



**global** resources  
corporation LIMITED

ACN 122 162 396

**GLOBAL RESOURCES CORPORATION LIMITED  
INTERIM FINANCIAL REPORT FOR THE  
HALF YEAR ENDED 31 DECEMBER 2013**

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INTERIM FINANCIAL REPORT FOR THE  
HALF YEAR ENDED 31 DECEMBER 2013**

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**GLOBAL RESOURCES CORPORATION LIMITED  
INTERIM FINANCIAL REPORT FOR THE  
HALF YEAR ENDED 31 DECEMBER 2013**

**CORPORATE INFORMATION**

**DIRECTORS**

Stephen Everett (Non-Executive Chairman)

Mark Savich (Non-Executive Director)

Alec Pismiris (Non-Executive Director)

**COMPANY SECRETARY**

Alec Pismiris

Jessica Ridley (Assistant)

**REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE**

Level 7, BGC Centre

28 The Esplanade

Perth, Western Australia, 6000

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Perth, Western Australia, 6831

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**SHARE REGISTRY**

Boardroom Pty Limited

Level 7, 207 Kent Street

Sydney, NSW, 2000.

Investor Enquiries: 1300 737 760

**AUDITORS**

KPMG

235 St Georges Terrace

PERTH WA 6000

**STOCK EXCHANGE LISTING**

ASX Limited (Australian Securities Exchange)

ASX Codes: GRM, GRMOA

**INTERNET**

[www.grcl.com.au](http://www.grcl.com.au)

**GLOBAL RESOURCES CORPORATION LIMITED  
INTERIM FINANCIAL REPORT FOR THE  
HALF YEAR ENDED 31 DECEMBER 2013**

**DIRECTORS' REPORT**

The directors of Global Resources Corporation Limited ("Global" or "the Company") present their report together with the condensed consolidated interim financial report for the Company and the entities it controlled during the half year ended 31 December 2013 ("Group").

**Directors**

The directors of the Company at any time during or since the end of the half year are:

<b>Name, qualifications and independence status</b>	<b>Experience, special responsibilities and other directorships</b>
<p><b>Stephen Everett</b> B. Eng (Chem), MAICD Chairman and Non-Executive Director <i>Appointed 6 April 2009</i></p>	<p>Mr Everett is a chemical engineer who has more than 35 years of management and board experience in the international resources industry, including production and project management, marketing, corporate restructuring, debt/equity financing and government relations. Mr Everett's senior executive positions have included managing director and chief executive officer of private and publicly listed companies. Mr Everett is currently chairman of MetroCoal Limited (ASX:MTE) and was formerly chairman of Australian Solomons Gold Limited, JMS Civil and Mining Pty Ltd and BeMaX Resources NL.</p>
<p><b>Mark Savich</b> CA, CFA, B Comm. <i>GradDipMinExplGeoSc(Curtin).</i> Non-Executive Director <i>Appointed 1 December 2012</i></p>	<p>Mr Savich is a Resources Analyst at Blackswan Equities Ltd, a full service institutional and high net worth investment advisory firm. Mr Savich has nine years' experience dealing with the technical and financial requirements for resource projects, from early stage exploration assets to operating mines.</p>
<p><b>Alec Pismiris</b> B Comm., MAICD, AGIA Non-Executive Director and Company Secretary <i>Appointed 3 October 2013</i></p>	<p>Mr Pismiris was appointed a director and company secretary on 3 October 2013. Mr Pismiris is currently a director of Capital Investment Partners Pty Ltd, a company which provides corporate advisory services. Since 1990 Mr Pismiris has served as a director and company secretary for various ASX listed companies as well as a number of unlisted public and private companies. Mr Pismiris completed a Bachelor of Commerce degree at the University of Western Australia, is a member of the Australian Institute of Company Directors and an associate of The Governance Institute of Australia. Mr Pismiris has over 25 years experience in the securities, finance and mining industries and has participated numerous times in the processes by which boards have assessed the acquisition and financing of a diverse range of assets and has participated in and become familiar with the range of evaluation criteria used and the due diligence processes commonly adopted in the commercial assessment of corporate opportunities. Mr Pismiris is currently a director of the following ASX listed companies: Cardinal Resources Limited, Mount Magnet South NL and Papillon Resources Limited.</p>
<p><b>Simon Finnis</b> Master of Business Technology Non-Executive Director <i>Appointed 6 April 2009</i> <i>Resigned 3 October 2013</i></p>	<p>Mr Finnis has more than 25 years experience in a diverse range of mining operations including open cut, underground and dredge mining operations in gold, copper and mineral sands. For the past decade, he has been involved in various roles in the development of four projects, the most recent being the Gold Ridge Gold Mine on the island of Guadalcanal, Solomon Islands and previously the Pooncarie Mineral Sands Project in western New South Wales. Mr Finnis was chief executive officer of Global Resources Corporation Limited until 1 April 2009 and was re-appointed as managing director in March 2010. In between these roles, Mr Finnis was the chief operating officer of Australian Solomons Gold Limited. Mr Finnis resigned as Managing Director on 14 September 2013 and resigned as a Director on 3 October 2013.</p>
<p><b>Barry Casson</b> CA, MAICD Non-Executive Director and Company Secretary <i>Appointed 12 October 2006</i> <i>Resigned 3 October 2013</i></p>	<p>Mr Casson is a chartered accountant with approximately 40 years accounting and primarily commercial experience and more than 25 years experience in the mining industry as finance director, chief financial officer or equivalent. He has had extensive international experience in project financing and corporate transactions. He is a member of the Institute of Company Directors in Australia. He is currently a non-executive director of Metallica Minerals Ltd and Archipelago Metals Limited, an unlisted public company, and as from January 2013 Mr Casson has joined the Board of Unitywater, a statutory water distribution body in Queensland. Mr Casson resigned as a director and company secretary on 3 October 2013.</p>

**GLOBAL RESOURCES CORPORATION LIMITED  
INTERIM FINANCIAL REPORT FOR THE  
HALF YEAR ENDED 31 DECEMBER 2013**

**DIRECTORS' REPORT**

**Review of operations**

During the half year the Company focused on further reductions to its administration and overhead costs by implementing a number of corporate changes including the relocation of the Company and its operations closer to its strong shareholder support base in Perth. There were also number of changes to the board, with Mr Simon Finnis and Mr Barry Casson both resigning and the appointment of Mr Alec Pismiris as a non-executive director and company secretary.

The Company maintained its interest in the Aktarma Gold Project located in Turkey, whilst rationalising its portfolio of Queensland exploration assets. The Company continued to search for new opportunities in the resources sector which could demonstrate the capacity to add significant long-term shareholder value. The Company had a number of parties assisting in the search for new opportunities.

**Turkey**

**Aktarma (100% GRM)**

The Aktarma Gold Project is comprised of one operational tenement, valid for ten (10) years, within which all exploration to date has taken place. It is located approximately 100km north of Izmir City and 50km north-east of the Ovacik Mine in western Turkey and is prospective for gold and base metals.

The Company has carried out two drilling programmes at Aktarma and whilst the results were not significant, there is enough geological evidence being presented to encourage further work.

No exploration activities were carried out on Aktarma during the half year, although the Company continues assessing potential interest from third parties in the project and exploring opportunities for the advancement of the project, particularly in respect of the gold, silver, lead and zinc mineralisation identified during the Company's previous diamond drilling program.

**Queensland**

During the half year the Company undertook a review of its portfolio of Queensland exploration assets. As part of a rationalisation strategy, the Company lodged applications to surrender sixteen tenements and abandoned one application. As part of the application process the Company was required to complete Final Reports and Final Statements of Expenditure for each tenement surrendered as part of the Company's compliance with the requirements of the Department of Natural Resources and Mines.

