



CASTILLO Y ASOCIADOS SOCIEDAD CIVIL



GLOBAL GOLD S.A.C.

AUDITORS' REPORT

Three months ended December 31 2014 and Year ended
September 30, 2014



PROPÓSITO El Portal de data abierta de Datos Perú, fue creado para promover la transparencia, servir de fuente de datos al periodismo de investigación y para facilitar negocios nacionales e internacionales. El portal ofrece información relativa a empresas, marcas registradas, normas y leyes peruanas así como datos de comercio exterior en detalle. Lanzado en 2011, este portal es una iniciativa de los que éramos un grupo de estudiantes peruanos en el extranjero. Este portal fue multado de manera notoria en el 2014 por la Autoridad Nacional de Protección de Datos Personales en un asombroso despliegue de pobre interpretación de la legislación en esa materia. Esta mala interpretación así como un afán de figuración y un notorio abuso de poder tuvieron como consecuencia el cierre temporal de este portal. Al momento de escribir estas líneas, Datos Perú no tiene otros ingresos que los que sus promotores aportan y estamos a la espera que se pueda reactivar nuestro canal de ingresos publicitarios. La creación de este site ha demandado miles de horas de trabajo desinteresado por parte de sus fundadores e impulsores. Este grupo declara aquí su compromiso a:

- Aumentar la disponibilidad de información sobre las actividades gubernamentales
- Apoyar la participación ciudadana
- Fomentar un gobierno y un sector privado responsables
- Fomentar los negocios y la prosperidad
- Apoyar la lucha contra la corrupción
- Aumentar el acceso a las nuevas tecnologías para la apertura y la rendición de cuentas
- Combatir los intentos de cualquier gobierno a limitar el acceso a la información pública
- Combatir los intentos de cualquier gobierno a vigilarnos

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GLOBAL GOLD S.A.C.

AUDITORS' REPORT

Three months ended December 31 2014 and Year ended September 30, 2014

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\$ United States Dollar



INDEPENDENT AUDITORS' REPORT

To the Shareholders of GLOBAL GOLD S.A.C.

We have audited the accompanying financial statements of Global Gold S.A.C., which comprise the statements of financial position as at December 31, 2014, and September 30, 2014 and the statements of comprehensive loss, changes in equity and cash flows for the period ended December 31, 2014 and year ended September 30, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the financial statements which states that the Company has not yet realized profitable operations which indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Global Gold S.A.C. as at December 31, 2014, and September 30, 2014 and its financial performance and its cash flows for the period ended December 31, 2014 and year ended September 30, 2014 in accordance with International Financial Reporting Standards.

Signed by:

Guillermo Bazalar Mendoza (Partner)
Chartered Public Accountant
Registration N° 16785

Lima, Peru, February 19, 2015

GLOBAL GOLD S.A.C.
STATEMENT OF FINANCIAL POSITION
(Expressed in United States Dollars)

	As at December 31, 2014 \$	As at September 30, 2014 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (Note 4)	672	3,666
Other Accounts receivable (Note 5)	5,253	2,503
Prepaid expenses (Note 6)	4,627	2,035
	<u>10,552</u>	<u>8,204</u>
NON CURRENT ASSETS		
Sales taxes recoverable (Note 7)	1,295,195	1,332,257
Mineral properties and deferred exploration costs (Note 8)	19,203,595	19,035,346
	<u>20,509,342</u>	<u>20,375,807</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable (Note 9)	52,684	43,989
NON CURRENT LIABILITIES		
Due to parent company (Note 10)	20,695,592	20,570,752
	<u>20,748,276</u>	<u>20,614,741</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 11)	219,250	219,250
Deficit	(458,184)	(458,184)
	<u>(238,934)</u>	<u>(238,934)</u>
	<u>20,509,342</u>	<u>20,375,807</u>

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

APPROVED BY THE DIRECTORS


ULISES RAUL SOLIS LLAPA
DIRECTOR


LAURENCE STEFAN
DIRECTOR

GLOBAL GOLD S.A.C.

STATEMENT OF COMPREHENSIVE LOSS

(Expressed in United States Dollars)

	Period ended December 31, 2014	Year ended September 30, 2014
	\$	\$
REVENUES		
Revenues from mining operations	-	-
Interest and sundry income	-	-
	-	-
EXPENSES		
Administrative expenses	-	-
Exploration expenses	-	-
Income tax	-	-
Loss and comprehensive loss for the year	-	-
Basic and diluted earnings per share	-	-
Total shares outstanding	702,032	702,032

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

GLOBAL GOLD S.A.C.

STATEMENT OF CHANGES IN EQUITY

(Expressed in United States Dollars)

	<u>Common Shares</u>			
	<u>Shares</u>	<u>Amount</u>	<u>Deficit</u>	<u>Total</u>
Balance at October 1, 2014	702,032	\$ 219,250	\$ (458,184)	\$ (238,934)
Loss for period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at December 31, 2014	<u>702,032</u>	<u>\$ 219,250</u>	<u>\$ (458,184)</u>	<u>\$ (238,934)</u>

	<u>Common Shares</u>			
	<u>Shares</u>	<u>Amount</u>	<u>Deficit</u>	<u>Total</u>
Balance at October 1, 2013	702,032	\$ 219,250	\$ (458,184)	\$ (238,934)
Loss for year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at September 30, 2014	<u>702,032</u>	<u>\$ 219,250</u>	<u>\$ (458,184)</u>	<u>\$ (238,934)</u>

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

GLOBAL GOLD S.A.C.

