



TOTAL COMMITMENT

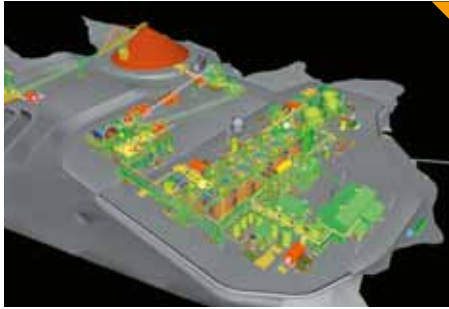
Interim Financial Report

For the six months ended 31 December 2011
(Incorporated in Bermuda with limited liability)

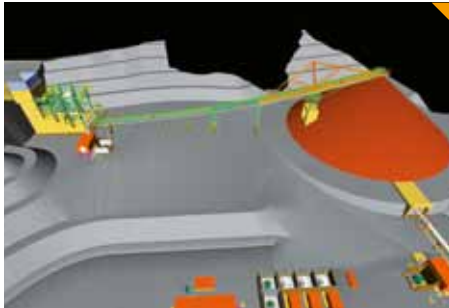
Stock Code 1051



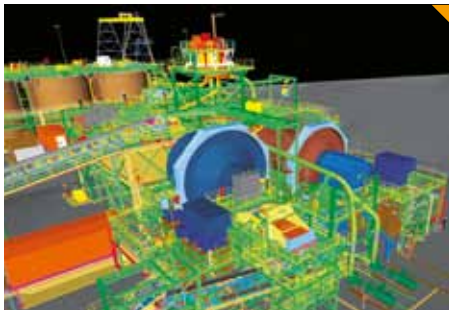
PROJECT HIGHLIGHTS



Process plant site



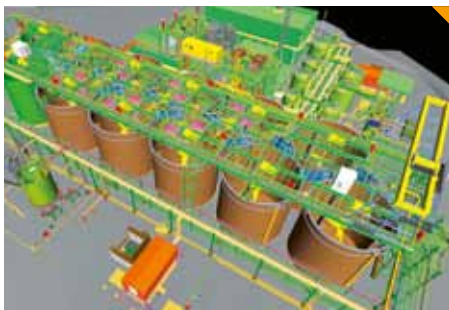
Primary crushing and stockpile area



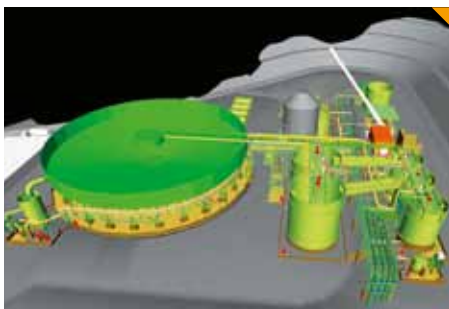
Grinding area



Water services area



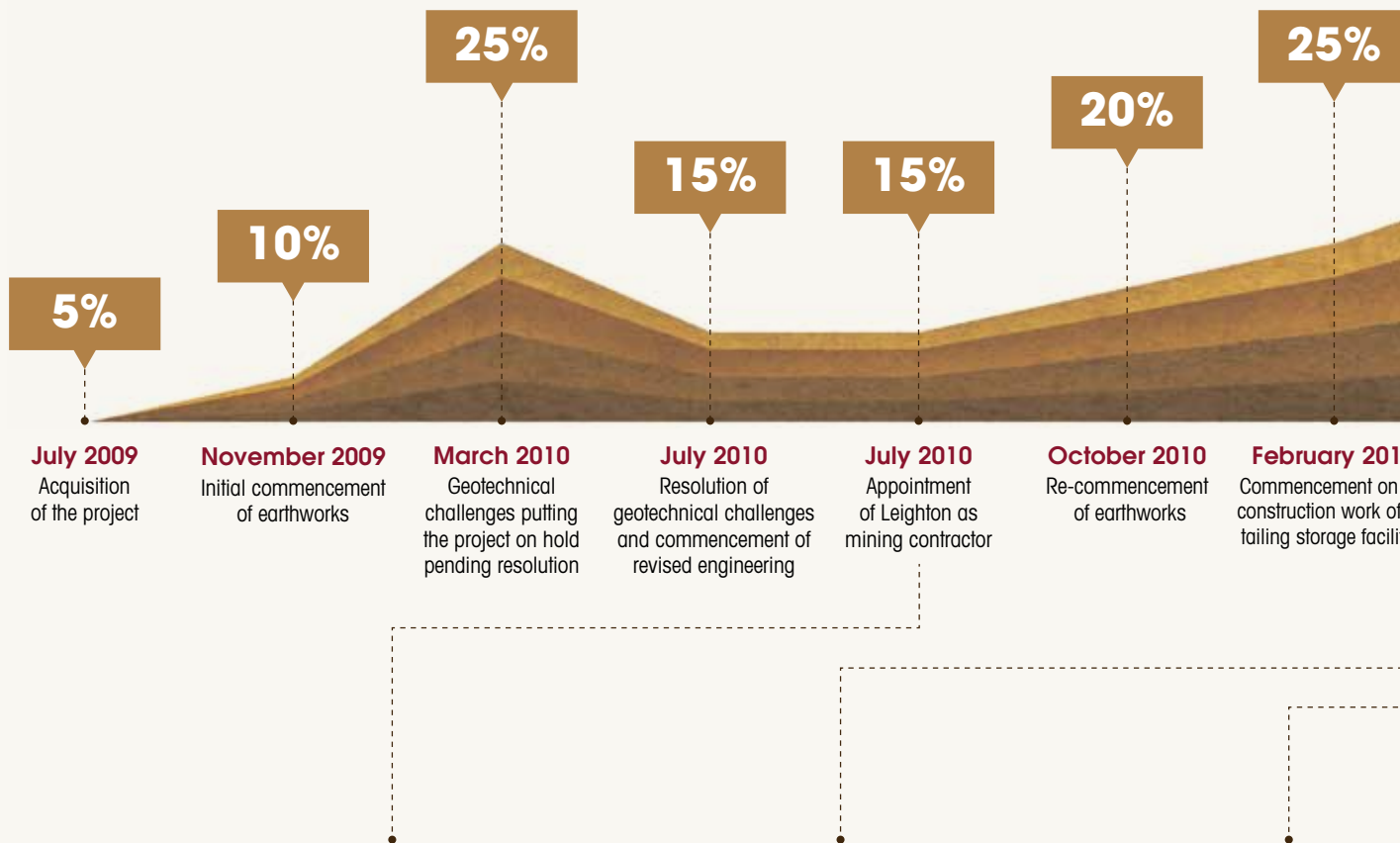