**Kennedy Highway Project (100% GRM)**

The company continues with its farm-out agreement with Sandfire Resources N L ("Sandfire") in relation to the Kennedy Highway Project (EPM 15948). The project is prospective for Broken Hill Type lead-zinc-silver deposits similar to BHP Billiton's high-grade Cannington mine and Iron Oxide Copper-Gold deposits similar to Glencore Xstrata's Ernest Henry Mine.

Sandfire has to date spent more than \$1,000,000, including \$700,000 on drilling and has confirmed its intention to continue with the farm-in arrangements, which requires Sandfire spending a total of not less than \$3 million (at least 50% of which is to be spent on drilling) over a 3 year period to earn a 60% interest.

**Croyden Project (6% GRM)**

In July 2012 the Company agreed to sell a majority (94%) interest in EPMA18616 to Crater Gold Mining Limited ("Crater") (formerly Gold Anomaly Limited) which at the time was under application. The Company would retain a small (6%) interest and a 1% net smelter royalty. Under the terms of the agreement on the grant of the tenement by the Queensland Department of Natural Resources Mines, Crater was required to issue the Company with \$200,000 worth of shares. In July 2013 the tenement was granted and the Company was issued with 49,333,991 shares in Crater. The value attributable to the CGN shares issued to Global has been recognised as income during the half year. As a result of a consolidation of share capital undertaken by Crater the Company's shareholding was adjusted to 493,339 shares.

**GLOBAL RESOURCES CORPORATION LIMITED  
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**DIRECTORS' REPORT**

**Western Australia**

**Great Sandy Desert Project (100% GRM)**

Subsequent to the end of the half year the Company announced it had applied for two exploration licences comprising a large area of 1,284km<sup>2</sup> of prospective ground covering the Waukarlycarly Embayment in the Pilbara Region of Western Australia. The Project located in the Great Sandy Desert of Western Australia is approximately 110km north-west of the Telfer Mine and is situated in close proximity to sealed roads and other established infrastructure which service the Telfer Mine.

Geophysical data and surface sampling in the area indicates the Waukarlycarly Embayment could host substantial volumes of brine-hosted sulphate of potash ("SOP"). Reward Minerals Limited (ASX: RWD) has several tenements covering the Waukarlycarly Embayment. The Project is immediately north of Reward's tenements and is interpreted to contain the gently dipping northern extension of a prospective sedimentary horizon.

SOP is a premium form of potash fertiliser that improves the yield, taste, colour and shelf life of crops. SOP contains no chloride making its use essential for high-value and specialty crops as well as areas affected by high salinity soils. The greatest projected demand growth for SOP is from China and India which are the largest producers of crops such as fruits, vegetables, nuts and tobacco.

**Financing activity**

In November 2013 the Company announced a pro rata non-renounceable entitlement offer of shares and options to eligible shareholders on the basis of 1 new share offered for every 3 shares held at an issue price of \$0.04 cents per new share with 1 attaching option issued for no additional consideration. The attaching options were listed, exercisable at \$0.05 with a 31 December 2015 expiry.

The entitlement offer was fully underwritten by Blackswan Equities Limited and raised \$568,970 (before costs) providing the Company with funding to assist with pursuing potential acquisitions and to provide additional working capital.

**Lead auditor's independence declaration**

The lead auditor's independence declaration is set out on page 7 and forms part of the directors' report for the six months ended 31 December 2013.

Signed in accordance with a resolution of the directors.



Alec Christopher Pismiris  
*Director*

Dated at Perth, this 14<sup>th</sup> day of March, 2014.



***Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001***

To: the directors of Global Resources Corporation Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2013 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

A handwritten signature in blue ink, appearing to read 'Matthew Beevers', with a long horizontal stroke extending to the right.

