

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): **July 1, 2014**

CHANTICLEER HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation)

000-29507

(Commission File Number)

20-2932652

(I.R.S. Employer Identification)

7621 Little Avenue, Suite 414, Charlotte, NC 28226
(Address of principal executive office) (zip code)

(Former address of principal executive offices) (Zip Code)

(704) 366-5122

(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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EXPLANATORY NOTE

On July 3, 2014, Chanticleer Holdings, Inc., a Delaware corporation (“Chanticleer” or “the Company”), filed a Form 8-K to report its acquisition of a sixty percent (60%) ownership interest in Hoot Parramatta Pty Ltd, Hoot Australia Pty Ltd, Hoot Penrith Pty Ltd, TMIX Pty Ltd. and TMIX Management Australia Pty Ltd (collectively, the “Australian Entities”), which own, operate, and manage Hooters restaurant locations and gaming operations in Australia. The ownership interest in the Australian Entities was purchased from the respective entities in exchange for a debt assumption, whereby the Company agreed to assume a five million dollar (\$5,000,000) debt and issued two hundred fifty thousand (250,000) warrants to purchase shares of the Company’s Common Stock. The debt is collateralized by Chanticleer’s assets including all accounts, documents, instruments, general intangibles, chattel paper, equipment, inventory, personal property, intellectual property and all other business assets of Chanticleer, secondary to a first lien by the Company’s bank on all the Company’s assets. The \$5,000,000 debt is to be repaid in three installments as follows: \$2,000,000 on or before December 31, 2014, \$2,000,000 on or before June 30, 2015, \$1,000,000 plus interest and all other fees on or before December 31, 2015. Warrants were fair valued at \$515,600 using a Black-scholes valuation model. In response to Item 9.01 of such Form 8-K, the Company stated that it would file the required financial information by amendment, as permitted by Items 9.01(a)(4) and 9.01(b)(2) of Form 8-K. The Company hereby amends its Form 8-K filed on July 3, 2014 to provide the required financial information.

ITEM 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired, Australian Entities.

The combined audited balance sheet of TMIX Pty Ltd, TMIX Management Australia Pty. Ltd., Hoot Parramatta Pty. Ltd., and Hoot Penrith Pty. Ltd as of June 30, 2014 and the related combined statements of income and comprehensive income, stockholders’ equity and cash flows for the year ended June 30, 2014, with the report of the Independent Registered Public Accounting Firm are attached hereto as Exhibit 99.2.

(b) Pro Forma Financial Information

Unaudited Pro Forma condensed consolidated Balance Sheet as of June 30, 2014, unaudited Pro Forma condensed consolidated statements of operations for the year ended December 31, 2013 and unaudited Pro Forma condensed consolidated statement of operations for the six months ended June 30, 2014 attached hereto as Exhibit 99.3.

(c) Exhibits

The following exhibits are attached herewith:

<u>Exhibit</u>	<u>Description</u>
99.1*	Press Release dated July 1, 2014
99.2	the Australian Entities audited financial statements including the report of Marcum, LLP, Independent Registered Public Accounting Firm for the year ended June 30, 2014
99.3	Unaudited pro forma consolidated financial information for Chanticleer Holdings, Inc., after giving effect to the acquisition of the Australian Entities, and adjustments described in such pro forma financial information

* Previously filed as an exhibit to the Form 8-K filed on July 3, 2014.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 17, 2014

Chanticleer Holdings, Inc.

By: /s/ Michael D. Pruitt
Michael D. Pruitt
Chief Executive Officer

**INDEX TO EXHIBITS FILED WITH
THE CURRENT REPORT ON FORM 8-K/A DATED JULY 3, 2014**

Exhibit	Description
99.1*	Press release issued on July 1, 2014
99.2	The Australian Entities audited financial statements, including the report of Marcum, LLP, Independent Registered Public Accounting Firm for the year ended June 30, 2014
99.3	Unaudited pro forma financial information for the Australian Entities, after giving effect to the acquisition of the Australian Entities and adjustments described in such pro forma financial information

* Previously filed as an exhibit to the Form 8-K filed on July 3, 2014.

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD.,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD.,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
**TMIX Pty. Ltd. TMIX Management Australia Pty. Ltd,
Hoot Parramatta Pty. Ltd., and Hoot Penrith Pty. Ltd.**

We have audited the accompanying combined balance sheet of TMIX Pty. Ltd., TMIX Management Australia Pty. Ltd, Hoot Parramatta Pty. Ltd., and Hoot Penrith Pty. Ltd. (the "Company") as of June 30, 2014, and the related combined statements of income and comprehensive income, stockholders' equity and cash flows for the year then ended. These combined financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall combined financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of TMIX Pty. Ltd., TMIX Management Australia Pty. Ltd, Hoot Parramatta Pty. Ltd., and Hoot Penrith Pty. Ltd. as of June 30, 2014, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

