



12 March 2009

The Company Announcements Office
ASX Limited

Via E-Lodgement

HALF YEARLY FINANCIAL REPORT

Please find attached the Company's Financial Report for the half-year ended 31 December 2008.

Yours faithfully
Global Iron Limited

A handwritten signature in black ink, appearing to read "Timothy Turner", with a stylized flourish at the end.

Timothy Turner
Company Secretary



Global Iron Limited

(ABN 87 125 419 730)

*Interim Financial Report
for the Six Month Period Ended
31 December 2008*

CONTENTS

| | |
|---|----|
| <i>Directors' Report</i> | 2 |
| <i>Auditor's Independence Declaration</i> | 3 |
| <i>Income Statement</i> | 4 |
| <i>Balance Sheet</i> | 5 |
| <i>Statement of Changes in Equity</i> | 6 |
| <i>Cash Flow Statement</i> | 7 |
| <i>Notes to the Financial Statements</i> | 8 |
| <i>Directors' Declaration</i> | 10 |
| <i>Independent Auditor's Review Report To The Members</i> | 11 |

DIRECTORS' REPORT

Your Directors present their report on Global Iron Limited ("Global Iron") or (the "Company") for the half-year ended 31 December 2008.

1. DIRECTORS

The names of Directors in office during the whole of the half-year and up to the date of this report:

Mr Antony Sage
Mr Roberto Catena
Mr Timothy Turner

2. REVIEW OF OPERATIONS

Corporate & Mineral Exploration

The directors continue to pursue new ventures both at a corporate and project level.

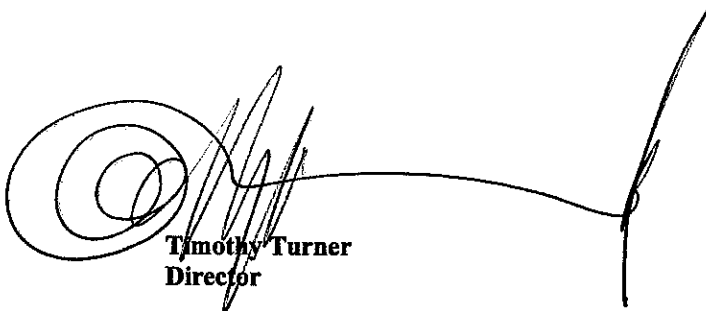
Financial Result

The Company incurred a loss after income tax of (\$872,163) for the half-year period. The Company has cash funds on hand of \$1,608,863 at 31 December 2008.

3. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3

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



Timothy Turner
Director

Perth, 11th March 2009



Grant Thornton

10 Kings Park Road
West Perth WA 6005
PO BOX 570
West Perth WA 6872

T +61 8 9480 2000
F +61 8 9322 7787
E admin@gtwa.com.au
W www.grantthornton.com.au

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF GLOBAL IRON LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Global Iron Limited for the half-year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been:

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

GRANT THORNTON (WA) PARTNERSHIP
Chartered Accountants

MJ HILLGROVE
Partner

Perth, 11 March 2009

**INCOME STATEMENT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2008**

| | Half year 2008 \$ | Half year 2007 \$ |
|--|------------------------|------------------------|
| Revenue | 37,627 | 53,485 |
| Depreciation expense | (6,547) | (10,357) |
| Consulting expenses, including directors' remuneration | (422,262) | (451,437) |
| Compliance and regulatory expenses | (84,136) | (14,123) |
| Administration expenses | (7,933) | (35,379) |
| Finance expenses | (3,851) | (4,123) |
| Loss on sale of motor vehicle | (62,855) | - |
| Impairment of exploration & evaluation expenditure | (322,206) | - |
| | <hr/> | <hr/> |
| (Loss) before income tax | (872,163) | (461,934) |
| Income tax benefit | - | - |
| | <hr/> | <hr/> |
| Net (Loss) for the half-year | (872,163) | (461,934) |
| | <hr/> | <hr/> |
| Overall Operations | | |
| Basic/diluted (loss) per share | (4.81) cents per share | (4.57) cents per share |