STATEMENT OF CASH FLOW
(Expressed in United States Dollars)

	Period ended December 31, 2014 \$	Year ended September 30, 2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	0	0
Net change in non-cash working capital items (Note 12)	40,415	(29,646)
	<u>40,415</u>	<u>(29,646)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Mineral properties and deferred exploration costs	(168,249)	(1,609,323)
	<u>(168,249)</u>	<u>(1,609,323)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Due to parent company	- 124,840	- 1,641,520
	<u>124,840</u>	<u>1,641,520</u>
Change in cash	(2,994)	2,551
Cash- beginning of year	3,666	1,115
Cash- end of the period	<u>672</u>	<u>3,666</u>

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

GLOBAL GOLD S.A.C.

NOTES TO THE FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

Global Gold S.A.C. (the “Company”) is a company legally established on July 9, 2001. The registered address, principal address and records office of the Company is located at Avenue Jose Galvez Barrenechea N°. 511 District of San Isidro, Lima, Peru where its administrative office is located.

The Company is in the process of exploring and developing its mineral resource properties located principally in Peru. To date, the Company has not earned significant revenues and is considered to be in the exploration stage.

The realization of amounts shown for resource properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to develop these properties, and future profitable production or proceeds of disposition from these properties.

2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

a) Statement of Compliance

The financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

The policies applied in the Company's financial statements are based on IFRS effective as of December 31, 2014, and were approved by the Board of Directors.

b) Basis of Measurement

The Company's financial statements have been prepared on the historical cost basis.

c) Functional and Presentation Currency

The functional currency of the Company is the United States Dollars and these financial statements are presented in United States Dollars

2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION (continued)

d) Going Concern

The Company has not generated revenue from operations. The Company incurred a net loss of \$Nil (2013: \$Nil) during the period ended December 31, 2014 and, as of that date the Company's deficit was \$458,184. The Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company is dependent upon financing provided by its parent company Macusani Yellowcake Inc. ("Macusani"). Macusani will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

e) Use of Estimates

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of operations during the reporting period. Significant estimates and assumptions include those related to the recoverability of mineral properties and deferred exploration costs, the estimated useful lives of property, plant and equipment, the valuation of options and warrants and the ability to continue as a going concern. While management believes that the estimates and assumptions are reasonable, actual results could differ from those estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

a) Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Company's financial statements are presented in United States dollars. Costs of the Company are primarily incurred in United States Dollars. The Company translates monetary assets and liabilities at the rate of exchange in effect at the date of the statement of financial position and non-monetary assets and liabilities at historical exchange rates. Income and expenses are translated at average rates in the month they occur. Gains and losses on translation are recorded in the statement of operations.

b) Cash and Cash Equivalents

Cash and cash equivalents include bank deposits and highly liquid short-term money market investments such as bankers acceptance notes, treasury bills and guaranteed investment certificates with maturities of 90 days or less.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquire and the equity interests issued by the Company in exchange for control of the acquire.

Any excess of the purchase price over fair value is recorded as goodwill. Acquisition-related costs are recognized in profit or loss as incurred.

d) Mineral Properties and Deferred Exploration Costs

Pre-exploration Costs

Pre-exploration costs are expensed in the period in which they are incurred.

Exploration and Evaluation Expenditures

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures ("E&E") are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of comprehensive loss/income.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction". Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Mineral exploration and evaluation expenditures are classified as intangible assets.

Once a project is determined to be technically feasible and commercially viable and a decision has been made to proceed with development, the relevant exploration and evaluation asset is tested for impairment and the balance is reclassified as a mine development asset in property, plant and equipment. All subsequent expenditures to ready the property for production are capitalized within mine development assets, other than those costs related to the construction of property, plant and equipment. Once production has commenced, all costs included in mine development assets are reclassified to mining properties.

e) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior twelve months. A reversal of an impairment loss is recognized immediately in profit or loss.

f) Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are determined based on the differences between the carrying amount of assets and liabilities on the balance sheet and their corresponding tax value, using the substantively enacted tax rates expected to apply when these temporary differences are reversed.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is probable that they will be realized. Income tax expense is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity.

g) Decommissioning Liabilities

The Company's mining exploration activities are subject to various governmental laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and are generally becoming more restrictive. The Company has made, and intends to make in the future, expenditures to comply with such laws and regulations or constructive obligations.

Accrued site closure costs are recorded at the time an environmental disturbance occurs, and are measured at the Company's best estimate of the expected value of future cash flows required to reclaim the disturbance upon site closure, discounted to their net present value. The net present value is determined using a pre-tax discount rate that is specific to the liability. The estimated net present value is re-measured on an annual basis or when changes in circumstances occur and/or new material information becomes available. Increases or decreases to the provision arise due to changes in legal or regulatory requirements, the extent of environmental remediation required and cost estimates. The net present value of the estimated costs of these changes is recorded in the period in which the change is identified and quantifiable.

Upon initial recognition of site closure costs, there is a corresponding increase to the carrying amounts of related assets and the cost is amortized as an expense on a unit-of-production basis over the life of the related assets. The value of the provision is progressively increased over the life of the operation as the effect of discounting unwinds, such increase is recognized as interest expense.