/s/ Marcum, LLP
New York, NY
September 17, 2014

TMIX PTY. LTD., TMIX MANAGEMENT PTY. LTD., HOOT PARRAMATTA PTY. LTD. AND HOOT PENRITH PTY. LTD

COMBINED BALANCE SHEET

June 30, 2014

Assets

Current Assets

Cash	\$ 2,077
Prepaid expenses	18,109
Inventories	<u>47,777</u>

Total Current Assets 67,963

Other Assets

Franchise fees, net	220,500
Property and Equipment, net	<u>1,603,557</u>

Total Other Assets 1,824,057

Total Assets \$ 1,892,020

Liabilities and Stockholders' Deficit

Current Liabilities

Accounts payable and accrued expenses	\$ 812,024
Deferred rent	29,019
GST taxes payable	341,558
Other taxes payable	<u>313,935</u>

Total Current Liabilities 1,496,536

Commitments and Contingencies

Stockholders' Equity

Common Stock, \$1.016 par value; 300 shares authorized, issued and outstanding	306
Accumulated other comprehensive income	122,776
Advances from/to stockholders	429,514
Accumulated Deficit	<u>(157,112)</u>

Total Stockholders' Equity 395,484

Total Liabilities and Stockholders' Equity \$ 1,892,020

The accompanying notes are an integral part of these combined financial statements.

TMIX PTY. LTD., TMIX MANAGEMENT PTY. LTD., HOOT PARRAMATTA PTY. LTD. AND HOOT PENRITH PTY. LTD

COMBINED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2014

Revenues	
Restaurant revenues, net	\$ 4,915,647
Cost and Expenses	
Cost of sales	1,428,133
Payroll and related expenses	1,448,964
Rent, occupancy and related expenses	730,654
Royalties	235,780
Depreciation and amortization expense	189,771
Other restaurant operating expenses	220,357
General and administrative expenses	493,868
Total Costs and Expenses	<u>4,747,527</u>
Income from Operations, before Provision for Income Taxes	168,120
Provision for Income taxes	53,136
Net Income	<u>\$ 114,984</u>
Other Comprehensive Loss	
Foreign currency translation adjustments	<u>(106,403)</u>
Comprehensive Income	<u>\$ 8,581</u>

The accompanying notes are an integral part of these combined financial statements.

TMIX PTY. LTD., TMIX MANAGEMENT PTY. LTD., HOOT PARRAMATTA PTY. LTD. AND HOOT PENRITH PTY. LTD

COMBINED STATEMENT OF STOCKHOLDERS' EQUITY

FOR THE YEAR ENDED JUNE 30, 2014

	Number of Shares	Amount	Accumulated Other Comprehensive Income	Advances from Stockholders	Accumulated Deficit	Total Stockholders' Equity
Balance - July 1, 2013	300	\$ 306	\$ 229,179	\$ 943,690	\$ (272,096)	\$ 901,079
Foreign translation loss	--	--	(106,403)	--	--	(106,403)
Repayments of advances from/to stockholders	--	--	--	(514,176)	--	(514,176)
Net income	--	--	--	--	114,984	114,984
Balance - June 30, 2014	300	\$ 306	\$ 122,776	\$ 429,514	\$ (157,112)	\$ 395,484

The accompanying notes are an integral part of these combined financial statements.

TMIX PTY. LTD., TMIX MANAGEMENT PTY. LTD., HOOT PARRAMATTA PTY. LTD. AND HOOT PENRITH PTY. LTD

COMBINED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2014

Cash Flows from Operating Activities	
Net income	\$ 114,984
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	189,771
Changes in operating assets and liabilities:	
Accounts receivable	5,460
Prepaid expenses	4,929
Inventories	(10,048)
Accounts payable and accrued expenses	215,499
GST, income and payroll taxes payable	119,296
Total Adjustments	<u>524,907</u>
Net Cash Provided by Operating Activities	639,891
Cash Flows Used in Investing Activities	
Purchases of property and equipment	<u>(17,235)</u>
Cash Flows Used in Financing Activities	
Repayments of advances to stockholders	<u>(514,176)</u>
Effect of exchange rate changes on cash	<u>(106,403)</u>
Net Increase in Cash	2,077
Cash-Beginning of Year	<u>-</u>
Cash-End of Year	<u><u>\$ 2,077</u></u>
Supplemental Disclosure of Cash Flow Information	
Cash paid during the period for:	
Interest	\$ -
Income taxes	\$ -

The accompanying notes are an integral part of these combined financial statements.

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

NOTES TO COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

Note 1 - Summary of Significant Accounting Policies

Principles of Combination

The accompanying combined financial statements include the accounts of TMIX Pty. Ltd. (the "Australian Entities"), TMIX Management Australia Pty. Ltd, Hoot Parramatta Pty. Ltd., Hoot Penrith Pty. Ltd (collectively the "Company"), all of which are under common control or ownership. All material intercompany accounts and transactions have been eliminated in combination.

