Requirements of the Australian Securities Exchange, the shareholder information set out below was applicable as at 3 October 2011.

A. Distribution of Equity Securities

Analysis of numbers of security holders by size of holding:

Distribution	Number of shareholders	Number of Option Holders
1 – 1,000	3	3
1,001 – 5,000	199	191
5,001 – 10,000	55	18
10,001- 100,000	77	29
More than 100,000	168	27
Totals	**502**	**268**

There were 325 shareholders holding less than a marketable parcel of ordinary shares. There were 268 option holders holding less than a marketable parcel of options over unissued shares.

B. Substantial Shareholders

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below:

	Issued Ordinary Shares	
Shareholder Name	**Number of shares**	**Percentage of shares**
Jason + Lisa Peterson <J&L Peterson S/F>	24,666,666	5.96%
Keystone Holdings Pty Ltd	24,666,666	5.96%

C. Twenty Largest Shareholders

The names of the twenty largest holders of quoted shares are listed below:

	Listed Ordinary Shares	
Shareholder Name	**Number**	**Percentage Quoted**
Jason + Lisa Peterson <J&L Peterson S/F>	24,666,600	5.96%
Keystone Holdings Pty Ltd	24,666,600	5.96%
Dolphin Technologies Pty Ltd	14,000,000	3.38%
M&R Management Pty Ltd	10,000,000	2.42%
Chung Ching	9,800,000	2.37%
Brijohn Nominees Pty Ltd <Nelsonio A/C>	8,000,000	1.93%
John Della Bosca <JA&JG Della Bosca Fund>	7,500,000	1.81%
Celtic Capital Pty Ltd <Celtic Capital A/C>	7,500,000	1.81%
Milwal Pty Ltd	6,200,000	1.50%
IML Holdings Pty Ltd	6,200,000	1.50%
Trident Capital Pty Ltd	6,000,000	1.45%
Interwest Group Pty Ltd	6,000,000	1.45%
Spinaway Gardens Pty Ltd <Judge S/F A/C>	6,000,000	1.45%
Aegean Pal Pty Ltd <Elpida S/F A/C>	6,000,000	1.45%
Kate McDermott	5,000,000	1.21%
Trident Capital Pty Ltd <Trident Unit A/C>	5,000,000	1.21%

ASX ADDITIONAL INFORMATION

Profit Resource Management Pty Ltd	5,000,000	1.21%
Cunningham Peterson Sharbanee	5,000,000	1.21%
Phoenix Visions Pty Ltd	5,000,000	1.21%
Granton Pty Ltd	5,000,000	1.21%
Top 20 Total	**172,533,200**	**41.70%**

D. Twenty Largest Option Holders

The names of the twenty largest holders of options are listed below:

	Listed Options	
Option Holder Name	**Number**	**Percentage Quoted**
Colbern Fiduciary Nominees Pty Ltd	2,750,000	20.50%
Interwest Group Pty Ltd	1,219,150	9.09%
Intercorp Pty Ltd	703,441	5.24%
Kings Park Nominees Pty Ltd <Watson S/F A/C>	666,666	4.97%
Santino Nominees Pty Ltd <Santino Family A/C>	666,666	4.97%
Z Corp International Pty Ltd <CPA Inv A/C>	600,000	4.47%
Intercorp Pty Ltd <Intercorp A/C>	537,500	4.01%
Kings Park Nominees Pty Ltd <Watson No 1 A/C>	458,333	3.42%
Kingspark Nominees Pty Ltd	375,000	2.80%
Jennifer Lyn Creasey <Terjen A/C>	333,333	2.48%
Gazump Res Pty Ltd	327,000	2.44%
Topcoast Holdings Pty Ltd <Green Pension Fund>	325,000	2.42%
Paul Cummings <Patlah Family A/C>	315,625	2.35%
Geo Super Pty Ltd <Geo S/F A/C>	300,000	2.24%
Allan Furman	256,250	1.91%
Steven Pugh	250,000	1.86%
R&M Roget <Lilybrook S/F A/C>	250,000	1.86%
Chigwell Pty Ltd	187,500	1.40%
M Roget & J Wellisch	153,808	1.15%
Bond Street Custodians Ltd	150,125	1.12%
Top 20 Total	**10,825,397**	**80.70%**

E. Voting Rights

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person (or representing a corporation who is a member) shall have one vote and upon a poll, each share will have one vote.

F. Restricted Securities

There are currently no restricted securities.