As at December 31, 2014 the Company has not incurred and is not committed to any decommissioning obligations in respect of its mineral exploration properties.

h) Other Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

i) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is recognized as a finance lease obligation within long-term debt.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

j) **Other Comprehensive Income (Loss)**

Other Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit or loss such as foreign currency gains or losses related to translation of the financial statements of foreign operations. The Company's comprehensive income (loss), components of other comprehensive income and cumulative translation adjustments are presented in the consolidated statements of comprehensive income (loss) and the consolidated statements of changes in equity.

k) **Loss per Share**

Loss per share is computed by dividing the loss for the twelve months by the weighted average number of common shares outstanding during the twelve months, including contingently issuable shares which are included when the conditions necessary for issuance have been met. Diluted loss per share is calculated in a similar manner, except that the weighted average number of common shares outstanding is increased to include potentially issuable common shares from the assumed exercise of common share purchase options and warrants, if dilutive. The number of additional shares included in the calculation is based on the treasury stock method for options and warrants.

l) **Related Party Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at fair value.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities recorded at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities recorded at fair value through profit or loss are recognized immediately in the Statement of Operations and Comprehensive Income.

Financial Assets

The Company recognizes all financial assets initially at fair value and classifies them into one of the following specified categories: fair value through profit or loss (“FVTPL”), held-to-maturity (“HTM”), available-for-sale (“AFS”) and loans and receivables. HTM instruments and loans and receivables are measured at amortized cost. AFS instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss for the period.

The fair value of financial instruments traded in active markets (such as FVTPL and AFS securities) is based on quoted market prices at the date of the Statement of Financial Position. The quoted market price used for financial assets held by the Company is the current bid price.

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Financial Liabilities and Equity Instruments

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities. Financial liabilities classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss for the period. Other financial liabilities including borrowings are initially measured at fair value net of transaction costs, and subsequently measured at amortized cost using the effective interest rate method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issuance costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in the Statement of Comprehensive Income (Loss) on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The Company's financial assets and liabilities are classified and subsequently measured as follows:

Asset/Liability	Classification	Subsequent Measurement
Cash and cash equivalents	FVTPL	Fair value to profit or loss
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Due to related parties	Other financial liabilities	Amortized cost

n) Critical Accounting Judgments and Estimation Uncertainties

The preparation of the financial statements in conformity with IFRS requires that the Company's management make critical judgments, estimates and assumptions about future events that affect the amounts reported in the condensed interim financial statements and related notes to the condensed interim financial statements. Actual results may differ from those estimates. Estimates and assumptions are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates are accounted for prospectively.

The Company has identified the following critical accounting policies under which significant judgments, estimates and assumptions are made and where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Recoverability of Mineral Properties and Deferred Exploration Costs

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company assesses all exploration and evaluation assets, mine development assets and property, plant and equipment at each reporting date to determine whether any indication of impairment exists.

Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long term commodity prices, discount rates, foreign exchange rates, future capital requirements, exploration potential and operating performance.

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

o) New standards and interpretations not adopted

The following new standards, amendments to standards and interpretations are effective for periods beginning on or after January 1, 2013 unless otherwise stated.

IFRS 9, Financial Instruments ("IFRS 9") (Effective January 1, 2015)

IFRS 9 addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39, Financial Instruments: Recognition and Measurement, for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated other comprehensive income indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

IFRS 10, Consolidation ("IFRS 10")

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 11, Joint Arrangements ("IFRS 11")

IFRS 11 requires a venture to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Ventures.

IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12")

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13, Fair Value Measurement ("IFRS 13")

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement.

Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

Amendments to other standards

In addition, there have been amendments to existing standards, including IAS 27, Separate Financial Statements (IAS 27), and IAS 28, Investments in Associates and Joint Ventures (IAS 28). IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10-13.

The Company has not yet assessed the impact of these standards and does not plan to early adopt these new standards.

4. CASH AND CASH EQUIVALENTS

Cash includes the following:

	As at December 31, 2014	As at September 30, 2014
	\$	\$
Bank deposits	672	3,666

5. OTHER ACCOUNTS RECEIVABLE

Accounts receivable includes the following:

	As at December 31, 2014	As at September 30, 2014
	\$	\$
Other account receivable	5,253	2,503

6. PREPAID EXPENSES

Prepaid expenses include the following:

	As at December 31, 2014	As at September 30, 2014
	\$	\$
Prepaid expenses	4,627	2,035

7. SALES TAXES RECOVERABLE

Sales taxes recoverable includes the following:

	As at December 31, 2014	As at September 30, 2014
	\$	\$
Sales taxes recoverable	1,295,195	1,332,257

GLOBAL GOLD S.A.C.
Notes to the Financial Statements
As at December 31, 2014

8. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS

Mineral properties and deferred exploration costs includes the following:

	As at December 31, 2014	As at September 30, 2014
	\$	\$
Mineral properties	1,704,183	1,704,183
Deferred exploration costs	17,499,412	17,331,163
	<u>19,203,595</u>	<u>19,035,346</u>

Concessions include the following non-producing mineral properties:

N°	Name of Mining claim	Code	Location	Title	Hectares	\$ x Hectares	Situation
1	COLIBRI I	01-00888-05	Puno	Global Gold S.A.C.	600	10,579	Concession
2	COLIBRI II	01-00889-05	Puno	Global Gold S.A.C.	600	10,579	Concession
3	COLIBRI III	01-01218-05	Puno	Global Gold S.A.C.	100	1,763	Concession
4	COLIBRI IV	01-04370-06	Puno	Global Gold S.A.C.	900	15,868	Concession
5	COLIBRI V	01-04371-06	Puno	Global Gold S.A.C.	700	12,342	Concession
6	COLIBRI VI	01-04372-06	Puno	Global Gold S.A.C.	200	3,526	Concession
7	COLIBRI VII	01-04373-06	Cusco	Global Gold S.A.C.	800	14,105	Concession
8	COLIBRI VIII	01-04374-06	Cusco	Global Gold S.A.C.	1000	17,631	Concession
9	COLIBRI IX	01-04375-06	Cusco	Global Gold S.A.C.	1000	17,631	Concession
10	COLIBRI X	01-04376-06	Puno	Global Gold S.A.C.	1000	17,631	Concession
11	COLIBRI XI	01-04377-06	Puno	Global Gold S.A.C.	800	14,105	Concession
12	COLIBRI XII	01-04378-06	Puno	Global Gold S.A.C.	700	12,342	Concession
13	COLIBRI XIII	01-04379-06	Puno	Global Gold S.A.C.	300	5,289	Concession
14	COLIBRI XIV	01-04380-06	Puno	Global Gold S.A.C.	100	1,763	Concession
15	COLIBRI XV	01-04381-06	Puno	Global Gold S.A.C.	200	3,526	Concession
16	COLIBRI XVI	01-04518-06	Puno	Global Gold S.A.C.	1000	17,631	Concession
17	COLIBRI XVII	01-04519-06	Cusco	Global Gold S.A.C.	500	8,815	Concession
18	COLIBRI XVIII	01-04520-06	Puno	Global Gold S.A.C.	500	8,815	Concession
19	COLIBRI XIX	01-04521-06	Cusco	Global Gold S.A.C.	300	5,289	Concession
20	COLIBRI XX	01-04522-06	Puno	Global Gold S.A.C.	400	7,052	Concession
21	COLIBRI XXI	01-04523-06	Puno	Global Gold S.A.C.	100	1,763	Concession
22	COLIBRI XXII	01-04524-06	Puno	Global Gold S.A.C.	300	5,289	Concession
23	COLIBRI XXIII	01-04525-06	Puno	Global Gold S.A.C.	200	3,526	Concession
24	COLIBRI XXIV	01-04526-06	Puno	Global Gold S.A.C.	100	1,763	Concession
25	COLIBRI XXV	01-01466-07	Puno	Global Gold S.A.C.	600	1,800	Concession
26	COLIBRI XXVI	01-01467-07	Puno	Global Gold S.A.C.	100	300	Concession
27	COLIBRI XXVII	01-01468-07	Puno	Global Gold S.A.C.	200	600	Concession
28	COLIBRI XXVIII	01-01469-07	Puno	Global Gold S.A.C.	200	600	Concession
29	COLIBRI XXIX	01-01470-07	Puno	Global Gold S.A.C.	700	2,100	Concession
30	COLIBRI XXX	01-01471-07	Puno	Global Gold S.A.C.	300	900	Concession

GLOBAL GOLD S.A.C.
Notes to the Financial Statements
As at December 31, 2014

8. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (continued)

Concessions include the following non-producing mineral properties:

N°	Name of Mining claim	Code	Location	Title	Hectares	\$ x Hectares	Situation
31	COLIBRI XXXI	01-01472-07	Puno	Global Gold S.A.C.	700	2,100	Concession
32	COLIBRI XXXII	01-01473-07	Puno	Global Gold S.A.C.	300	900	Concession
33	COLIBRI XXXIII	01-01474-07	Cusco	Global Gold S.A.C.	100	300	Concession
34	COLIBRI XXXIV	01-01475-07	Cusco	Global Gold S.A.C.	300	900	Concession
35	COLIBRI XXXV	01-01476-07	Cusco	Global Gold S.A.C.	200	600	Concession
36	COLIBRI XXXVI	01-01477-07	Cusco	Global Gold S.A.C.	100	300	Concession
37	COLIBRI XXXVII	01-01478-07	Cusco	Global Gold S.A.C.	200	600	Concession
38	COLIBRI XXXVIII	01-01479-07	Cusco	Global Gold S.A.C.	1000	3,000	Concession
39	COLIBRI XXXIX	01-01480-07	Cusco	Global Gold S.A.C.	900	2,700	Concession
40	COLIBRI XL	01-01481-07	Cusco	Global Gold S.A.C.	400	1,200	Concession
41	COLIBRI XLI	01-01546-07	Puno	Global Gold S.A.C.	100	300	Concession
42	COLIBRI XLII	01-01547-07	Puno	Global Gold S.A.C.	200	600	Concession
43	COLIBRI XLIII	01-01951-07	Puno	Global Gold S.A.C.	100	300	Concession
44	COLIBRI XLIV	01-01952-07	Cusco	Global Gold S.A.C.	300	900	Concession
45	COLIBRI XLV	01-01953-07	Cusco	Global Gold S.A.C.	200	600	Concession
46	COLIBRI XLVI	01-01954-07	Cusco	Global Gold S.A.C.	200	600	Concession
47	COLIBRI XLVII	01-01955-07	Cusco	Global Gold S.A.C.	200	600	Concession
48	COLIBRI XLVIII	01-01956-07	Puno	Global Gold S.A.C.	300	900	Concession
49	COLIBRI XLIX	01-01957-07	Puno	Global Gold S.A.C.	200	600	Concession
50	COLIBRI L	01-01958-07	Puno	Global Gold S.A.C.	300	900	Concession
51	COLIBRI LI	01-01996-07	Puno	Global Gold S.A.C.	100	300	Concession
52	COLIBRI LII	01-01959-07	Puno	Global Gold S.A.C.	100	300	Concession
53	COLIBRI LIII	01-01960-07	Puno	Global Gold S.A.C.	200	600	Concession
54	COLIBRI LIV	01-02662-07	Puno	Global Gold S.A.C.	1000	36,500	Concession
55	COLIBRI LV	01-02663-07	Puno	Global Gold S.A.C.	1000	29,762	Concession
56	COLIBRI LVI	01-02664-07	Puno	Global Gold S.A.C.	1000	29,762	Concession
57	COLIBRI LVII	01-02665-07	Puno	Global Gold S.A.C.	1000	29,762	Concession
58	COLIBRI LVIII	01-02666-07	Puno	Global Gold S.A.C.	300	8,929	Concession
59	COLIBRI LIX	01-02667-07	Puno	Global Gold S.A.C.	1000	29,762	Concession
60	COLIBRI LX	01-02668-07	Puno	Global Gold S.A.C.	1000	29,762	Concession
61	COLIBRI LXI	01-02669-07	Puno	Global Gold S.A.C.	1000	29,762	Concession
62	COLIBRI LXIV	01-03795-07	Puno	Global Gold S.A.C.	200	15,000	Concession
63	COLIBRI LXV	01-03829-07	Puno	Global Gold S.A.C.	600	23,438	Concession
64	COLIBRI LXVI	01-03830-07	Puno	Global Gold S.A.C.	1000	39,063	Concession
65	COLIBRI LXVII	01-03831-07	Puno	Global Gold S.A.C.	1000	39,063	Concession
66	COLIBRI LXVIII	01-03832-07	Puno	Global Gold S.A.C.	1000	39,063	Concession
67	COLIBRI LXIX	01-03833-07	Puno	Global Gold S.A.C.	1000	39,063	Concession
68	COLIBRI LXX	01-03834-07	Puno	Global Gold S.A.C.	1000	39,063	Concession
69	COLIBRI LXXI	01-03835-07	Puno	Global Gold S.A.C.	800	31,250	Concession
70	COLIBRI LXXII	01-03836-07	Puno	Global Gold S.A.C.	400	15,000	Concession
71	COLIBRI LXXIII	01-03837-07	Puno	Global Gold S.A.C.	1000	10,000	Concession
72	COLIBRI LXXIV	01-03838-07	Puno	Global Gold S.A.C.	1000	10,000	Concession
73	COLIBRI LXXV	01-03839-07	Puno	Global Gold S.A.C.	900	2,700	Concession
74	COLIBRI LXXVI	01-03840-07	Puno	Global Gold S.A.C.	600	1,800	Concession