Organization and Nature of Business

The Company consists of Australian companies, two of which, Hoot Parramatta Pty. Ltd. and Hoot Penrith Pty. Ltd., operate restaurants under franchise agreements with Hooters of America, Inc. ("HOA"). The two restaurants opened in suburbs of Sydney, Parramatta in September 2009, and Penrith in July 2011. The management companies, TMIX Management Australia Pty. Ltd. and TMIX Pty. Ltd., oversees the daily operations of the restaurants and handles all financial and accounting functions. The Company's corporate office is located in Bella Vista, Australia, a suburb of Sydney.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Significant estimates include accounts receivable allowances, lives of intangible assets, income taxes, useful lives of property and equipment and contingencies. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in our consolidated financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

Foreign Currency Translation

The Company's functional currency is its local currency (Australian dollar). Monetary assets and liabilities are translated into U.S. dollars at the balance sheet date and revenue and expense accounts are translated at the average exchange rate for the period, or for the year then ended. Translation adjustments are recorded as a separate component of stockholders' equity, and changes to such are included in comprehensive income (loss).

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

NOTES TO COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

Note 1 - Summary of Significant Accounting Policies (continued)

Comprehensive Income (Loss)

The Company reports comprehensive income (loss) and its components in its combined financial statements. Comprehensive loss consists of net loss and foreign currency translation adjustments affecting stockholders' equity that, under US GAAP, are excluded from net loss. For the year ended June 30, 2014, the difference between net income as reported and comprehensive income was a loss of \$106,403.

Revenue Recognition

The Company's principal source of revenue is from customer dining transactions. Restaurant revenue is recognized when goods and services are provided, net of discounts and goods and service tax (GST).

Cash

The Company places its cash deposits with one of the largest Australian banks, which is highly rated by Moody's credit rating service (a1 rating on the long-term rating scale). At June 30, 2014, all of the Company's cash was held at one financial institution.

Inventories

Inventories, consisting of food, beverages and merchandise, are valued at the lower of cost (first-in, first out) or market.

Property and Equipment

Property and equipment is recorded at cost. Major additions and improvements are capitalized while replacements, maintenance and repairs, which do not improve or extend the lives of the respective assets, are expensed as incurred. Depreciation is computed principally using the straight-line method over the estimated useful lives of the assets.

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

NOTES TO COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

Note 1 - Summary of Significant Accounting Policies (continued)

Property and Equipment (continued)

Leasehold improvements are amortized over the lesser of the term of the related lease or the estimated useful lives of the assets. Upon retirement or other disposition of these assets, the cost and related accumulated depreciation of these assets are removed from the accounts and the resulting gains or losses are reflected in the results of operations.

Franchise Fees

Intangible assets are recorded for the initial franchise fees for our restaurants. The Company amortizes these amounts over a 20 year period, which is the life of the franchise agreement.

Long-Lived Assets

Recoverability of assets held and used is measured by a comparison of the carrying amount of an asset to undiscounted net cash flows expected to be generated by that asset. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds the fair value of the assets. As of June 30, 2014, management believes no impairment of long-lived assets has occurred.

Fair Value of Financial Instruments

ASC 825, "Financial Instruments," defines fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. The methods and assumptions used to estimate the fair value of the financial instruments are as follows:

Receivables, accounts payable and accrued expenses, other current assets: the carrying amounts approximate fair value because of the short maturities of the instruments;

Long-term debt: the fair value of long-term debt approximate their carrying value because the effective interest rates reflect market conditions.

Advertising

Advertising costs are expensed as incurred. Advertising expenses which are included in other restaurant operating expenses in the accompanying combined statement of income, totaled \$4,898 for the year ended June 30, 2014. Advertising expense primarily includes local advertising, most of the advertising is performed by in-house personnel through various social media outlets.

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

NOTES TO COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

Note 1 - Summary of Significant Accounting Policies (continued)

Royalty Fees

The Company pays royalties to HOA based on a percentage of gross sales reduced by certain allowable deductions. These royalties, which totaled \$235,780, are reflected in the accompanying combined statement of operations.

Occupancy and Related Expense

Occupancy and related expenses include rent, real estate taxes, insurance and utility costs. The Company recognizes rent expense on a straight-line basis over the related lease agreements as prescribed by ASC Topic 840.

Income Taxes

The Company is an Australian limited liability company. During the year ended June 30, 2014, \$53,136 of Australian income taxes were accrued but not paid. Deferred income taxes are provided on the liability method, whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of the enactment. The Company has provided a valuation allowance for the full amount of the deferred tax assets.

Goods and Service Tax ("GST")

The Company currently records GST on all requisite revenue and purchase transactions. This GST includes any tax assessed by a governmental authority that is both imposed on and concurrent with a specific revenue-producing transaction between a seller and a customer, as well as a buyer and vendor.

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

NOTES TO COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

Note 1 - Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements

There are several new accounting pronouncements issued by the Financial Accounting Standards Board ("FASB") which are not yet effective. Each of these pronouncements, as applicable, has been or will be adopted by the Company. At June 30, 2014, none of these pronouncements are expected to have a material effect on the financial position, results of operations or cash flows of the Company.

Note 2 - Economic Dependency

Vendors

For the year ended June 30, 2014, the Company purchased a substantial portion of its food and beverage product from two vendors. Purchases from these vendors represented approximately 34% of total purchases, and there was approximately \$62,708 due to these vendors at June 30, 2014, which is included in accounts payable and accrued expenses in the accompanying combined balance sheet.

