



GREATLANDGOLD



**GREATLAND GOLD HALF-YEARLY REPORT
AND ACCOUNTS TO 31 DEC 2008**



CORPORATE STATEMENT

Greatland Gold was established in 2005 as a mineral exploration and development company. In July 2006 Greatland Gold was admitted to AIM, a market operated by the London Stock Exchange.

The board seeks to increase shareholder value by the systematic evaluation of its existing resource assets, as well as the acquisition of suitable exploration and development projects and producing assets.

The Company currently has four mineral projects located in Australia and is focussed on growth through the development of large gold resources.

HIGHLIGHTS

Managed by an experienced UK and Australian based board of directors with a proven track record in mineral exploration, resource development and capital markets.

Strategic property portfolio, 100% owned. Includes high grade gold and base metal mineralisation.

Australian focus - good infrastructure, low sovereign risk.

LSE - GGP



MANAGING DIRECTORS STATEMENT

During the six months ended 31 December 2008 we reported a loss of £198,177 equating to a loss per share of 0.1p (H1 2008 EPS - 0.1p). Mindful of the uncertainties caused by the global downturn, we reduced our administrative expenses by 11.2% to £112,462 while modestly increasing our exploration expenses. The board believes that our net assets remain strong at £2.2m with over £1.7m in cash.

The period was characterised by declining sterling interest rates, which have further reduced sharply post the accounting period. This has led to lower interest income on our cash deposits, a continuing factor that will impact our interest income in 2009.

The Company continues to evaluate gold mineralisation with exploration activities at its Australian properties. Gold mineralisation has been identified at many localities within its 100% owned mining assets. Current activities are preparatory for drilling programs that are scheduled for the second half of 2009.

At the Firetower project our team has ground activities underway at the CRA Anomaly 1 and Asarco West prospects. These areas are located 2.5km east and 7km east of the existing gold resource at Firetower. Previous work by the Company in these areas returned up to 916ppb gold in surface samples. Gold and base metal anomalies are present over several hundred metres of strike. These areas have never been drill tested previously and current work is in preparation for drilling activities during the second half of 2009.

At the Warrentinna project the Company has found gold mineralisation unrecognised by previous explorers and historical miners at the Derby North prospect. Drilling returned up to 1m at 6.06g/t gold from 55m in WTR004 and surface sampling returned up to 20.75g/t gold. The Company concluded the area has some potential for an open pit gold resource. Current work includes preparation for further drilling at Derby North. Additionally, a number of areas returning high (+100ppb) gold in drainage are subject to follow up work.

In the current investment climate interest in gold and precious metals remains strong. Recent press is predicting that gold could average \$1,000 per ounce in 2009 due to the inflationary implications of a persistently weak US dollar. In the current economic environment the short term (spot) price of gold remains volatile, but in the long term a weak US dollar could drive a strong investor demand for gold. Of particular relevance to Greatland is the forecast by the Australian Bureau of Agricultural and Resource Economics (ABARE) that the value of Australia's gold exports will rise by 59 per cent to \$17.3 billion in 2008-09 in response to both higher export volumes and a considerably higher Australian dollar denominated gold price.

Greatland is focussed on the low cost - potentially high reward phase of mineral exploration and development. All our properties are 100% owned by the Company and are located close to several large gold and base metal deposits. All the properties were previously operated by major mining companies. Australia has all the advantages of established infrastructure, skilled workforce and a politically stable resource based economy. Since late 2008 prices for labour and equipment have been falling; this we anticipate will help Greatland complete its current and planned programs at a lower cost.



MANAGING DIRECTORS STATEMENT (cont)

The Company has been successful in reducing its administrative expenses whilst not sacrificing its exploration budget. The Company retains its strong cash position of more than £1.6 million against identifiable expenses running at around £475,000 per annum. Greatland is able to fund its activities throughout 2009 and beyond. Hence there is no immediate requirement for further equity capital.

Greatland is in discussion with third parties with regard to joint venture arrangements for its Firetower and Warrentinna projects. In the event that the board of Greatland secures a joint venture partner for any of its projects, shareholder value would be enhanced to the extent that we would limit our upfront capital outlays significantly.