Leach tank area

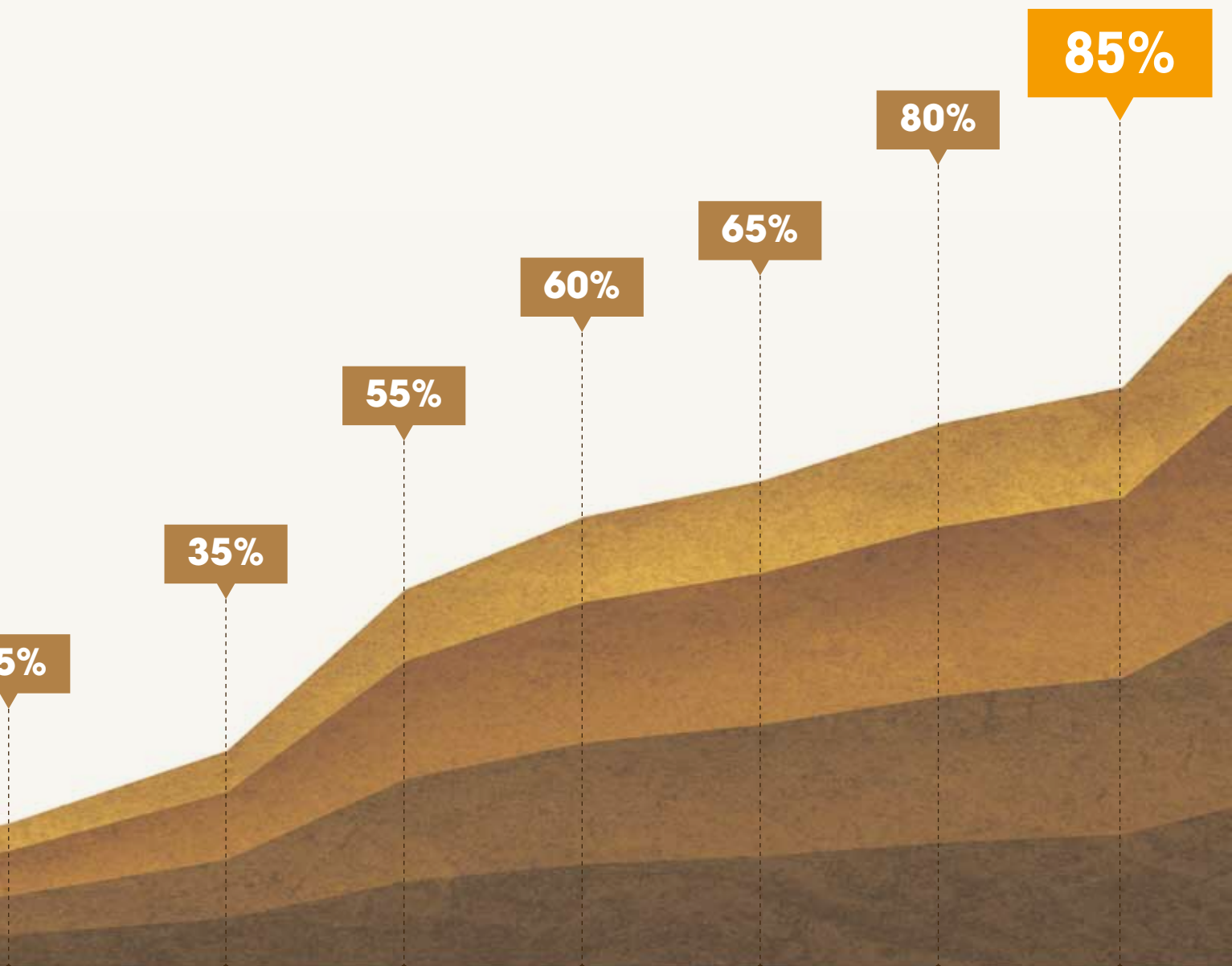


Water polishing plant



MARTABE PROJECT PROGRESS





January 2011
Commencement on the foundation work of the storage facilities

March 2011
Commencement of concrete work

August 2011
Commencement on erection of steel tanks

September 2011
Completion of workshop and warehouse

November 2011
Commencement on the installation of SAG and Ball mills
Completion on the erection of CIL tanks
First steel erected

December 2011