Note 3 - Property and Equipment

Property and equipment consists of the following as of June 30, 2014:

	Amount	Useful Life
Leasehold improvements	\$ 521,494	Life of lease
Equipment and furniture	1,725,442	5-7 years
	<u>2,246,936</u>	
Less: accumulated depreciation	(643,459)	
Property and Equipment, Net	<u><u>\$ 1,603,557</u></u>	

Depreciation expense was \$180,771 for year ended June 30, 2014.

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

NOTES TO COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

Note 4 - Franchise Cost

Franchise cost includes primarily the franchise fees paid to Hooters of America, Inc. for the Hooters franchises operated in Australia. The franchise fees are being amortized over the period of 20 years per the terms of the franchise agreement, beginning the month following a location being opened, with an option to renew for one additional 20 year term. The cost and related amortization at June 30, 2014 are summarized as follows:

	Amount
Franchise cost	\$ 255,000
Accumulated amortization	(34,500)
Total	\$ 220,500

Included in the above franchise cost amount, \$75,000 is a deposit which represents a deposit on future Australia Hooters locations.

Amortization expense was \$9,000 for the year ended June 30, 2014.

The estimated amortization of the franchise costs for the years ending June 30, 2015 and thereafter is as follows:

For the Year Ending	Franchise Costs
2015	\$ 9,000
2016	9,000
2017	9,000
2018	9,000
2019	9,000
Thereafter	100,500
Total	\$ 145,500

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

NOTES TO COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

Note 5 - Equity

The two restaurants and management company are owned by stockholders through Australian limited liability companies. The management company, Parramatta, and Penrith were organized in December 2011, November 2010, and December 2010, respectively.

Entity	Shares Authorized	Shares Outstanding
TMIX Pty. Ltd.	100	100
Parramatta Pty. Ltd.	100	100
Penrith Pty. Ltd.	100	100

Note 6 - Income Taxes

The Australian subsidiaries of Hooters Australia file separate income tax returns in Australia. The Company operated at a profit for year ended June 30, 2014. Accordingly, an income tax provision of \$53,136 has been recorded.

The components of the benefit for income taxes consist of the following:

Current:		
Federal		\$ 53,136
State		--
Total Current		<u>\$ 53,136</u>
Deferred:		
Federal		\$ --
State		--
Total Deferred		<u>\$ --</u>
Net Income Tax Expense		<u>\$ 53,136</u>

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

NOTES TO COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

Note 7 - Income Taxes

A reconciliation of the Australian statutory federal income tax rate to the Company's effective tax rate for the year ended June 30, 2014 is as follows:

Australia Statutory Tax Rate	30.0%
Permanent Difference	2.0%
Income tax provision (benefit)	32.0%

The Company evaluated its tax positions for uncertainty in income taxes recognized in an enterprise's financial statements. The methodology of the evaluation prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. Differences between tax positions taken and or expected to be taken in a tax return and the benefit recognized and measured pursuant to the interpretation are referred to as "unrecognized benefits". A liability is recognized (or amount of net operating loss carry forward or amount of tax refundable is reduced) for an unrecognized tax benefit because it represents an enterprise's potential future obligation to the taxing authority for a tax position that was not recognized as a result of applying these provisions. As of June 30, 2014, no liability for unrecognized tax benefits was required to be reported. The Company does not expect any significant changes in its unrecognized tax benefits in the next year. The Company files tax returns in Australia and is subject to examination by tax authorities beginning with the year ended June 31, 2012. Currently there are no entities being audited by the tax authorities.

Interest costs related to unrecognized tax benefits are required to be calculated (if applicable) and would be classified as "interest expense in the combined statements of operation. Penalties would be recognized as a component of "general and administrative expenses". No interest and penalties were recorded during the year ended June 30, 2014.

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

NOTES TO COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

Note 8 - Commitments and Contingencies

Leases

The Company leases its two restaurant locations and its corporate office space under non-cancellable operating leases expiring on various dates, through August 2019. These lease agreements provide for the payment of real estate taxes, insurance and other expenses, as defined in the agreement.

Approximate minimum future annual rental payments under non-cancelable leases are as follows:

For the Period Ending June 30,	Amount
2015	\$ 466,011
2016	416,413
2017	292,810
2018	246,659
2019 and thereafter	255,292
Total	\$ 1,677,185

Rent expense totaled \$522,662 for the year ended June 30, 2014.

Liabilities

Payroll Taxes and GST Taxes

The Company utilizes an outside accounting firm to assist with compliance with Goods and Service Tax (GST), payroll taxes (known as "PAYG" or "pay as you go"), and income taxes. The Company has been making payments and has not received any notices of non-compliance.

Other Liabilities

In connection with the acquisition of assets as described in Note 10, the Company believes the purchase and sale with the seller was accomplished in accordance with the laws and regulations of the taxing authorities in Australia. However, there can be no absolute assurance that the seller has fulfilled its tax and regulatory filing requirements, and whether or not the local authorities could seek to recover any unpaid taxes or other amounts from the Company, its shareholders or others. The Company is not aware of any known obligations for which the Company may be required to settle.

