

GLOBAL GOLD HOLDINGS LTD

Appendix 4D

Half Year Report

For the period ended 31 December 2015

(Previous corresponding period: 31 December 2014)

Results for announcement to the market

	31 Dec 2015 Current Period \$'000	Percentage Change Up /(Down)	Change Up /(Down) \$'000	31 Dec 2014 Previous Corresponding Period \$'000
Revenue from ordinary activities	-	-100%	-	-
Profit/(loss) from ordinary activities after tax	(150)	-2%	3	(153)
Net (loss) / profit for the period attributable to members	(150)	-2%	3	(153)

Dividends

The Company does not propose to pay any dividends in the current period.

Net tangible assets per security

	Current Period (31 Dec 2015)	Previous Corresponding Period (31 Dec 2014)
Cents per ordinary share	0.39 cents	0.54 cents

Details of entities over which control has been gained or lost

Control gained over entities

N/A

Control lost over entities

N/A

Details of Associates

Details of Associates

Current Period

Previous Corresponding Period

N/A

Accounting Standards

For foreign entities, the set of accounting standards used in compiling the report:-

IFRS

Auditor's review report

For all entities, if the accounts are subject to audit dispute or qualification, include a description of the dispute or qualification.

N/A

GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416 AND
CONTROLLED ENTITIES**

Interim Financial Report

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2015.

Directors

The names of directors who held office during or since the end of the half-year:

Tunku Naquiyuddin

Dato David Sek Yin Tan

Mr Jeffrey Choong

Mr Andrew Boo Lye Kwa

Dato Mohamad Nazir Bin Meraslam

Mr Krishnan Ramasamy

Review of Operations

During the last AGM the chairman briefed the board members and all those present that he is pursuing a particular project for injection into GGHL to bring value to the group. The chairman added that he will brief the board upon receiving further information on the project which is in the discussion stage. He expressed confidence in this matter as he had seen the mentioned project.

Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 2 for the half-year ended 31 December 2015.

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



Chairman.....

Tunku Naquiyuddin

Dated this 29th day of February 2016, Perth.

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2 The Esplanade
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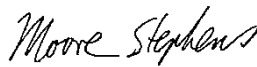
AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF GLOBAL GOLD HOLDINGS LIMITED

As lead auditor for the review of Global Gold Holdings Limited for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.



Neil Pace
Partner



Moore Stephens
Chartered Accountants

Signed at Perth this 29th day of February 2016

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

		Consolidated	
	Note	31.12.2015	31.12.2014
		\$	\$
Revenue		669	-
Other revenue	2(a)	45	1,548
Cost of sales		-	-
Gross profit		714	1,548
Other income	2(b)	14,682	7,420
Administrative expenses		(165,117)	(162,383)
Other expenses	2(c)	(141)	-
Loss before income tax		(149,862)	(153,415)
Income tax		-	-
Net (Loss) for the year from continuing operations		(149,862)	(153,415)
Discontinued Operations			
Loss of discontinued operation for the year		-	-
(Loss) for the year from discontinued operation		-	-
Net (loss) for the year		(149,862)	(153,415)

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

Other comprehensive (loss) / income

Items that may be reclassified to profit or loss:

Net gain/(loss) on remeasurement of available for sale financial assets

179,005 (87,959)

Foreign exchange gains/losses arising from translations of financial statements of foreign operations

(132,390) 184,833

Other comprehensive income for the period, net of tax

46,615 96,874

Total comprehensive income for the period

(103,247) (56,541)

Net (loss) / profit attributable to:

-Equity holders of the parent entity

(149,862) (153,415)

-Non controlling interests

- -

(149,862) (153,415)

Total comprehensive (loss) / income attributable to:

-Equity holders of the parent entity

(103,247) (56,541)

-Non-controlling interests

- -

(103,247) (56,541)

Basic and diluted (loss) / earnings per share (cents)

(0.02) (0.02)

The accompanying notes form part of this financial report.