Matthew Beevers  
*Partner*

Perth

14 March 2014

**GLOBAL RESOURCES CORPORATION LIMITED**  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2013**

	Note	31 Dec 2013 \$	30 Jun 2013 \$
<b>Assets</b>			
Cash and cash equivalents		903,112	685,625
Trade and other receivables		93,704	70,942
Investments held for trading		38,480	-
Other financial assets		16,000	-
Prepayments		17,499	23,418
<b>Total current assets</b>		<b>1,068,795</b>	<b>779,418</b>
Exploration and evaluation assets	7	50,115	20,347
Property, plant and equipment		2,658	22,496
<b>Total non-current assets</b>		<b>52,773</b>	<b>42,843</b>
<b>Total assets</b>		<b>1,121,568</b>	<b>822,828</b>
<b>Liabilities</b>			
Trade and other payables		157,708	163,687
Deposit received		-	20,000
<b>Total current liabilities</b>		<b>157,708</b>	<b>183,687</b>
<b>Total liabilities</b>		<b>157,708</b>	<b>183,687</b>
<b>Net assets</b>		<b>963,860</b>	<b>639,141</b>
<b>Equity</b>			
Share capital	11	17,097,150	16,581,458
Reserves		(459,075)	(168,220)
Accumulated losses		(15,674,215)	(15,774,097)
<b>Total equity</b>		<b>963,860</b>	<b>639,141</b>

The condensed notes on pages 12 to 15 are an integral part of these consolidated interim financial statements.

**GLOBAL RESOURCES CORPORATION LIMITED**  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2013**

	Note	31 Dec 2013 \$	31 Dec 2012 \$
Other income	8	200,000	-
Administrative expenses		(203,673)	(295,759)
Impairment of exploration and evaluation assets		(23,278)	(245,892)
<b>Results from operating activities</b>		<b>(26,951)</b>	<b>(541,652)</b>
Finance income		26,323	24,288
Finance expense	9	(161,520)	(183)
<b>Net finance income</b>		<b>(135,197)</b>	<b>24,105</b>
<b>Loss before income tax</b>		<b>(162,148)</b>	<b>(517,547)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(162,148)</b>	<b>(517,547)</b>
<b>Other comprehensive income for the period</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Foreign currency translation differences for foreign operations		(28,825)	(40,814)
<b>Total comprehensive loss for the period</b>		<b>(190,973)</b>	<b>(558,361)</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share		(\$0.007)	(\$0.012)

The condensed notes on pages 12 to 15 are an integral part of these consolidated interim financial statements.

**GLOBAL RESOURCES CORPORATION LIMITED**  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2013**

	Share Capital	Translation Reserve	Equity Compensation Reserve	Option Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$	\$
<b>Half Year Ended 31 December 2012</b>						
<b>Balance at 1 July 2012</b>	16,598,663	(679,444)	579,804	186,648	(14,555,686)	2,129,985
<i>Total comprehensive loss for the period</i>						
Loss	-	-	-	-	(517,547)	(517,547)
<i>Other comprehensive income</i>						
Foreign currency translation differences	-	(40,814)	-	-	-	(40,814)
Total other comprehensive income	-	(40,814)	-	-	-	(40,814)
<b>Total comprehensive income for the period</b>	-	(40,814)	-	-	(517,547)	(558,361)
<b>Transactions with owners recorded directly in equity</b>						
<i>Contributions by and distributions to owners</i>						
Share based payment transactions	8,100	-	1,885	-	-	9,985
Issue of options	-	-	(288,602)	-	288,602	-
Issue of ordinary shares net of transaction costs	(24,785)	-	-	-	-	(24,785)
Total transactions with owners	(16,685)	-	(286,717)	-	288,602	(14,800)
Balance at 31 December 2012	16,581,978	(720,258)	293,087	186,648	(14,784,631)	1,556,824
<b>Half Year Ended 31 December 2013</b>						
<b>Balance at 1 July 2013</b>	16,581,458	(650,250)	295,382	186,648	(15,774,097)	639,141
<i>Total comprehensive loss for the period</i>						
Loss	-	-	-	-	(162,148)	(162,148)
<i>Other comprehensive income</i>						
Foreign currency translation differences	-	(28,825)	-	-	-	(28,825)
Total other comprehensive income	-	(28,825)	-	-	-	-
<b>Total comprehensive income for the period</b>	-	(28,825)	-	-	(162,148)	(190,973)
<b>Transactions with owners recorded directly in equity</b>						
<i>Contributions by and distributions to owners</i>						
Share options expired	-	-	(75,382)	(186,648)	262,030	-
Issue of ordinary shares net of transaction costs	515,691	-	-	-	-	515,691
Total transactions with owners	515,691	-	(75,382)	(186,648)	262,030	515,691
Balance at 31 December 2013	17,097,150	(679,075)	220,000	-	(15,674,215)	963,860