**TMIX PTY. LTD., TMIX MANAGEMENT AUSTRALIA PTY. LTD,
HOOT PARRAMATTA PTY. LTD., AND HOOT PENRITH PTY. LTD.**

NOTES TO COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

Note 9 - Pending Litigation

The Company is subject to claims and assertions in the ordinary course of business. Legal matters are inherently unpredictable and the Company's assessments may change based on future unknown or unexpected events. The Company is not aware of any litigation which will have a material effect on our financial condition or results of operations.

Note 10 - Subsequent Events

On July 3, 2014, Chanticleer Holdings, Inc., a Delaware corporation ("Chanticleer"), filed a Form 8-K to report its acquisition of a sixty percent (60%) ownership interest in Hoot Parramatta Pty Ltd., Hoot Australia Pty Ltd., Hoot Penrith Pty Ltd., and TMIX Management Australia Pty. Ltd. (collectively, the "Australian Entities"), which own, operate, and manage Hooters restaurant locations and gaming operations in Australia. The ownership interest in the Australian Entities was purchased from the respective entities in exchange for a debt assumption, whereby Chanticleer agreed to assume a five million dollar (\$5,000,000) debt from TMIX Darling Harbour PTY. Ltd., and issued two hundred fifty thousand (250,000) warrants to purchase shares of Chanticleer's Common Stock.

Pro Forma Financial Information.

Introduction to Unaudited Pro Forma Condensed Consolidated Financial Information

On July 3, 2014, Chanticleer Holdings, Inc., a Delaware corporation (“Chanticleer” or “the Company”), filed a Form 8-K to report its acquisition of a sixty percent (60%) ownership interest in Hoot Parramatta Pty Ltd, Hoot Australia Pty Ltd, Hoot Penrith Pty Ltd, and TMIX Management Australia Pty Ltd (collectively, the “Australian Entities”), which own, operate, and manage Hooters restaurant locations and gaming operations in Australia. The ownership interest in the Australian Entities was purchased from the respective entities in exchange for a debt assumption, whereby the Company agreed to assume a five million dollar (\$5,000,000) debt and issued two hundred fifty thousand (250,000) warrants to purchase shares of the Company’s Common Stock. The debt is collateralized by Chanticleer’s assets including all accounts, documents, instruments, general intangibles, chattel paper, equipment, inventory, personal property, intellectual property and all other business assets of Chanticleer, secondary to a first lien on all the Company’s assets. The 5,000,000 debt is to be repaid in three installments as follows: \$2,000,000 on or before December 31, 2014, \$2,000,000 on or before June 30, 2015, \$1,000,000 plus interest and all other fees on or before December 31, 2015. Warrants were fair valued at \$515,600 using a Black-scholes valuation model. The acquisition was accounted for using the purchase method in accordance with ASC 805, “Business Combinations”.

The following unaudited pro forma condensed consolidated financial information gives effect to the above described acquisition. The following unaudited pro forma condensed consolidated balance sheet combines the balance sheet of Chanticleer with the Australian Entities as of June 30, 2014, as if the acquisition occurred on that date. The following unaudited pro forma condensed consolidated statements of operations combine the results of operations of Chanticleer with the Australian Entities for the year ended December 31, 2013, and the six month period ended June 30, 2014, as if the acquisition of the Australian Entities had been completed as the beginning of the periods indicated.

The following unaudited pro forma condensed consolidated financial information is based on historical amounts for the year ended December 31, 2013 and the six months ended June 30, 2014 and certain amounts at the close of the acquisition. The information presented is for illustrative purposes only and is not necessarily indicative of the results of operations of the consolidated company that would have occurred had the acquisition been completed as of the beginning of the periods indicated or that may be attained in the future. Actual future results will likely be materially different from these pro forma results. This unaudited pro forma financial information should be read in conjunction with the historical financial information of Chanticleer and the Australian Entities included elsewhere in this report and in other reports and documents Chanticleer files with the United States Securities and Exchange Commission.

Chanticleer Holdings, Inc. and Subsidiaries
Pro Forma Condensed Consolidated Balance Sheets
(Unaudited)
As of June 30, 2014