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Consolidated	
	31.12.2015	30.6.2015
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	228,999	374,144
Trade and other receivables	1,421,343	1,525,328
Other current assets	909	2,510
Held for trading investments	2,792	2,391
Non-current assets held for sale	43,540	-
<i>Total Current Assets</i>	<u>1,697,583</u>	<u>1,904,373</u>
NON CURRENT ASSETS		
Trade and other receivables	-	-
Available for sale investments	720,929	543,115
Property, plant and equipment	124,487	193,204
<i>Total Non-Current Assets</i>	<u>845,416</u>	<u>736,319</u>
TOTAL ASSETS	<u>2,542,999</u>	<u>2,640,692</u>
CURRENT LIABILITIES		
Current tax liabilities	(638)	(692)
Trade and other payables	65,895	60,395
<i>Total Current Liabilities</i>	<u>65,257</u>	<u>59,703</u>
TOTAL LIABILITIES	<u>65,257</u>	<u>59,703</u>
NET ASSETS	<u>2,477,742</u>	<u>2,580,989</u>
EQUITY		
Equity attributable to equity holders of the parent		
Issued capital	28,178,986	28,178,986
Reserves	(769,064)	(815,679)
Retained earnings	(24,932,180)	(24,782,318)
TOTAL EQUITY	<u>2,477,742</u>	<u>2,580,989</u>

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	Issued Capital	Reserves	Retained Earnings/ (Accumulated Losses)	Total
Consolidated	\$	\$	\$	\$
Balance at 1 July 2015	28,178,986	(815,679)	(24,782,318)	2,580,989
Foreign currency translation	-	(132,390)	-	(132,390)
Change in the fair value of available for sale investment and associate	-	179,005	-	179,005
Profit/(loss) for the period	-	-	(149,862)	(149,862)
At 31 December 2015	<u>28,178,986</u>	<u>(769,064)</u>	<u>(24,932,180)</u>	<u>2,477,742</u>
Balance at 1 July 2014	28,178,986	(827,261)	(23,922,402)	3,429,323
Foreign currency translation	-	184,833	-	184,833
Change in the fair value of available for sale investment and associate	-	(87,959)	-	(87,959)
Profit/(loss) for the period	-	-	(153,416)	(153,415)
At 31 December 2014	<u>28,178,986</u>	<u>(730,387)</u>	<u>(24,075,817)</u>	<u>3,372,782</u>

The statement of changes in equity is to be read in conjunction with the accompanying notes.

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Consolidated	
	31.12.2015	31.12.2014
	\$	\$
Cash flows from operating activities		
Cash receipts from customers	-	-
Cash payments to suppliers	(149,247)	(174,802)
Interest received	13,969	8,763
Interest paid	-	-
Income tax (paid)/ refund	-	-
Net cash from/ (used in) operating activities	(135,278)	(166,039)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	-	137
Proceeds from sale of held for trading investments	-	-
Net cash used in investing activities	-	137
Cash flows from financing activities		
Advancement of loans to other entities	(15,961)	(128,513)
Net cash from/ (used in) financing activities	(15,961)	(128,513)
Net increase in cash and cash equivalents	(151,239)	(294,415)
Cash and cash equivalents at beginning of period	374,144	714,193
Effect of exchange rate fluctuations on cash and cash equivalents	6,094	52,717
Cash and cash equivalents at end of period	228,999	472,495

The consolidated cash flow statement is to be read in conjunction with the accompanying notes

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 1: BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2015 have been prepared in accordance with requirements of the Corporations Act 2011 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Global Gold Holdings Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. The half year financial report does not include notes of the type normally included in an annual report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2015, together with any public announcements made during the half-year.

These interim financial statements were authorised for issue on 29 February 2016.

a. Accounting Policies

The condensed consolidated financial statements have been prepared on a basis of historical cost, unless stated other in the notes. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian Dollars, unless state otherwise. The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

b. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Global Gold Holdings Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 4.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015
NOTE 1: BASIS OF PREPARATION (CONT'D)

c. Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- *Market approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach*: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 1: BASIS OF PREPARATION (CONT'D)

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- (i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- (ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

d. Critical Accounting Estimates and Significant Judgments Used in Applying Accounting Policies

The critical estimates and judgments are consistent with those applied and disclosed in the June 2015 annual report.

