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Global

Geoscience

Half-Year Financial Report

31 DECEMBER 2007

CORPORATE DIRECTORY

GLOBAL GEOSCIENCE LIMITED

ABN 76 098 564 606

DIRECTORS

Robert Reynolds – *Non-Executive Chairman*
Bernard Rowe – *Managing Director*
Peter Nicholson – *Technical Director*
Patrick JD Elliott – *Non-Executive Director*

SECRETARY

Joanna Morbey

REGISTERED AND PRINCIPAL OFFICE

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SHARE REGISTRY

Registries Limited
Level 2, 28 Margaret Street
Sydney NSW 2000
Telephone: (02) 9290 9600

AUDITORS

Barnes Dowell James

STOCK EXCHANGE LISTING

Listed on Australian Stock Exchange Limited
19th December 2007
ASX Code: GSC

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DIRECTORS' REPORT

Your directors submit their report for the half-year ended 31 December 2007.

DIRECTORS

The names of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Robert Reynolds – Non-Executive Chairman Bernard Rowe – Managing Director
Peter Nicholson – Technical Director Patrick JD Elliott – Non-Executive Director

Resigned during the half year: Raymond Soper (24 August 2007) Richard Austen (24 August 2007)

REVIEW AND RESULTS OF OPERATIONS

The net result of operations after applicable income tax expense for the half-year was a loss of \$391,268 (6 months to December 2006 – loss \$71,711).

Operational Review

During the period under review, Global Geoscience (Global) continued exploration on a number of projects as outlined below.

Peru-Mancha Pampa: Global has discovered a new zone of highly anomalous gold in soil at Mancha Pampa in Peru. The program targeted anomalous stream sediment and soil geochemical results discovered during earlier reconnaissance exploration by Global and involved geological mapping and soil and rock chip geochemical sampling. Sample results were received in January 2008 and were announced on ASX on 29 January 2008.

Peru-El Obispo: A program of surface exploration involving soil and rock chip geochemical sampling was undertaken at the El Obispo project to investigate anomalous silver, arsenic, gold, copper and zinc values in soil discovered during earlier reconnaissance exploration by Global. The sample results were received in January 2008 and are currently being assessed by the company.

Peru-La Hornera: A program of surface exploration involving soil and rock chip geochemical sampling was undertaken at the La Hornera project to investigate anomalous levels of gold and arsenic in stream sediment discovered during earlier reconnaissance exploration by Global. The sample results were received in January 2008 and are currently being assessed by the company.

Mexico: Global does not intend to directly undertake any exploration on the Los Graceros project in Mexico. Instead, Global intends to farm out the project. In this respect, Global is currently in discussions with a third party regarding the formation of a joint venture for the further exploration of the project. Whilst the terms of the joint venture have not yet been finalised, Global does not expect that it will be required to spend any money on the exploration of the tenement as the joint venture partner is to do so under a farm-in arrangement.

New South Wales: Global applied for an exploration licence (ELA 3414) over a 22 km² area located approximately 50 km southeast of Cooma in New South Wales. The Company considers the area to be prospective for massive sulphide mineralisation hosted by Silurian felsic volcanic rocks. Global intends to test previously described but poorly tested gossanous zones that are exposed at the surface.

FINANCIAL

Global Geoscience Limited completed its IPO capital raising in December 2007. The IPO raised \$3.3 million before expenses. The funds raised are being used to provide working capital for exploration and project generation as set out in the Company's IPO Prospectus dated 6th November 2007.

On the 20th December 2007, 2,500,000 unlisted options were issued to the promoters of the IPO and 2,500,000 unlisted options were issued to the executive directors and an employee. These options were valued under the Black and Scholes method at a valuation of \$0.08 each and have been expensed.

DIRECTORS' REPORT

SUBSEQUENT EVENTS

The directors are not aware of any significant changes in the state of affairs of the Company occurring since the end of the half-year.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is attached to this report.

Signed at Sydney this 14th March 2008 in accordance with a resolution of the directors.