ASSETS	Chanticleer (a)	Hooters Australia (b)	Pro forma adjustments (c)	Pro Forma Total
Current assets:				
Cash	\$ 273,378	\$ 2,077	\$ -	\$ 275,455
Accounts receivable and other receivables	163,564	-	-	163,564
Inventory	475,459	47,777	-	523,236
Due from related parties	113,481	-	-	113,481
Prepaid expenses and other current assets	552,490	18,109	-	570,599
TOTAL CURRENT ASSETS	<u>1,578,372</u>	<u>67,963</u>	<u>-</u>	<u>1,646,335</u>
Property and equipment, net	12,697,117	1,603,557	-	14,300,674
Intangible assets, net	12,790,757	220,500	8,797,183 (c)	21,808,440
Investments at fair value	35,362	-	-	35,362
Other investments	1,550,000	-	-	1,550,000
Deposits and other assets	517,526	-	-	517,526
TOTAL ASSETS	<u>\$ 29,169,134</u>	<u>\$ 1,892,020</u>	<u>\$ 8,797,183</u>	<u>\$ 39,858,537</u>
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Current maturities of long term debt and notes payable	\$ 1,959,579	\$ -	-	\$ 1,959,579
Current maturities of convertible note payable, net	289,917	-	-	289,917
Derivative liability	1,734,500	-	-	1,734,500
Accounts payable and accrued expenses	3,572,145	1,467,517	-	5,039,662
Current maturities of capital leases payable	58,630	-	-	58,630
Deferred rent	111,722	29,019	-	140,741
Loan payable	1,571,646	-	3,868,600 (c)(e)	5,440,246
Due to related parties	12,191	-	-	12,191
TOTAL CURRENT LIABILITIES	<u>9,310,330</u>	<u>1,496,536</u>	<u>3,868,600</u>	<u>14,675,466</u>
Capital leases payable, less current maturities	73,033	-	-	73,033
Convertible note payable, net	916,667	-	-	916,667
Deferred rent	1,852,611	-	-	1,852,611
Deferred tax liabilities	1,275,317	-	-	1,275,317
Long-term debt, less current maturities	180,874	-	1,000,000 (c)	1,180,874
TOTAL LIABILITIES	<u>13,608,832</u>	<u>1,496,536</u>	<u>4,868,600</u>	<u>19,973,968</u>
Commitments and contingencies				
Stockholders' equity:				
Common stock: \$0.0001 par value; authorized 20,000,000 shares; issued and outstanding 6,499,433 at June 30, 2014	652	306	(306) (d)	652
Additional paid in capital	31,159,996	-	515,600 (c)	31,675,596
Other comprehensive (loss) income	(30,339)	122,776	(122,776) (d)	(30,339)
Advances from/to stockholders	-	429,514	(429,514)	-
Accumulated (deficit) earnings	(17,334,191)	157,112	288,512 (d), (e)	(17,215,306)
Non-controlling interest	1,764,184	-	3,677,067 (c)	5,441,251
TOTAL STOCKHOLDERS' EQUITY	<u>15,560,302</u>	<u>395,484</u>	<u>3,928,583</u>	<u>19,871,854</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 29,169,134</u>	<u>\$ 1,892,020</u>	<u>\$ 8,797,183</u>	<u>\$ 39,845,822</u>

See accompanying notes to unaudited condensed consolidating financial statements

* A final valuation of the assets and liabilities and purchase price allocation of the Australian entities has not been completed as of this reporting period. Consequently, the purchase price was preliminarily allocated based upon the asset and liability amounts in the Australian entities accounting records with the excess classified as intangibles assets. These amounts are subject to revision upon the completion of formal studies and valuations which will occur during the quarter of 2014.

Chanticleer Holdings, Inc. and Subsidiaries
Pro Forma Condensed Consolidated Statements of Operations
(Unaudited)
For the Year Ended December 31, 2013

	<u>Chanticleer (a)</u>	<u>Hooters Australia (b)</u>	<u>Pro forma Adj</u>	<u>Pro Forma Total</u>
Revenue:				
Restaurant sales, net	\$ 8,144,035	\$ 6,143,129		\$ 14,287,164
Gaming income, net			304,101 (c)	304,101
Management fee income - non-affiliates	103,452	-		103,452
Total revenue	<u>8,247,487</u>	<u>6,143,129</u>	<u>-</u>	<u>14,694,717</u>
Expenses:				
Restaurant cost of sales	3,031,457	1,496,673		4,528,130
Restaurant operating expenses	4,909,580	2,986,500		7,896,080
Restaurant pre-opening expenses	56,902	-		56,902
General and administrative expenses	4,233,629	1,239,306		5,472,935
Depreciation and amortization	622,274	189,771		812,045
Total expenses	<u>12,853,842</u>	<u>5,912,250</u>	<u>-</u>	<u>18,766,092</u>
(Loss) profit from operations	<u>(4,606,355)</u>	<u>230,879</u>	<u>-</u>	<u>(4,071,375)</u>
Other income (expense)				
Equity in losses of investments	(125,017)	-		(125,017)
Interest and other income	82,411	-		82,411
Interest expense	(757,733)	-		(757,733)
Change in fair value of derivative liabilities	119,600	-		119,600
Total other expense	<u>(680,739)</u>	<u>-</u>	<u>-</u>	<u>(680,739)</u>
(Loss) profit from continuing operations before income taxes	<u>(5,287,094)</u>	<u>230,879</u>	<u>-</u>	<u>(4,752,114)</u>
Provision for income taxes	<u>40,935</u>	<u>(69,264)</u>	<u>-</u>	<u>(28,329)</u>
Loss from continuing operations	<u>(5,328,029)</u>	<u>161,615</u>	<u>-</u>	<u>(4,723,785)</u>
Loss from discontinued operations, net of taxes	<u>(25,215)</u>	<u>-</u>	<u>-</u>	<u>(25,215)</u>
Consolidated net (loss) income	<u>(5,353,244)</u>	<u>161,615</u>	<u>-</u>	<u>(4,749,000)</u>
Less: Net loss attributable to non-controlling interest	<u>139,125</u>		<u>64,646 (d)</u>	<u>203,771</u>
Net (loss) income attributable to Chanticleer Holdings, Inc.	<u>\$ (5,214,119)</u>	<u>\$ 161,615</u>	<u>\$ -</u>	<u>\$ (4,545,229)</u>
Net (loss) income attributable to Chanticleer Holdings, Inc.:				
(Loss) income from continuing operations	\$ (5,188,904)	\$ 161,615	\$ -	\$ (5,027,289)
Loss from discontinued operations	(25,215)	-		(25,215)
	<u>\$ (5,214,119)</u>	<u>\$ 161,615</u>	<u>\$ -</u>	<u>\$ (5,052,504)</u>
Other comprehensive loss:				
Unrealized loss on available-for-sale securities (none applies to non-controlling interest)	\$ 3,984	\$ -	\$ -	(261,404)
Foreign translation income	90,384	523		90,907
Other comprehensive loss	<u>\$ (5,119,751)</u>	<u>\$ 162,138</u>	<u>\$ -</u>	<u>\$ (5,223,001)</u>
Net loss per attributable to Chanticleer Holdings, Inc. per common share, basic and diluted:				
Continuing operations attributable to common shareholders, basic and diluted	\$ (1.20)			\$ (1.16)
Discontinued operations attributable to common shareholders, basic and diluted	<u>\$ (0.01)</u>		<u>-</u>	<u>\$ (0.01)</u>
	<u>\$ (1.19)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1.16)</u>
Weighted average shares outstanding, basic and diluted	<u>4,365,468</u>			<u>4,365,468</u>