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Notes to the Financial Statements
As at December 31, 2014

8. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (continued)

Concessions include the following non-producing mineral properties:

N°	Name of Mining claim	Code	Location	Title	Hectares	\$ x Hectares	Situation
75	COLIBRI LXXVII	01-03841-07	Puno	Global Gold S.A.C.	400	1,200	Concession
76	COLIBRI LXXVIII	01-03842-07	Puno	Global Gold S.A.C.	600	1,800	Concession
77	COLIBRI LXXIX	01-03843-07	Puno	Global Gold S.A.C.	600	1,800	Concession
78	COLIBRI LXXX	01-03844-07	Puno	Global Gold S.A.C.	600	1,800	Concession
79	COLIBRI LXXXI	01-03845-07	Puno	Global Gold S.A.C.	400	1,200	Concession
80	COLIBRI LXXXII	01-04729-07	Puno	Global Gold S.A.C.	500	34,314	Concession
81	COLIBRI LXXXIII	01-04730-07	Puno	Global Gold S.A.C.	300	20,588	Concession
82	COLIBRI LXXXIV	01-04731-07	Puno	Global Gold S.A.C.	800	54,902	Concession
83	COLIBRI LXXXV	01-04732-07	Puno	Global Gold S.A.C.	600	41,176	Concession
84	COLIBRI LXXXVI	01-04733-07	Puno	Global Gold S.A.C.	400	27,451	Concession
85	COLIBRI LXXXVII	01-04734-07	Puno	Global Gold S.A.C.	900	61,765	Concession
86	COLIBRI LXXXVIII	01-04735-07	Puno	Global Gold S.A.C.	600	41,176	Concession
87	COLIBRI LXXXIX	01-04736-07	Puno	Global Gold S.A.C.	1000	68,627	Concession
88	COLIBRI XCI	01-06194-07	Puno	Global Gold S.A.C.	700	2,100	Concession
89	COLIBRI XCII	01-06195-07	Puno	Global Gold S.A.C.	100	300	Concession
90	COLIBRI XCIII	01-06196-07	Puno	Global Gold S.A.C.	300	900	Concession
91	COLIBRI XCIV	10029312	Canchis	Global Gold S.A.C.	100	300	Concession
92	COLIBRI XCV	10029212	Canchis	Global Gold S.A.C.	900	2,700	Concession
93	COLIBRI XCVI	10029112	Canchis	Global Gold S.A.C.	800	2,400	Concession
94	COLIBRI XCVII	10029012	Canchis	Global Gold S.A.C.	800	2,400	Concession
95	COLIBRI XCVIII	10028912	Canchis	Global Gold S.A.C.	1000	3,000	Concession
96	COLIBRI XCIX	10028812	Canchis	Global Gold S.A.C.	1000	3,000	Concession
97	COLIBRI C	10028712	Canchis	Global Gold S.A.C.	900	2,700	Concession
98	COLIBRI CI	10028612	Canchis	Global Gold S.A.C.	1000	3,000	Concession
99	COLIBRI CII	10028512	Canchis	Global Gold S.A.C.	1000	3,000	Concession
100	COLIBRI CIII	10028412	Canchis	Global Gold S.A.C.	1000	3,000	Concession
101	COLIBRI CIV	10028312	Canchis	Global Gold S.A.C.	800	2,400	Concession
102	COLIBRI CV	10028212	Canchis	Global Gold S.A.C.	1000	3,000	Concession
103	COLIBRI CVI	10028112	Canchis	Global Gold S.A.C.	1000	3,000	Concession
104	COLIBRI CVII	10028012	Canchis	Global Gold S.A.C.	1000	3,000	Concession
105	COLIBRI CVIII	10027912	Canchis	Global Gold S.A.C.	1000	3,000	Concession
106	COLIBRI CIX	10027812	Canchis	Global Gold S.A.C.	200	600	Concession
107	COLIBRI CX	10027712	Canchis	Global Gold S.A.C.	1000	3,000	Concession
108	COLIBRI CXI	10026612	Canchis	Global Gold S.A.C.	1000	3,000	Concession
109	COLIBRI CXII	10027612	Canchis	Global Gold S.A.C.	1000	3,000	Concession
110	COLIBRI CXIII	10027512	Canchis	Global Gold S.A.C.	400	1,200	Concession
111	COLIBRI CXIV	10027412	Canchis	Global Gold S.A.C.	1000	3,000	Concession
112	COLIBRI CXV	10027312	Canchis	Global Gold S.A.C.	1000	3,000	Concession
113	COLIBRI CXVI	10027212	Canchis	Global Gold S.A.C.	1000	3,000	Concession
114	COLIBRI CXVII	10029012	Canchis	Global Gold S.A.C.	1000	3,000	Concession
115	COLIBRI CXVIII	10027012	Canchis	Global Gold S.A.C.	200	600	Concession
116	COLIBRI CXIX	10026912	Canchis	Global Gold S.A.C.	900	2,700	Concession
117	COLIBRI CXX	10026812	Canchis	Global Gold S.A.C.	200	600	Concession