ROBERT REYNOLDS
Chairman

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AUDITOR'S INDEPENDENCE DECLARATION

BARNES DOWELL JAMES

Incorporating P J Hennessy & Co

CHARTERED ACCOUNTANTS

Partners

C H Barnes FCA
A J Dowell CA
M W James CA
B Kolevski (Affiliate ICAA)

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7 January 2008

The Directors
Global Geoscience Limited
Suite 204
161 Walker Street
NORTH SYDNEY NSW 2060

Dear Sirs,

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF GLOBAL GEOSCIENCE LTD

In relation to our half year review as at 31 December 2007 of the financial report of Global Geoscience Limited, to the best of our knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Yours faithfully
BARNES DOWELL JAMES



.....
A.J. DOWELL
Partner

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INCOME STATEMENT

Half-year ended 31 December 2007

	Note	2007	Six months to 31.12.06
		\$	\$
REVENUE FROM ORDINARY ACTIVITIES	2	31,586	9,451
Administration expenses		(113,139)	(24,807)
Depreciation expense		(1,018)	-
Directors' fees		(2,284)	(45,000)
Exploration expenditure previously written off now capitalised		92,884	-
Goodwill written off		(173,328)	-
Legal fees		(17,809)	(4,555)
Occupancy expenses		(8,160)	(6,800)
Option based payment	5	(200,000)	-
LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		(391,268)	(71,711)
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES		-	-
LOSS FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE		(391,268)	(71,711)
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS ATTRIBUTABLE TO MEMBERS OF GLOBAL GEOSCIENCE LTD		(391,268)	(71,711)
Basic loss per share (cents per share)		.12	.23
Diluted loss per share (cents per share)		.12	.23

BALANCE SHEET

at 31 December 2007

	Note	31 Dec 07 \$	30 Jun 07 \$
CURRENT ASSETS			
Cash and cash equivalents		3,215,006	53,460
Receivables	3	27,476	69,072
TOTAL CURRENT ASSETS		3,242,482	122,532
NON-CURRENT ASSETS			
Plant and Equipment		6,576	466
Formation expenses		19,651	-
Deferred exploration and evaluation expenditure	4	879,773	-
TOTAL NON-CURRENT ASSETS		906,000	466
TOTAL ASSETS		4,148,482	122,998
CURRENT LIABILITIES			
Payables		129,490	154,072
TOTAL CURRENT LIABILITIES		129,490	154,072
TOTAL LIABILITIES		129,490	154,072
NET ASSETS		4,018,992	(31,074)
EQUITY			
Issued capital	5	4,949,116	907,782
Reserve		400,000	-
Accumulated losses		(1,330,124)	(938,856)
TOTAL EQUITY		4,018,992	(31,074)

STATEMENT OF CASH FLOWS

Half-year ended 31 December 2007

	2007	Six months to 31.12.06
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payment to suppliers and employees	(180,699)	(128,351)
Other income	25,000	-
Interest received	6,584	263
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES	(149,115)	(128,088)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(7,130)	-
Expenditure on mining interests (exploration)	(163,124)	-
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES	(170,254)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	4,027,745	211,122
Equity raising expenses	(546,825)	-
Repayment of borrowings		
NET CASH FLOWS FROM FINANCING ACTIVITIES	3,480,920	211,122
NET INCREASE (DECREASE) IN CASH HELD	3,161,551	83,034
Add opening cash brought forward	53,455	5,794
CLOSING CASH CARRIED FORWARD	3,215,006	88,827

STATEMENT OF CHANGES IN EQUITY

Half-year ended 31 December 2007

	Issued Capital \$	Accumulated Losses \$	Reserve \$	Total Equity \$
AT 1 JULY 2006	623,105	(639,940)	-	(16,835)
Loss for the period	-	(71,711)		(71,711)
Issue of share capital	139,911	-		139,911
Issue of options	53,922	-		53,922
AT 31 DECEMBER 2006	816,938	(711,651)	-	105,287
Loss for the period	-	(227,205)		(227,205)
Issue of share capital, net of transaction costs	90,844	-		90,844
AT 30 JUNE 2007	907,782	(938,856)	-	(31,074)
AT 1 JULY 2007	907,782	(938,856)		(31,074)
Loss for the period	-	(391,268)		(391,268)
Share based payment - option	-		400,000	400,000
Issue of share capital, net of transaction costs	4,041,334	-		4,241,334
AT 31 DECEMBER 2007	4,949,116	(1,330,124)	400,000	4,018,992

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

31 December 2007

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

The half-year financial report should be read in conjunction with the annual financial report of Global Geoscience Ltd as at 30 June 2007.

It is also recommended that the half-year financial report be considered together with any public announcements made by Global Geoscience Ltd during the half-year ended 31 December 2007 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Statement of Compliance

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements.