See accompanying notes to Pro Forma unaudited condensed consolidated financial statements.

Chanticleer Holdings, Inc. and Subsidiaries
Pro Forma Condensed Consolidated Statements of Operations
(Unaudited)
For the Six Months Ended June 30, 2014

	<u>Chanticleer (a)</u>	<u>Hooters Australia (b)</u>	<u>Pro forma Adjusts</u>	<u>Pro Forma Total</u>
Revenue:				
Restaurant sales, net	\$12,365,870	\$2,807,547		\$15,173,417
Gaming income, net	131,235		131,400 (c)	262,635
Management fee income - non-affiliates	50,151	-		50,151
Total revenue	<u>12,547,256</u>	<u>2,807,547</u>	<u>131,400</u>	<u>15,486,203</u>
Expenses:				
Restaurant cost of sales	4,437,907	698,368		5,136,275
Restaurant operating expenses	7,294,226	1,407,644		8,701,870
Restaurant pre-opening expenses	260,981	-		260,981
General and administrative expenses	2,860,453	503,164		3,363,617
Depreciation and amortization	777,375	94,886		872,261
Total expenses	<u>15,630,942</u>	<u>2,704,062</u>	<u>-</u>	<u>18,335,004</u>
(Loss) income from operations	<u>(3,083,686)</u>	<u>103,485</u>	<u>131,400</u>	<u>(2,848,801)</u>
Other income (expense)				
Equity in losses of investments	(40,694)	-		(40,694)
Realized gains	101,472	-		101,472
Miscellaneous income	7,838	-		7,838
Change in fair value of derivative liability	704,200	-		704,200
Interest expense	(687,541)	-		(687,541)
Total other expense	<u>85,275</u>	<u>-</u>	<u>-</u>	<u>85,275</u>
(Loss) income from operations before income taxes	<u>(2,998,411)</u>	<u>103,485</u>	<u>131,400</u>	<u>(2,763,526)</u>
(Provision) expense for income taxes	<u>(7,509)</u>	<u>31,046</u>		<u>23,537</u>
Consolidated net (loss) income	<u>(2,990,902)</u>	<u>72,439</u>	<u>131,400</u>	<u>(2,787,063)</u>
Less: Net loss (income) attributable to non-controlling interest	<u>129,528</u>	<u>(28,976)</u>	<u>(8,573) (d)</u>	<u>91,979</u>
Net (loss) income attributable to Chanticleer Holdings, Inc.	<u>\$ (2,861,374)</u>	<u>\$ 43,463</u>	<u>\$ 122,827</u>	<u>\$ (2,695,084)</u>
Other comprehensive income (loss):				
Unrealized loss on available-for-sale securities (none applies to non-controlling interest)	<u>\$ (15,527)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,527)</u>
Foreign translation income (loss)	<u>51,165</u>	<u>(40,866)</u>	<u>-</u>	<u>10,299</u>
Other comprehensive (loss) income	<u>\$ 35,638</u>	<u>\$ (40,866)</u>	<u>\$ -</u>	<u>\$ (5,228)</u>
Net loss attributable to Chanticleer Holdings, Inc. per common share, basic and diluted:	<u>\$ (0.47)</u>			<u>\$ (0.44)</u>
Weighted average shares outstanding, basic and diluted	<u>6,152,931</u>	<u>-</u>	<u>-</u>	<u>6,152,931</u>

See accompanying notes to unaudited pro forma condensed consolidated financial statements.