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8. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (continued)

Concessions include the following non-producing mineral properties:

N°	Name of Mining claim	Code	Location	Title	Hectares	\$ x Hectares	Situation
118	COLIBRI CXXI	10026712	Canchis	Global Gold S.A.C.	800	2,400	Concession
119	COLIBRI CXXII	10026512	Canchis	Global Gold S.A.C.	1000	3,000	Concession
120	COLIBRI OCHO	10209712	ILO	Global Gold S.A.C.	400	1,200	Concession
121	COLIBRI CUATRO	10209512	PISCO	Global Gold S.A.C.	400	1,200	Concession
122	COLIBRI SEIS	10209612	PISCO	Global Gold S.A.C.	100	300	Concession
123	JGS II	01-03100-07	Puno	Global Gold S.A.C.	300	45,000	Concession
124	JGS I	01-03099-07	Puno	Global Gold S.A.C.	700	55,000	Concession
125	KIHITIAN	01-00367-05	Puno	Global Gold S.A.C.	800	22,430	Concession
126	TAYPICORANI	01-00070-05	Puno	Global Gold S.A.C.	200	5,608	Concession
127	TAITITIRA	01-02152-04	Puno	Global Gold S.A.C.	100	2,804	Concession
128	CORACHAPI	01-03428-97	Puno	Global Gold S.A.C.	500	14,015	Concession
129	CALVARIO II	01-00711-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
130	CALVARIO III	01-00697-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
131	CCOPALOMA 1	01-03226-05	Puno	Global Gold S.A.C.	700	1,500.00	Concession
132	CCOPALOMA 2	01-03225-05	Puno	Global Gold S.A.C.	800	3,000.00	Concession
133	CHACHACONIZA	01-00167-05	Puno	Global Gold S.A.C.	500	1,500.00	Concession
134	CHACHACONIZA II	01-00781-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
135	CHAHUANA	01-03534-06	Puno	Global Gold S.A.C.	900	3,000.00	Concession
136	CHAPI II	01-00699-05	Puno	Global Gold S.A.C.	900	3,000.00	Concession
137	CHAPI III	01-00867-05	Puno	Global Gold S.A.C.	900	3,000.00	Concession
138	CHAPI IV	01-00865-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
139	CHAPI V	01-02147-05	Puno	Global Gold S.A.C.	900	3,500.00	Concession
140	CHAPI "U"	01-00166-05	Puno	Global Gold S.A.C.	900	3,000.00	Concession
141	CHILCUNO	01-01208-05	Puno	Global Gold S.A.C.	900	3,000.00	Concession
142	COCACHUPA	01-00764-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
143	COIPA II	01-00693-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
144	COIPA III	01-00780-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
145	COIPA V	01-02163-05	Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
146	CONDORILLO	01-03220-05	Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
147	CORANI U2	01-02146-05	Puno	Global Gold S.A.C.	1,000	2,000.00	Concession
148	CORANI U3	01-02145-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
149	COSCOPATA	01-02147-06	Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
150	CUNCUNAMI 1	01-03533-06	Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
151	FALCHANI	01-03202-05	Puno	Global Gold S.A.C.	700	1,500.00	Concession
152	HUANCANE 1	01-02115-06	Puno	Global Gold S.A.C.	1,000	3,500.00	Concession
153	HUANCANE 2	01-02106-06	Cusco / Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
154	HUANCANE 3	01-02101-06	Cusco / Puno	Global Gold S.A.C.	1,000	2,000.00	Concession
155	HUANCANE 5	01-02118-06	Puno	Global Gold S.A.C.	800	2,000.00	Concession
156	HUANCO PATA	01-03222-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
157	HUARITUÑA 3	01-00765-05	Puno	Global Gold S.A.C.	500	1,500.00	Concession
158	HUARITUÑA 4	01-00868-05	Puno	Global Gold S.A.C.	500	1,500.00	Concession

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8. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (continued)

Concessions include the following non-producing mineral properties:

N°	Name of Mining claim	Code	Location	Title	Hectares	\$ x Hectares	Situation
159	HUARITUÑA I	01-00712-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
160	HUARITUÑA II	01-00710-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
161	HUAYAPE	01-03205-05	Puno	Global Gold S.A.C.	1,000	2,000.00	Concession
162	HUIQUIZA	01-00701-05	Puno	Global Gold S.A.C.	100	1,000.00	Concession
163	HUIQUIZA 2	01-02166-05	Puno	Global Gold S.A.C.	300	1,000.00	Concession
164	HUIQUIZA 3	01-02348-05	Puno	Global Gold S.A.C.	500	1,500.00	Concession
165	HUIQUIZA SUR	01-02490-05	Puno	Global Gold S.A.C.	100	1,000.00	Concession
166	IGLESIANI	01-03203-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
167	JAYRANI 1	01-02169-06	Puno	Global Gold S.A.C.	1,000	2,000.00	Concession
168	JAYRANI 2	01-02171-06	Puno	Global Gold S.A.C.	800	3,000.00	Concession
169	KILLAYA	01-00782-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
170	LIOCCO	01-02151-05	Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
171	MAMANI	01-03223-05	Puno	Global Gold S.A.C.	700	1,500.00	Concession
172	MICHA MICHANI	01-03201-05	Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
173	MINAS PATA	01-00762-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
174	NINAHUISA	01-00703-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
175	OCACAJA 1	01-00761-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
176	OCACAJA 2	01-00763-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
177	OCACASA 3	01-01209-05	Puno	Global Gold S.A.C.	800	3,000.00	Concession
178	OCACASA 4	01-02150-05	Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
179	PACCOCINCA	01-00698-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
180	PACCOCINCA 2	01-00760-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
181	PACCOCINCA 3	01-02144-05	Puno	Global Gold S.A.C.	1,000	2,000.00	Concession
182	PACOSUCHO 1	01-02148-06	Puno	Global Gold S.A.C.	1,000	2,000.00	Concession
183	PACOSUCHO 2	01-02144-06	Puno	Global Gold S.A.C.	1,000	2,000.00	Concession
184	PACOSUCHO 3	01-02145-06	Puno	Global Gold S.A.C.	1,000	2,000.00	Concession
185	PASCAY 1	01-03221-05	Puno	Global Gold S.A.C.	900	3,000.00	Concession
186	PASCAY 2	01-03224-05	Puno	Global Gold S.A.C.	1,000	2,000.00	Concession
187	PASPAYA PAMPA	01-02491-05	Puno	Global Gold S.A.C.	1,000	3,500.00	Concession
188	PUCU PUCUNI	01-02492-05	Puno	Global Gold S.A.C.	900	3,000.00	Concession
189	PUMANA	01-03043-06	Puno	Global Gold S.A.C.	700	1,500.00	Concession
190	QUISHCO 1	01-03045-06	Puno	Global Gold S.A.C.	900	3,000.00	Concession
191	QUISHCO 2	01-03532-06	Puno	Global Gold S.A.C.	800	3,000.00	Concession
192	SALVIANI	01-00770-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
193	SALVIANI 2	01-02149-05	Puno	Global Gold S.A.C.	800	3,000.00	Concession
194	SALVIANI 3	01-02148-05	Puno	Global Gold S.A.C.	900	3,000.00	Concession
195	SALVIANI 4	01-02165-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
196	SAMILIO I	01-01113-05	Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
197	SAMILIO II	01-01112-05	Puno	Global Gold S.A.C.	800	3,000.00	Concession
198	SAMILIO III	01-02164-05	Puno	Global Gold S.A.C.	900	3,000.00	Concession
199	SAMILIO IV	01-01826-05	Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
200	SAPANUTA 1	01-02117-06	Puno	Global Gold S.A.C.	900	3,000.00	Concession
201	SAPANUTA 2	01-02120-06	Puno	Global Gold S.A.C.	800	3,000.00	Concession
202	SAPANUTA 3	01-02098-06	Puno	Global Gold S.A.C.	1,000	3,500.00	Concession
203	SAPANUTA 4	01-02122-06	Puno	Global Gold S.A.C.	1,000	3,500.00	Concession
204	SAPANUTA 5	01-02116-06	Puno	Global Gold S.A.C.	800	3,000.00	Concession
205	SILLATOCO	01-01870-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
206	SURINI	01-02170-06	Puno	Global Gold S.A.C.	200	1,000.00	Concession

GLOBAL GOLD S.A.C.
Notes to the Financial Statements
As at December 31, 2014

8. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (continued)

Concessions include the following non-producing mineral properties:

N°	Name of Mining claim	Code	Location	Title	Hectares	\$ x Hectares	Situation
207	TANTAMACO 4	01-00769-05	Puno	Global Gold S.A.C.	100	1,000.00	Concession
208	TANTAMACO 5	01-00771-05	Puno	Global Gold S.A.C.	100	1,000.00	Concession
209	TANTAMACO 6	01-00769-05A	Puno	Global Gold S.A.C.	500	1,500.00	Concession
210	TANTAMACO 7	01-02493-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
211	TANTAMACO II	01-00702-05	Puno	Global Gold S.A.C.	800	3,000.00	Concession
212	TANTAMACO III	01-00772-05	Puno	Global Gold S.A.C.	300	1,000.00	Concession
213	TRIUNFADOR 1	01-00165-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
214	TRIUNFADOR 2	01-00168-05	Puno	Global Gold S.A.C.	900	2,000.00	Concession
215	TRIUNFADOR 3	01-00696-05	Puno	Global Gold S.A.C.	800	3,000.00	Concession
216	TRIUNFADOR 4	01-00692-05	Puno	Global Gold S.A.C.	900	3,000.00	Concession
217	TRIUNFADOR 5	01-00866-05	Puno	Global Gold S.A.C.	600	1,500.00	Concession
218	TUPARAMANI	01-00695-05	Puno	Global Gold S.A.C.	400	1,500.00	Concession
219	URCUYO	01-03205-05	Puno	Global Gold S.A.C.	1,000	3,000.00	Concession
220	UYO UYO	01-03204-05	Puno	Global Gold S.A.C.	1,000	2,000.00	Concession
221	PORSIACA ESTRELLA	01-01310-05	Puno	Global Gold S.A.C.	1,000	150,000.00	Concession
					142,400	1,704,183	