NOTE 2: OTHER REVENUE AND OTHER INCOME

	Consolidated Group	
	For the six months ended 31.12.2015	For the six months ended 31.12.2014
	\$	\$
(a) Other revenue		
Interest	45	1,479
Rental Income	-	69
	<u>45</u>	<u>1,548</u>

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

NOTE 2: OTHER REVENUE AND OTHER INCOME (CONT'D)

	Consolidated Group	
	For the six months ended 31.12.2015	For the six months ended 31.12.2014
	\$	\$
(b) Other Income		
Gain on disposal of property, plant and machinery	-	136
Interest income from money lending	13,924	7,284
Gain on revaluation of investments	400	-
Other	358	-
	<u>14,682</u>	<u>7,420</u>
(c) Other Expenses includes the following:		
Loss on foreign exchange	141	-
	<u>141</u>	<u>-</u>

NOTE 3: SEGMENT INFORMATION

(i) Segment Performance

The following table presents segment revenue and profit information for the respective half year periods.

	Gold Trading	
	Consolidated Group	
	For the six months ended 31.12.2015	For the six months ended 31.12.2014
	\$	\$
Revenue		
Sales to external customers	-	-
Profit from disposal of property, plant and machinery	-	136
Interest income	-	1,479
Interest income from money lending	13,926	7,284
Total segment revenue	<u>13,926</u>	<u>8,899</u>
Total segment results before tax	<u>(71,816)</u>	<u>(83,739)</u>

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

NOTE 3: SEGMENT INFORMATION (CONT'D)

	Investment in Gold Equities & Gold Related Entities	
	Consolidated Group	
	For the six months ended 31.12.2015	For the six months ended 31.12.2014
	\$	\$
Revenue		
Interest and dividend	43	-
Gain on fair value revaluation of investments classified as held for trading	400	-
Total segment revenue	443	-
Total Segment Result before tax	(78,932)	(69,745)
Reconciliation of segment result to net profit/(loss) before tax		
Amounts not included in segment result but reviewed by the Board:		
• Loss on foreign currencies	(141)	
• Other income	1,027	69
Net Profit / (loss) before tax	(149,862)	(153,415)

	Consolidated Group	
	31 December 2015	30 June 2015
	\$	\$
(ii) Segment Assets		
Gold Trading	397,934	569,858
Investment in gold equities & gold related entities	723,722	545,506
Increase for the period		
• capital expenditure	-	-
• acquisitions	-	-
Reconciliation of segment assets to group assets		
Unallocated assets:		
• Deferred tax assets	-	-
• Trade receivables – money lending	1,421,343	1,525,328
Total assets as at end of financial period	2,542,999	2,640,692

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

NOTE 3: SEGMENT INFORMATION (CONT'D)

(iii) Segment liabilities

All liabilities of the Group relate to the gold trading segment and investment in gold equities & gold related entities.

(iv) Revenue by geographical region

Revenue attributable to external customers is disclosed below, based on the location of the external customer:

	Consolidated Group	
	For the six months ended 31.12.2015	For the six months ended 31.12.2014
	\$	\$
Hong Kong	-	-
Middle East	-	-
China	-	-
Total revenue	-	-

(vi) Assets by geographical region

The location of segment assets is disclosed below by geographical location of the assets:

	Balance as at 31.12.2015	Balance as at 30.6.2015
	\$	\$
Australia	715,616	555,638
Malaysia	1,625,505	1,804,701
Hong Kong	201,878	280,353
Total Assets	2,542,999	2,640,692

(a) Major customers

The consolidated entity has ceased gold trading and did not have major customer in the half year ended 31 December 2015.