Post the accounting date the Company secured mineral title to ground adjoining the northern parts of the Firetower project tenements. This area holds known gold and base metal mineralisation. The addition of this tenement increases the total size of the Firetower project to 264 sq km; an increase of over 60%. The strike length of the Firetower project is now approximately 55 km.

Existing and prospective investors may sign up for email announcements at the Company's website, www.greatlandgold.com.

Callum N Baxter
Managing Director
31 March 2009

GREATLAND**GOLD**

ACCOUNTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2008



GROUP INCOME STATEMENT

	6 months ended 31 December 2008 Unaudited £	6 months ended 31 December 2007 Unaudited £	Year ended 30 June 2008 Audited £
Turnover	-	-	-
Exploration costs	(129,819)	(122,380)	(326,806)
Administrative expenses	(112,462)	(126,622)	(210,725)
Currency gain/(loss)	10,928	11,813	48,159
Operating loss	<u>(231,353)</u>	<u>(237,189)</u>	<u>(489,372)</u>
Interest receivable	33,176	41,307	84,443
Loss on ordinary activities before taxation	<u>(198,177)</u>	<u>(195,882)</u>	<u>(404,929)</u>
Tax on loss on ordinary activities	-	-	-
Loss for the financial period	<u>(198,177)</u>	<u>(195,882)</u>	<u>(404,929)</u>
Loss per share	<u>(0.10) pence</u>	<u>(0.10) pence</u>	<u>(0.21) pence</u>
Basic - see note 3			



GROUP BALANCE SHEET

	31 December 2008 Unaudited £	31 December 2007 Unaudited £	30 June 2008 Audited £
Assets			
Non-current assets			
Tangible assets	4,828	6,346	6,265
Intangible assets	490,809	474,397	493,016
Total non-current assets	<u>495,637</u>	<u>480,743</u>	<u>499,281</u>
Current assets			
Cash and cash equivalents	1,663,417	2,123,847	1,866,289
Trade and other receivables	40,816	30,398	64,394
Available for sale financial assets (4)	67,978	106,360	96,147
Total current assets	<u>1,772,211</u>	<u>2,260,605</u>	<u>2,026,830</u>
Total assets	<u>2,267,848</u>	<u>2,741,348</u>	<u>2,526,111</u>
Liabilities			
Current liabilities			
Trade and other payables	<u>(64,651)</u>	<u>(80,990)</u>	<u>(97,982)</u>
Total liabilities	<u>(64,651)</u>	<u>(80,990)</u>	<u>(97,982)</u>
Net assets	<u>£2,203,197</u>	<u>£2,660,358</u>	<u>£2,428,129</u>
Equity			
Called up share capital	196,550	196,550	196,550
Share premium reserve	2,955,521	2,955,521	2,955,521
Share option reserve	74,443	74,443	74,443
Retained losses	(1,192,044)	(784,820)	(993,867)
Other reserves	168,727	218,664	195,482
Total equity	<u>£2,203,197</u>	<u>£2,660,358</u>	<u>£2,428,129</u>



GROUP CASH FLOW STATEMENT

	6 months ended 31 December 2008 Unaudited £	6 months ended 31 December 2007 Unaudited £	Year ended 30 June 2008 Audited £
Cash flow from operating activities			
Operating loss	(231,353)	(237,189)	(489,372)
Decrease/(Increase) in debtors	23,578	30,584	(3,412)
(Decrease) in creditors	(33,331)	(7,113)	9,878
Depreciation	1,292	1,229	2,657
(Increase) in available for sale financial assets	-	-	-
Share based payments	-	-	-
Currency adjustments	3,766	(11,166)	(43,922)
Cash outflow from operations	<u>(236,048)</u>	<u>(223,655)</u>	<u>(524,171)</u>
Cash flows from investing activities			
Interest received	33,176	41,307	84,443
Purchase of intangible assets	-	(3,766)	(3,944)
Purchase of tangible assets	-	-	-
Purchase of available for sale financial assets	-	-	-
Net cash flows used in investing activities	<u>33,176</u>	<u>37,541</u>	<u>80,499</u>
Cash inflows from financing activities			
Proceeds from issue of shares	-	1,125,000	1,125,000
Transaction costs of issue of shares	-	(56,250)	(56,250)
Net cash flows from financing activities	<u>-</u>	<u>1,068,750</u>	<u>1,068,750</u>
Net increase/(decrease) in cash and cash equivalents	(202,872)	882,636	625,078
Cash and cash equivalents at the beginning of period	1,866,289	1,241,211	1,241,211
Cash and cash equivalents at end of period	<u>£1,663,417</u>	<u>£2,123,847</u>	<u>£1,866,289</u>