The condensed notes on pages 12 to 15 are an integral part of these consolidated interim financial statements.

**GLOBAL RESOURCES CORPORATION LIMITED**  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2013**

	Note	31 Dec 2013 \$	31 Dec 2012 \$
<b>Cash flows from operating activities</b>			
Cash paid to suppliers and employees		(247,296)	(293,113)
Interest received		10,809	22,330
Taxes received		24,583	-
<b>Net cash used in operating activities</b>		<b>(211,904)</b>	<b>(270,783)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		-	(1,366)
Expenditure on exploration and evaluation projects		(125,176)	(336,707)
Disposal of exploration and evaluation projects		-	20,125
<b>Net cash used in investing activities</b>		<b>(125,176)</b>	<b>(317,948)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of share capital	11	568,972	-
Payment of share issue transaction costs		(7,725)	(24,785)
<b>Net cash (used in)/from financing activities</b>		<b>561,247</b>	<b>(24,785)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>224,167</b>	<b>(613,516)</b>
Cash and cash equivalents at 1 July		685,625	1,480,029
Effect of exchange rate fluctuations on cash held		(6,680)	(184)
<b>Cash and cash equivalents at 31 December</b>		<b>903,112</b>	<b>866,329</b>

The condensed notes on pages 12 to 15 are an integral part of these consolidated interim financial statements.

**GLOBAL RESOURCES CORPORATION LIMITED**  
**INTERIM FINANCIAL REPORT**  
**31 DECEMBER 2013**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**1. Reporting entity**

Global Resources Corporation Limited is a company domiciled in Australia. The consolidated interim financial statements of the Company as at and for the half year ended 31 December 2013 comprise the Company and its subsidiaries (together referred to as the 'Group').

The consolidated annual financial report of the Group as at and for the year ended 30 June 2013 is available upon request from the Company's registered office Level 7, BGC Centre, 28 The Esplanade, Perth, Western Australia or at [www.grcl.com.au](http://www.grcl.com.au).

**2. Significant accounting policies**

(a) Statement of compliance

This consolidated interim financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of Global Resources Corporation Limited for the year ended 30 June 2013 and any public announcements made by Global Resources Corporation Limited and its controlled entities during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This consolidated interim financial report was approved by the Board of Directors on 14 March 2014.

(b) Basis of preparation

The consolidated interim financial report has been prepared on the basis of historical cost, except for certain financial instruments being recorded at fair value. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the company's annual financial report for the year ended 30 June 2013, other than as detailed below.

Financial assets at fair value through profit and loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial assets at fair value through profit or loss are measured at fair value and changes therein are recognised in profit or loss.

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2013. New and revised standards and amendments thereof and interpretations effective for the current half-year that are relevant to the Group include:

- AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13; and
- AASB 119 Employee Benefits (2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (2011).

The adoption of new and revised Standards and Interpretations has not affected the amounts reported for the current or prior year. However the application of AASB 13 has resulted in a change to the Group's disclosure in its half year financial statements.

**3. Going concern**

The consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Group will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations.