Completion on the erection of all site tanks
Steel tank top installation

January 2012
Completion of final accommodation units
First phase of temporary power commissioned
Grand opening of the Administration Building ("Sopo Nauli") at site

February 2012
Mechanical installation completion of the SAG and Ball mills
Commencement on the first phase of commissioning



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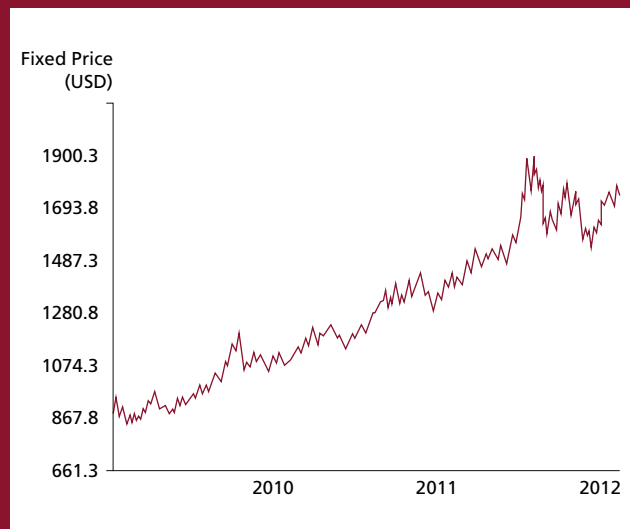
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Corporate information