STATEMENTS OF CHANGES IN EQUITY

	Called up share capital	Share premium account	Share based payment reserve	Retained earnings	Other reserves	Total
Group	£	£	£	£	£	£
As at 30 June 2007	146,550	1,936,771	74,443	(588,938)	222,418	1,791,244
Share capital issued	50,000	1,075,000	-	-	-	1,125,000
Cost of share issue	-	(56,250)	-	-	-	(56,250)
Loss for the period	-	-	-	(404,929)	-	(404,929)
Net unrealised losses on available for sale financial assets	-	-	-	-	(26,936)	(26,936)
As at 30 June 2008	196,550	2,955,521	74,443	(993,867)	195,482	2,428,129
As at 1 July 2008	196,550	2,955,521	74,443	(993,867)	195,482	2,428,129
Share capital issued	-	-	-	-	-	-
Cost of share issue	-	-	-	-	-	-
Loss for the period	-	-	-	(198,177)	-	(198,177)
Net unrealised losses on available for sale financial assets	-	-	-	-	(26,755)	(26,755)
As at 31 December 2008	196,550	2,955,521	74,443	(1,192,044)	168,727	2,203,197



STATEMENTS OF CHANGES IN OTHER RESERVES

	Merger reserve	Foreign currency translation reserve	Net unrealised financial assets available for resale reserve	Total other reserves
Group	£	£	£	£
As at 30 June 2007	225,000	13,444	(16,026)	222,418
Net unrealised losses on financial assets available for resale	-	-	(26,936)	(26,936)
As at 30 June 2008	225,000	13,444	(42,962)	195,482
As at 1 July 2008	225,000	13,444	(42,962)	195,482
Net unrealised losses on financial assets available for resale	-	-	(26,755)	(26,755)
As at 31 December 2008	225,000	13,444	69,717	168,727



HALF-YEARLY REPORT NOTES

1. Half-yearly report

This half-yearly report was approved by the Directors on 30 March 2009.

The information relating to the six month periods ended 31 December 2008 and 31 December 2007 are unaudited.

The information relating to the year ended 30 June 2008 is extracted from the audited financial statements of the Company which have been filed at Companies House and on which the auditors issued an unqualified audit report.

2. Basis of accounting

The report has been prepared using accounting policies and practices that are consistent with those adopted in the statutory financial statements for the period ended 30 June 2008, although the information does not constitute statutory financial statements within the meaning of section 240 of the Companies Act 1985.

These half-yearly financial statements consolidate the financial statements of the Company and its subsidiary and are prepared in accordance with International Financial Reporting Standards as adopted for use in the European Union.

The Company and Group will report again for the full year to 30 June 2009.

3. Loss per share

	6 months ended 31 December 2008 Unaudited £	6 months ended 31 December 2007 Unaudited £	Year ended 30 June 2008 Audited £
These have been calculated on a loss of:	(198,177)	(195,882)	(404,929)
The weighted average number of shares used was:	196,550,000	190,028,261	193,262,329
Basic loss per share:	(0.10) pence	(0.10) pence	(0.21) pence

4. Available for sale financial assets

The Group's investments were valued at £67,978 as at 31 December 2008.

Copies of this half-yearly report are available free of charge by application in writing to the Company Secretary at the Company's registered office, 55 Gower Street, London WC1E 6HQ, or by email to info@greatlandgold.com. The report will also be made available on the Company's website, www.greatlandgold.com.

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GRANT THORNTON

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