The half-year financial report has been prepared on a historical cost basis and available-for-sale financial assets that have been measured at fair value.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The half-year financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the half-year financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of Global Geoscience Ltd (GSC or the "Company") and its subsidiaries ("the Group") as at 31 December each year.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

All inter-company balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full.

Subsidiaries are fully consolidated from date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

(c) Significant Accounting Policies

The half-year financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2007.

2. REVENUE FROM ORDINARY ACTIVITIES

	31 Dec 07	31 Dec 06
	\$	\$
Interest received – other persons/corporations	<u>6,584</u>	<u>451</u>

3. RECEIVABLES – CURRENT

	31 Dec 07	30 June 07
	\$	\$
Other receivables	<u>27,476</u>	<u>69,072</u>

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS (CONTINUED)

4. NON-CURRENT ASSETS

Deferred exploration and evaluation expenditure

	31 Dec 07	30 June 07
Costs brought forward	-	-
Costs incurred during the half-year	163,124	-
Exploration expenditure reallocated out of retained earnings	716,649	-
Expenditure written off during the half-year	-	-
Costs carried forward	<u>879,773</u>	<u>-</u>

5. ISSUED CAPITAL

Share capital

Opening Issued capital 1 July	907,782	623,105
Shares issued – 31 August 2006	-	209,910
Options exercised – 21 November 2006	-	74,767
Options exercised – 3 August 2007	299,057	-
Takeover of overseas entities – 16 August 2007	792,618	-
Seed Capital – 10 September 2007	500,000	-
IPO – 16,500,000 shares at \$0.20 per share – 28 November 2007	3,300,000	-
Cost of IPO Issue	(850,341)	-
31,430,000 Ordinary shares	<u>4,949,116</u>	<u>907,782</u>

Following the closure of the IPO in December 2007, the following options have been issued in the half year to 31 December 2007:

Employee options	2,500,000, exercise price \$0.25, expiry date 31 August 2012
Broker options	2,500,000, exercise price \$0.25, expiry date 31 August 2012

6. CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no change in any contingent liabilities or contingent assets.

7. SEGMENT INFORMATION

The Company operates predominantly in the five geographical areas, being Australia, Peru, Mexico, United States of America and Canada. Its only business is mineral exploration and evaluation.

8. SUBSEQUENT EVENTS

No event has occurred subsequent to 31 December 2007 requiring disclosure in, or amendment to, these financial statements, other than announcements made to the Australian Securities Exchange.

DIRECTORS DECLARATION

In accordance with a resolution of the directors of Global Geoscience Ltd, I state that:

In the opinion of the directors:

- a) the financial statements and notes of the Company:
 - i) give a true and fair view of the Company's financial position as at 31 December 2007 and the performance for the half-year ended on that date; and
 - ii) comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



ROBERT REYNOLDS
Chairman

Sydney, 14th March 2008

INDEPENDENT REVIEW REPORT

BARNES DOWELL JAMES

Incorporating P J Hennessy & Co

CHARTERED ACCOUNTANTS

Partners

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INDEPENDENT REVIEW REPORT

To the members of Global Geoscience Limited

Scope

The financial report and directors' responsibility

The financial report comprises the balance sheet, income statement, cash flow statement, statement of changes in equity and accompanying notes to the financial statements for Global Geoscience Limited during the half year, and the directors' declaration for the company, for the half-year ended 31 December, 2007.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the entity, and that complies with Accounting Standard AASB 134 "Interim Financial Reporting", in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review of the financial report in order to make a statement about it to the members of the company, and in order for the company to lodge the financial report with the Australian Stock Exchange and the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements, in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the *Corporations Act 2001*, Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory financial reporting requirements in Australia, so as to present a view which is consistent with our understanding of the entity's financial position, and of its performance as represented by the results of its operations and cash flows.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is



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INDEPENDENT REVIEW REPORT

BARNES DOWELL JAMES

CHARTERED ACCOUNTANTS

less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Global Geoscience Limited during the half-year is not in accordance with:

- (a) The *Corporations Act 2001*, including
 - (i) giving a true and fair view of the financial position of the entity at 31 December, 2007 and of its performance for the half-year ended on that date; and
 - (ii) Complying with Accounting Standards AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and:
- (b) other mandatory financial reporting requirements in Australia.

BARNES DOWELL JAMES
Chartered Accountants



.....
Anthony Dowell
Partner

13 March, 2008.

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