9. ACCOUNT PAYABLE

Account payable includes the following:

	As at December 31, 2014	As at September 30, 2014
	\$	\$
Taxes payable	11,578	3,653
Salary and benefits payable	81,789	36,412
Suppliers payable	64,165	3,924
	<u>157,532</u>	<u>43,989</u>

10. DUE TO PARENT COMPANY

Amounts due to parent company are unsecured, non-interest bearing and have no fixed terms of repayment.

11. SHARE CAPITAL

Share capital includes the following:

	As at December 31, 2014		As at September 30, 2014	
	Shares	Amount \$	Shares	Amount \$
Common Shares issued, beginning of twelve months	702,032	219,250	702,032	219,250
Common Shares issued for property acquisition	-	-	-	-
Common Shares issued, end of twelve months	702,032	219,250	702,032	219,250
Total shares outstanding	702,032		702,032	

12. NET CHANGE IN NON-CASH WORKING CAPITAL ITEMS

Net change in non-cash working capital items includes the following:

	Period ended December 31, 2014	Year ended September 30, 2014
	\$	\$
(Increase) Decrease in other accounts receivable	(2,750)	(2,323)
Decrease in prepaid expenses	(2,592)	54,460
Decrease in sales tax recoverable	37,062	12,436
Increase (Decrease) in accounts payable and accrued liabilities	8,695	(94,219)
	40,415	(29,646)

13. FINANCIAL INSTRUMENTS

IFRS 7 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

- Level 1 quoted prices in active markets for identical assets or liabilities;
- Level 2 inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. from derived prices)
- Level 3 inputs for the asset or liability that are not based upon observable market data

13. FINANCIAL INSTRUMENTS (continued)

Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. As at December 31, 2014, the Company's cash and cash equivalents are categorized as Level 1 measurement. Fair value of amounts due from related company is determined based on transaction value and is categorized as Level 1 measurement. Fair value of accounts payable and accrued liabilities are determined from transaction values that are not based on observable market data. Fair values of these financial instruments are based on Level 3 measurements.

Fair Values

Except as disclosed elsewhere in these financial statements, the carrying amounts for the Company's financial instruments approximate their fair values because of the short-term nature of these items.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company is not exposed to any significant credit risk as at December 31, 2014. The Company's cash and cash equivalents are on deposit with a highly rated banking group in Lima, Peru. The Company's other accounts receivables primarily consist of credits for general sales taxes paid and are therefore not subject to significant credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will not be able to meet its financial obligations as they come due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2014, the Company has current assets of \$10,552 and current liabilities of \$52,684. Of the Company's noncurrent liabilities, \$20,695,592 is due to the Company's parent company. All of the Company's current financial liabilities and receivables have contractual maturities of less than 120 days and are subject to normal trade terms.

Market risk

(i) Interest rate risk

The Company has significant cash and cash equivalents balances and it has no interest-bearing debt. The Company's current policy is to invest its excess cash in highly liquid money market investments such as bankers' acceptance notes, treasury bills and guaranteed investment certificates. These short term money market investments are subject to interest rate fluctuations.

(ii) Foreign currency risk

The Company's functional currency is primarily the United States dollar. The majority of the Company's purchases are transacted in United States dollars. As at December 31, 2014 the Company had cash of 1,151, sales tax recoverable of 3,867,452 and accounts payable and accrued liabilities of 102,690 denominated in Peruvian Nuevos Soles.

13. FINANCIAL INSTRUMENTS (continued)

(iii) Price risk

The prices of metals and minerals fluctuate widely and are affected by many factors outside of the Company's control.

The prices of metals and minerals and future expectation of such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies. This in turn may impact the Company's ability to raise equity financing for its long term working capital requirements.

Sensitivity analysis

The Company had cash of 1,151, sales tax recoverable of 3,867,452 and accounts payable and accrued liabilities of 102,690 denominated in Peruvian Nuevos Soles. as at December 31, 2014.

14. CAPITAL MANAGEMENT

The Company's objective when managing capital is to have sufficient funds to execute its exploration plan. The Company is currently funded through loans from its listed holding company, financed through shareholder equity.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company does not have any externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the period ended December 31, 2014.

15. RELATED PARTY TRANSACTIONS

During the period ended December 31, 2014, the Company incurred Rent expenses of \$4,200 (Year ended September 30 2014 - \$37,200) with one company controlled by a director. As at December 31, 2014, accounts payable and accrued liabilities included \$Nil (September 30, 2014 - \$Nil) related to this company.

16. ENVIRONMENTAL OBLIGATIONS

Program of Environmental Adjustment and Handling

The Company's mining and exploration activities are ruled by Legislative Decree N° 613 and its subsequent modifications. The Company's exploration and operating activities are subject to environmental protection norms, in fulfillment of which the Company will conduct preliminary studies on Evaluation of Environment (EVAP) and Program of Environmental Adjustment and Handling (PAMA) for its mining units and present them to the Ministry of Energy and Mines.

To date, the Company has not incurred any significant environmental liabilities.

17. AMOUNTS COMPARATIVE

Certain comparative amounts have been reclassified to conform to the current year's presentation.