3 YEARS GOLD PRICE CURVE



Source: Wood Mackenzie Brook hunt Morgan Stanley

OUR MISSION

1 Moz
per annum

Our target as a world class mining company is to be producing 1 Moz of gold per annum within 5 years.

FAVOURABLE GOLD PRICE

US\$

1,700
per oz

Gold price has risen almost 100% since we acquired the Martabe Project in 2009.



- ▷ Ox ratio in
- ▷ Drill hole pr
- ▷ Drill hole dat
- ▷ Re-survey
- ▷ Take re-surve
- ▷ Finalizing pit-
- ▷ Sas study for Re
- ▷ Besttechnics for Ca
- ▷ Training lifti
- ▷ Follow u

TOTAL COMMITMENT

To achieve best financial results

.....
Business Outlook

With gold prices hitting unprecedented highs, we at G-Resources are working steadily and diligently to complete our mine and begin gold production.

Looking beyond Martabe, we are maintaining our strategy of growing G-Resources into a leading Asia-Pacific gold company. Although we are currently focused on Martabe as our core starter asset, we have and will continue to evaluate potential new opportunities in the region according to our strict quality criteria. We are committed to optimising the Martabe asset and developing a pipeline of projects of similar quality that will enable us to be producing one million ounces of gold per annum within five years.

TOTAL COMMITMENT

To achieve earliest
gold production

.....
G-Resources made significant progress on construction and installation work at Martabe in the final three months of 2011:

- More than 80% of concrete works are now complete
- The two large SAG and ball grinding mills are installed
- All large process tanks are complete
- Steel and piping installation is advancing
- The first phase of the High Voltage power plant is now commissioned

The operations

The operations management team is in place in readiness for commissioning and start-up. Initial mining and stockpiling of first gold ore has commenced. All key process materials and supplies contracts are in place.

A close-up photograph of reddish-brown soil, likely iron ore, with a wooden stick or tool handle visible. The soil is textured and uneven, with some areas appearing more saturated or darker than others. The lighting is bright, highlighting the granular nature of the material.

FOCUSED

More than

4,000
people

engaged in construction,
operations and
exploration activities.

**HIGHEST SAFETY
STANDARDS**

300%
better

The Martabe Project achieved a safety record more than three times better than the Australian construction industry. The Company is determined to sustain the excellent safety record established at Martabe, and will not be risking safety standards nor compromising project quality and capability to produce to design standards.



TOTAL COMMITMENT

To maintain our
excellent safety record

.....
Safety

The safety performance at Martabe has been outstanding with only two Lost Time Injuries (LTIs) in the past 18 months. The safety performance is comparable to world's best practice.

G-Resources has the goal of zero harm to our employees and contractors who work on our premises. We believe that all industrial accidents are preventable. To reduce the risk of accidents to a very low level requires a highly disciplined and consistent approach, addressing both workplace condition and worker behaviour.

These coordinated safety management efforts have resulted in an exceptionally good safety performance for a construction site in the wet tropics. At the end of September 2011, the site had achieved 4.4 million man-hours without a lost-time injury.





TOTAL COMMITMENT

To extend the mine life
through exploration

.....

Martabe, with a resource base of 7.86 million ounces of gold and 73.48 million ounces of silver, is expected to commence production at the Purnama pit in 2012 at a rate of 250,000 ounces per annum of gold and 2-3 million ounces per annum of silver.