The accompanying notes form part of these financial statements

**BALANCE SHEET
AS AT
31 DECEMBER 2008**

| | Note | 31 December 2008 \$ | 30 June 2008 \$ |
|--|------|------------------------|--------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | | 1,608,863 | 2,208,668 |
| Trade and Other Receivables | | 30,401 | 20,977 |
| TOTAL CURRENT ASSETS | | 1,639,264 | 2,229,645 |
| NON CURRENT ASSETS | | | |
| Plant and Equipment | | 2,994 | 163,305 |
| Exploration and Evaluation Expenditure | 3 | 216,791 | 538,997 |
| TOTAL NON CURRENT ASSETS | | 219,785 | 702,302 |
| TOTAL ASSETS | | 1,859,049 | 2,931,947 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | | 36,462 | 78,643 |
| Borrowings | | - | 29,257 |
| TOTAL CURRENT LIABILITIES | | 36,462 | 107,900 |
| NON CURRENT LIABILITIES | | | |
| Borrowings | | - | 129,297 |
| TOTAL NON CURRENT LIABILITIES | | - | 129,297 |
| TOTAL LIABILITIES | | 36,462 | 237,197 |
| NET ASSETS | | 1,822,587 | 2,694,750 |
| EQUITY | | | |
| Contributed Equity | | 2,328,401 | 2,328,401 |
| Reserves | | 1,228,750 | 1,228,750 |
| Accumulated losses | | (1,734,564) | (862,401) |
| TOTAL EQUITY | | 1,822,587 | 2,694,750 |

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED
31 DECEMBER 2008**

| | Ordinary Share Capital | Option Reserve | (Accumulated Losses) | Total |
|---|-----------------------------------|---------------------------|---------------------------------|------------------|
| | \$ | \$ | \$ | |
| BALANCE AT 1 JULY 2007 | 1 | - | - | 1 |
| Shares issued during the year | 2,349,388 | - | - | 2,349,388 |
| (Loss) attributable to members of the Company | - | - | (461,934) | (461,934) |
| Option reserve on recognition of bonus element of options | - | 1,228,750 | - | 1,228,750 |
| BALANCE AT 31 DECEMBER 2007 | 2,349,389 | 1,228,750 | (461,934) | 3,116,205 |
| BALANCE AT 1 JULY 2008 | 2,328,401 | 1,228,750 | (862,401) | 2,694,750 |
| (Loss) attributable to members of the Company | - | - | (872,163) | (872,163) |
| BALANCE AT 31 DECEMBER 2008 | 2,328,401 | 1,228,750 | (1,734,564) | 1,822,587 |

The accompanying notes form part of these financial statements.

**CASHFLOW STATEMENT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2008**

| | Half-year 2008 | Half-year 2007 |
|--|-----------------------|-----------------------|
| | \$ | \$ |
| Cash Flows from Operating Activities | | |
| Payments to suppliers and employees | (566,234) | (30,516) |
| Interest received | 37,627 | 47,819 |
| Finance costs | (3,553) | (2,720) |
| | <hr/> | <hr/> |
| <i>Net cash flows from/(used in) used in operating activities</i> | (532,160) | 14,583 |
| | <hr/> | <hr/> |
| Cash Flows From Investing Activities | | |
| Proceeds from sale of plant & equipment | 90,909 | - |
| Payment for exploration and evaluation | - | (2,550) |
| Payment for purchase of plant & equipment | - | (15,555) |
| | <hr/> | <hr/> |
| <i>Net cash from/(used in) investing activities</i> | 90,909 | (18,105) |
| | <hr/> | <hr/> |
| Cash Flows from Financing Activities | | |
| Proceeds from application for shares | - | 3,000,000 |
| Payments for costs of capital raising | - | (307,787) |
| Repayment of borrowings | (158,554) | (7,743) |
| | <hr/> | <hr/> |
| <i>Net cash from / (used in) financing activities</i> | (158,554) | 2,684,470 |
| | <hr/> | <hr/> |
| Net increase / (decrease) in Cash and Cash Equivalents | (599,805) | 2,680,948 |
| Cash and Cash Equivalents at the Beginning of the Half-Year | 2,208,668 | 1 |
| | <hr/> | <hr/> |
| Cash and Cash Equivalents at the End of Half-Year | 1,608,863 | 2,680,949 |
| | <hr/> | <hr/> |

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED
31 DECEMBER 2008**

1. BASIS OF PREPARATION OF HALF-YEAR REPORT

This general purpose financial report for the interim half-year reporting period ended 31 December 2008 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This 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 for the year ended 30 June 2008 and any public announcements made by Global Iron Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Significant Accounting Policies

These condensed consolidated interim financial statements (the interim financial statements) have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year to 30 June 2008.

The following applicable standards have been issued but have not been early adopted:

- AASB 101: *Presentation of Financial Statements* (Revised 2007)
- AASB 8: *Operating Segments*

AASB 101 (Revised 2007) makes certain changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. It also gives rise to additional disclosures. The measurement and recognition of the Group's assets, liabilities, income and expenses is unchanged. AASB 101 affects the presentation of owner changes in equity and introduces a 'Statement of comprehensive income'. Further, a 'Statement of changes in equity' is now presented as a primary statement.

AASB 8 now reports segment results based on internal management reporting information that is regularly reviewed by the chief operating decision maker. In the previous annual and interim financial statements, segments were identified by reference to the dominant source and nature of the Group's risk and returns. This may result in a different set of segments being identified than those previously discussed under AASB 114.