The Group currently has no source of operating cash inflows other than interest income but had net cash inflows for the half year ended 31 December 2013 of \$224,167 (31 December 2012: net cash outflows of \$613,516) mainly attributable to cash inflows from financing activities. At 31 December 2013, the Group has cash balances of \$903,112 (30 June 2013: \$685,625) and net working capital (current assets less current liabilities) of \$911,087 (30 June 2013: \$595,731).

Directors believe that the Group has sufficient cash resources to allow it to meet minimum capital expenditure commitments on existing tenements and undertake activities designed to identify new projects for the Group until at least April 2015.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

In the longer term, the development of economically recoverable mineral deposits found on the Group's existing exploration properties or future exploration properties depends on the ability of the Group to obtain financing through equity financing, debt financing or other means. If the Group's exploration programs are ultimately successful, additional funds will be required to develop the Group's properties and to place them into commercial production. The only source of future funds presently available to the Group is the raising of equity capital by the Group. The ability to arrange such funding in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Group.

**4. Estimates**

The preparation of interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant areas of judgement in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2013.

**5. Financial risk management**

The Group's financial risk management objectives and policies are materially consistent with those disclosed in the consolidated financial report as at and for the year ended 30 June 2013.

**6. Operating segments**

As a consequence of the Group's operations and tenements the Group now only operates in one reportable segment, being Australia.

**7. Exploration and evaluation expenditure**

	\$
Balance at 30 June 2013	20,347
Additions	53,046
Impairment	(23,278)
Balance at 31 December 2013	<u>50,115</u>

The carrying amount of the exploration and evaluation assets at 31 December 2013 relates to Turkish projects (nil) and expenditure capitalised relating to Australian projects \$50,115.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount of the asset exceeds the recoverable amount. Such indicators of impairment include the following:

- the right to explore has expired during the period or will expire in the near future and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration and evaluation in the specific area has not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or
- sufficient data exists to indicate that the carrying amount of the asset is unlikely to be recovered in full from successful development or by sale even if development in the specific area is likely to proceed.

For the half year end amounts of \$23,278 relating to non-Australian tenements were impaired.

**8. Other Income**

On 9 July 2012 the Company announced that it had agreed terms with Crater Gold Mining Limited (CGN) (formerly Gold Anomaly Limited) to sell a majority interest in tenement EPMA 18616, being dependent upon the tenement being granted. On 24 July 2013 the Company announced the grant of EPM 18616 and accordingly the appropriate steps were taken for the Exploration Permit to be transferred to CGN, which was completed on 11 February 2014. In accordance with the terms of the agreement \$200,000 of CGN shares were issued to Global during the reporting period. Following the completion of the transfer of EPM 18616 to CGN, the shares have been released from voluntary escrow and are fully tradable. Global retains a 6% interest in EPM 18616.

The value of \$200,000 attributable to the CGN shares issued to Global has been recognised as income.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**9. Finance Expense**

The net change in the fair value of other financial assets held for trading is recognised as a finance expense. At 31 December 2013 the market value of CGN shares was \$0.078 which translated to a value of \$38,480. The finance expense of \$161,520 (31 December 2012: other financing expenses of \$183) for the half year is the difference between the value attributable to the CGN shares issued to Global and their market value at 31 December 2013.

**10. Related parties**

2,085,496 shares in Global Resources Corporation Limited are held by entities related to Mr Savich at 31 December 2013. Mr Savich is also a shareholder of Black Swan Corporate Pty Ltd. Black Swan Corporate Pty Ltd holds 88,397 shares and 1,000,000 options in Global Resources Corporation Limited.

During the period fees of \$14,000 (ex GST) were paid under normal terms and conditions to Black Swan Corporate Pty Ltd of which Mr Savich is a director and shareholder, for the provision of his services in his capacity as a director at normal commercial rates.

As at period end fees of \$22,759 are payable under normal terms and conditions to Black Swan Corporate Pty Ltd of which Mr Savich is a director and shareholder, representing an underwriting fee payable pursuant to the pro rata non-renounceable entitlement offer of shares and options.