CHANTICLEER HOLDINGS, INC.
NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - ACQUISITION

On July 3, 2014, Chanticleer Holdings, Inc., a Delaware corporation (“Chanticleer” or “the Company”), filed a Form 8-K to report its acquisition of a sixty percent (60%) ownership interest in Hoot Parramatta Pty Ltd, Hoot Australia Pty Ltd, Hoot Penrith Pty Ltd, and TMIX Management Australia Pty Ltd (collectively, the “Australian Entities”), which own, operate, and manage Hooters restaurant locations and gaming operations in Australia. The ownership interest in the Australian Entities was purchased from the respective entities in exchange for a debt assumption, whereby the Company agreed to assume a five million dollar (\$5,000,000) debt and issued two hundred fifty thousand (250,000) warrants to purchase shares of the Company’s Common Stock. The debt is collateralized by Chanticleer’s assets including all accounts, documents, instruments, general intangibles, chattel paper, equipment, inventory, personal property, intellectual property and all other business assets of Chanticleer. The 5,000,000 debt is to be repaid in three installments as follows: \$2,000,000 on or before December 31, 2014, \$2,000,000 on or before June 30, 2015, \$1,000,000 plus interest and all other fees on or before December 31, 2015. Warrants were fair valued at \$515,600 using a Black Scholes valuation model. The acquisition was accounted for using the purchase method in accordance with ASC 805, “Business Combinations”.

The audited consolidated financial statements of Chanticleer included herein are for the year ended December 31, 2013. The audited combined financial statements of TMIX Management Australia PTY. LTD., Hoot Parramatta PTY. LTD., and Hoot Penrith PTY. LTD. are for the year ended June 30, 2014.

NOTE 2 - PRO FORMA ADJUSTMENTS

The pro forma adjustments to the condensed combined balance sheet give effect to the acquisition of the Australian Entities as if the transactions had occurred on June 30, 2014. The pro forma adjustments to the condensed consolidated statements of operations for the year ended December 31, 2013 and for the six months ended June 30, 2014 give effect to the acquisition of the Australian Entities as if the transactions had occurred at the beginning for each period.

Balance Sheet - June 30, 2014

- a. Derived from the unaudited balance sheet of Chanticleer as of June 30, 2014.
 - b. Derived from the audited combined balance sheet of TMIX Management Australia PTY. LTD., Hoot Parramatta PTY. LTD., and Hoot Penrith PTY. LTD. as of the year ended June 30, 2014.
 - c. Reflects the acquisition of TMIX Management Australia PTY. LTD., Hoot Parramatta PTY. LTD., and Hoot Penrith PTY. LTD. for assumption of \$5,000,000 debt and issuance of 250,000 warrants.
 - d. To eliminate equity of TMIX Management Australia PTY. LTD., Hoot Parramatta PTY. LTD., and Hoot Penrith PTY. LTD in consolidation with Chanticleer Holdings, Inc.
 - e. Gaming revenue cash received to be offset against assumed loan payable per debt assumption agreement.
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The following table summarizes the estimated fair values of the assets acquired and liabilities assumed.

Purchase Consideration (60% Value):	\$	5,515,600
Assets acquired and liabilities assumed:		
Property and equipment	\$	1,603,557
Intangible assets		220,500
Inventory		47,777
Non-controlling interest (at fair value)		(3,677,067)
Other assets		20,186
Liabilities acquired		(1,496,536)
Goodwill		8,797,183
Net assets acquired	\$	<u>5,515,600</u>

The cost of the transaction was allocated to the tangible and intangible assets and liabilities assumed based on estimates of their respective fair values at the date of acquisition with the remaining unallocated purchase price recorded as goodwill. Management is responsible for the valuation of net assets and considered a number of factors when estimating the fair values and estimated useful lives of acquired assets and liabilities.

Statement of Operations - For the Year Ended December 31, 2013

- a) Derived from the audited statement of operations of Chanticleer for the year ended December 31, 2013.
- b) Derived from the combined unaudited statement of operations of TMIX Management Australia PTY. LTD., Hoot Parramatta PTY. LTD., and Hoot Penrith PTY. LTD for the year ended December 31, 2013.
- c) To record gaming revenue in connection with purchase agreement.
- d) To allocate 40% of income after provision of income taxes to non-controlling interest.

Statement of Operations - For the Six Months Ended June 30, 2014

- a) Derived from the unaudited statement of operations of Chanticleer for the six months ended June 30, 2014.
 - b) Derived from the combined unaudited statement of operations of TMIX Management Australia PTY. LTD., Hoot Parramatta PTY. LTD., and Hoot Penrith PTY. LTD for the year ended June 30, 2013.
 - c) To record gaming revenue in connection with purchase agreement.
 - d) To allocate 40% of income after provision of income taxes to non-controlling interest.
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