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

NOTE 4: INTEREST IN SUBSIDIARIES

The consolidated financial statements include the financial statements of Global Gold Holdings Limited and the subsidiaries listed in the following table:

	Country of Incorporation	% Equity interest	
		31.12.2015	31.12.2014
Rimbun Teratai Sdn Bhd	Malaysia	100%	100%
G-Vest Corporation Sdn Bhd	Malaysia	100%	100%
Global Gold Holdings (HK) Limited	Hong Kong	100%	100%

NOTE 5: FAIR VALUE MEASUREMENT

- a. **Recurring and Non-recurring Fair Value Measurement Amounts and the Level of the Fair Value Hierarchy within which the Fair Value Measurements Are Categorised**

Description	Fair Value Measurements at 31 December 2015 Using:		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs Other than Level 1 Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Recurring fair value measurements			
Securities held for trading (fair value through profit or loss):			
Investments in shares of listed corporations	2,792	-	-
Available for sale financial assets:			
- Listed investments	720,929	-	-
- Other	-	-	-
Non-recurring fair value measurements	-	-	-

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

NOTE 5: FAIR VALUE MEASUREMENT (CONT'D)

Fair Value Measurements at 30 June 2015 Using:			
Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs Other than Level 1 Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Recurring fair value measurements			
Securities held for trading (fair value through profit or loss):			
Investments in shares of listed corporations	2,391	-	-
Available for sale financial assets:			
- Listed investments	543,115	-	-
- Other	-	-	-
Non-recurring fair value measurements	-	-	-

There were no transfers between Level 1 and Level 2 during the reporting period.

NOTE 6: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

At balance date, there is a loan receivable of \$1,179,960 which has remained outstanding for an extended period of time. Subsequent to year end, this trade debtor has requested for renegotiation of the settlement. The proposal is being considered and the settlement is pending the approval of the Board. There were no other material events subsequent to the end of the reporting period that have not been reflected in this financial statements.

NOTE 8: GOING CONCERN

The financial statements of the Group have been prepared on a going concern basis of accounting which assumes that the Group will be able to meet its commitments, realise its assets, discharge its liabilities in the ordinary course of business.

Although the Group has reported a net loss after tax of \$149,862 and a net cash operating outflow of \$135,278 for the half year ended 31 December 2015, the Group's total current assets exceed its total current liability by \$1,632,326 at the end of this period.

The Directors believe that at the date of signing the financial statement there are reasonable grounds to believe that having regard to the matter set out above, the Group will be able to generate sufficient funds to meet its obligations as and when they fall due.

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 3 to 15 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



CHAIRMAN

Tunku Naquiyuddin

Dated this 29th day of February 2016, Perth.

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**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
GLOBAL GOLD HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES**

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Global Gold Holdings Limited which comprises the consolidated condensed statement of financial position as at 31 December 2015 the consolidated condensed statement of profit or loss and other comprehensive income, consolidated condensed statement of changes in equity, the consolidated condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Global Gold Holdings Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year 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 half-year 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Global Gold Holdings Limited's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Global Gold Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year 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*. We confirm that the independence declaration required by the Corporations Act, which has been given to the directors of Global Gold Holdings Limited, would be in the same terms if provided to the directors as at the time of this auditor's review report.

**GLOBAL GOLD HOLDINGS LIMITED ACN 123 879 416
AND CONTROLLED ENTITIES**

Conclusion

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

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

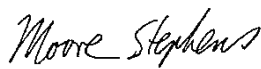
Emphasis of Matter – Exposure to Significant Level of Credit Risk

Without qualification to the conclusion expressed above, attention is drawn to the following matter.

In our opinion, the consolidated entity is exposed to a significant level of credit risk arising from a money lending debtor. At balance date, there is a loan receivable of \$1,179,960 which has remained outstanding for an extended period of time. Subsequent to year end, this trade debtor has requested for renegotiation of the settlement. The proposal is being considered and the settlement is pending the approval of the Board as disclosed in events subsequent to balance date. The directors of the borrowing entity have provided a personal guarantee and collateral consisting of a deed of assignment on several parcels of land located in Malaysia. Our conclusion is not qualified in respect of this matter.



Neil Pace
Partner



Moore Stephens
Chartered Accountants

Signed at Perth this 29th day of February 2016