Mr Pismiris was appointed as a non-executive director and company secretary on 3 October 2013. 750,000 shares in Global Resources Corporation Limited are held by an entity related to Mr Pismiris at 31 December 2013. Mr Pismiris is also a director of Capital Investment Partners Pty Ltd. Capital Investment Partners Pty Ltd holds 937,500 shares and 2,000,000 options in Global Resources Corporation Limited.

During the period fees of \$4,000 (ex GST) were paid and as at period end fees of \$2,000 (ex GST) are payable under normal terms and conditions to Capital Investment Partners Pty Ltd of which Mr Pismiris was a director, for the provision of administration and accounting services at normal commercial rates.

During the period fees of \$6,000 (ex GST) were paid and as at period end fees of \$3,000 (ex GST) are payables accrued under normal terms and conditions to Lexcon Services Pty Ltd of which Mr Pismiris is a director, for the provision of his services in his capacity as company secretary at normal commercial rates.

During the period fees of \$12,000 (ex GST) were paid under normal terms and conditions to Silverfox Corporate Advisory Pty Ltd of which Mr Casson is a director and shareholder, for the provision of his services in his capacity as a director and company secretary at normal commercial rates.

During the period fees of \$7,000 (ex GST) were paid under normal terms and conditions to Finnis 1 Pty Ltd of which Mr Finnis is a director and shareholder, for the provision of his services in his capacity as a director at normal commercial rates.

**11. Share capital**

**Ordinary shares**

On 23 December 2013 the Company issued 14,224,258 ordinary shares pursuant to a pro rata non-renounceable entitlement offer of shares and options to eligible shareholders on the basis of 1 new share offered for every 3 shares held at an issue price of \$0.04 cents per new share with 1 attaching option exercisable at \$0.05 with a 31 December 2015 expiry issued for no additional consideration. Capital raising costs of \$53,278 were incurred in connection with the raising and have been deducted from share capital.

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regards to the Company's residual assets.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**12. Reserves**

**Equity compensation reserve**

The equity compensation reserve represents the fair value of the options granted as compensation to employees as determined using the Black-Scholes option pricing model and taking into account the terms and conditions on which the options were granted.

During the period, 225,000 share options were forfeited because two employees had ceased employment.

**Option reserve**

The option reserve represents the fair value of listed options issued to shareholders that participated in a 1 for 2 pro rata non-renounceable entitlement offer of shares and options completed by the Company in September 2011.

1,866,493 listed share options offered under the September 2011 entitlement offer expired on 22 August 2013.

**Translation reserve**

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

**13. Subsequent events**

On 11 February 2014 the Company announced it had applied for two exploration licences comprising a large area of 1,284km<sup>2</sup> of prospective ground covering the Waukarlycarly Embayment in the Pilbara Region of Western Australia.

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

**GLOBAL RESOURCES CORPORATION LIMITED**  
**INTERIM FINANCIAL REPORT**  
**31 DECEMBER 2013**

**DIRECTORS' DECLARATION**

In the opinion of the directors of Global Resources Corporation Limited ('the Company'):

1. the financial statements and notes set out on pages 8 to 16 are in accordance with the *Corporations Act 2001* including:
  - a) giving a true and fair view of the Group's financial position as at 31 December 2013 and of its performance for the six month period ended on that date; and
  - b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



Alec Christopher Pismiris  
*Director*

Dated at Perth this 14<sup>th</sup> day of March, 2014.



## **Independent auditor's review report to the members of Global Resources Corporation Limited**

### **Report on the financial report**

We have reviewed the accompanying interim financial report of Global Resources Corporation Limited, which comprises the consolidated statement of financial position as at 31 December 2013, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes 1 to 13 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

#### *Directors' responsibility for the interim financial report*

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Global Resources Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an Interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### *Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Global Resources Corporation Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

A handwritten signature in blue ink, appearing to read 'Matthew Beevers', with a horizontal line extending to the right.

Matthew Beevers  
*Partner*

Perth

14 March 2014