2. DIVIDENDS

No dividends have been paid or proposed during the six month period ended 31 December 2008.

3. EXPLORATION AND EVALUATION EXPENDITURE

| | 31 December 2008 \$ | 30 June 2008 \$ |
|---|------------------------------------|--------------------------------|
| Opening balance | | |
| Exploration expenditure acquired | 538,997 | 569,325 |
| Exploration expenditure incurred | - | 2,550 |
| Less Impairment of exploration & evaluation expenditure | <u>(322,206)</u> | <u>(32,878)</u> |
| - Exploration and evaluation phases | <u>216,791</u> | <u>538,997</u> |

The company has assessed the carrying amount of the exploration and evaluation expenditure in accordance with AASB6 – ‘Exploration for and Evaluation of Mineral Resources’ and has recognised an impairment Loss of \$872,163 during the period. This amount is shown as a separate line item on the Income Statement.

The value of the Company’s interest in exploration expenditure is dependent upon:

- the continuance of the Company’s rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and commercial exploitation of the areas of interest, or alternatively, by their sale.

The Company’s exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED
31 DECEMBER 2008 (continued)**

4. SEGMENT INFORMATION

The Company operates in one segment being mineral exploration and development in Australia.

5. EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company.

6. FUNDING

The company is focused on exploration and development. The major sources of liquidity for these activities are traditionally the capital markets. The 2008 international economic crisis has tightened traditional capital markets. Positive exploration and development results will be a key factor in the entity's ability to attract funding and meet its financial commitments in future. The company's ability to continue as a going concern and expand its exploration and development activities depends on its ability to obtain financing through equity financing, joint ventures, production off take arrangements or other means.

7. COMMITMENTS AND CONTINGENCIES

| (a) Lease commitments | 31 December 2008 | 30 June 2008 |
|---|-------------------------|---------------------|
| | \$ | \$ |
| Commitments in relation to finance leases are payable as follows: | | |
| Within 1 year | - | 41,672 |
| Later than 1 year but not later than 5 years | - | 168,600 |
| Later than 5 years | - | - |
| Minimum lease payments | - | 210,272 |
| Future finance charges | - | (38,015) |
| Recognised as a liability | - | 172,257 |

(b) Remuneration Commitments

Commitments for the payment of consultancy fees under long term contracts in existence at the reporting date but not recognised as liabilities, payable:

| | | |
|--|----------------|------------------|
| Within 1 year | 446,000 | 446,000 |
| Later than 1 year and not later than 5 years | 342,500 | 788,500 |
| Later than 5 years | - | - |
| | <u>788,500</u> | <u>1,234,500</u> |

(c) Minimum Exploration Expenditure Commitments

The Company does not own tenements in its own right and therefore does not have any commitments for minimum exploration expenditure.

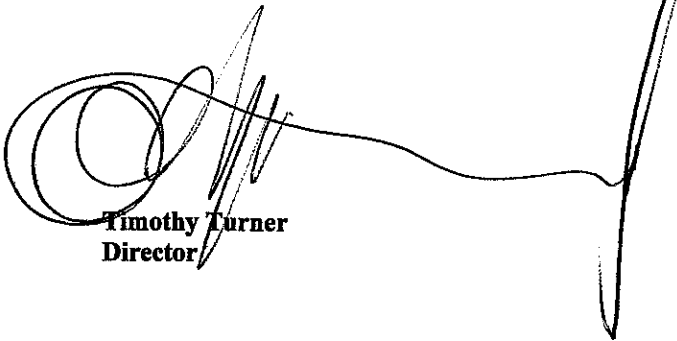
DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) the financial statements and notes, as set out on the accompanying pages, are in accordance with the Corporations Act 2001 including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; 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.

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



Timothy Turner
Director

Perth, 11th March 2009



10 Kings Park Road
West Perth WA 6005
PO BOX 570
West Perth WA 6872

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GLOBAL IRON LIMITED

T +61 8 9480 2000
F +61 8 9322 7787
E admin@gtwa.com.au
W www.granthornton.com.au

We have reviewed the accompanying half-year financial report of Global Iron Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, and other selected explanatory notes.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards including the Australian Accounting Interpretations and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 Engagement ASRE 2410: Review of an Interim and Other Financial Reports 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 financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2008 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 Iron 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.



Grant Thornton

Independence

In conducting our review, we complied with the independence requirements of the Australian professional ethical pronouncements and 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 half-year financial report of Global Iron Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the company's financial position as at 31 December 2008 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.

GRANT THORNTON (WA) PARTNERSHIP
Chartered Accountants

M J HILLGROVE
Partner

Perth, 11 March 2009