Exploration and Resources

Drilling activities have continued to extend the Martabe deposits specifically for Tor Uluala North and Horas Barat areas. Regional drilling programmes have commenced at Tango Papa and Gambir-Kapur.



**ADDED GOLD AND
SILVER RESOURCES**

+33%
in Gold

Since the acquisition of the Martabe Project in July 2009, G-Resources has added an estimated 1.96 Moz of gold and 11.98 Moz of silver, representing an increase of 33% in gold resources and 19.5% in silver resources.



**OPPORTUNITIES FOR
THE LOCAL COMMUNITY**

1,000+
jobs created

70% of our employees will be from the local community which will equate to more than 1,000 job opportunities for Indonesia.

SUPPORT TO LOCAL PEOPLE

1,011

Total of 1,011 people can now see again because of the cataract surgery programme supported by G-Resources.



TOTAL COMMITMENT

To build a lasting legacy
for the community

.....

Environmental Management

Continual improvement of environmental performance at our operations to protect biodiversity and prevent pollution is paramount. To achieve our environmental management goals, our management team includes more than 20 specialist environmental staff, led by an Environmental Manager with international experience. Our environmental management programmes are typical of an open-cut mine in the tropics:

- Environmental monitoring
- Reporting to Government and other stakeholders
- Site rehabilitation
- Runoff water management
- Waste and chemical management
- Closure planning

CHAIRMAN'S STATEMENT

I am pleased to report significant progress on a number of fronts in the past 6 months. We are all looking forward to seeing Martabe into production in these next few months.

Dear Shareholders,

On behalf of the Board, I thank you for your continued support for G-Resources. The six months to end December 2011 was a difficult period world-wide – equity markets fell, credit became tighter, commodity prices fell, currencies were volatile and the world was fixated on solutions to the European debt crisis, a stalled US economy and the risk of a China slowdown.

During this difficult period, G-Resources continued to move forward. We took the Martabe Gold Project from 30% complete to 65% complete; we poured over 9,000 m³ of concrete, we moved over 6 million m³ of material to prepare and build the plant site earthworks, roads and dams etc, we installed all the process plant tankage, we have installed the SAG and Ball mills, we have commenced steel erection, we delivered the key processing equipment to site and we have commenced mine development at the Purnama Pit. Our team of employees and contractors are to be congratulated for a great effort; and they are still doing it, all 4,000 of them. And, whilst this was happening on site at Martabe, we finalised the funding to complete project construction and get into production. In a difficult finance market, with a weaker USD and escalating capital costs, we raised approximately USD210m from the equity capital market. On top of this, at year end we completed a credit line of USD100m with a group of international banks. This capital should see us into production.

Fortunately, the calendar year 2012 and the year of the Dragon have begun in better worldwide economic spirit. Most markets are up so far, including gold and silver. Most importantly, the G-Resources Martabe team continues to perform on site. The Martabe Project is, at mid-Feb, some 80% complete and only a few months from first gold production – an event we all have been looking forward to for some time.

Whilst getting to production has taken some months longer than we expected, I can assure shareholders that we have worked tirelessly, responsibly and safely towards our goal. We would never sacrifice the safety of our people or the quality of our project in the interests of expediency or taking short cuts. Our estimate for first commercial gold and silver production is now mid 2012. Our core principle of social responsibility is also evident in the ways in which we have worked with the nearby communities at Martabe and with the District and Provincial Governments in North Sumatra. We are indebted to them for their support as we build the project and at the same time provide employment, training, business opportunities and social programmes, all aimed at sustainable long term economic and social growth.

At the same time as we have been focused on building the mine, the plant and infrastructure, we have been assembling the professional, technical, management and operating teams, so there will be a smooth transition from construction to commissioning to operations. This is the team that will

finalise commissioning, get the mine and plant up and running to design capacity and standards, and then look at improvement and expansion as time goes by.

Present Martabe Reserves of gold and silver show a proven life of some 10 years – but we have an overall resource envelope and mineral prospectivity that we believe will see Martabe as a very long life mine and at higher production rates. One of the other outstanding achievements of these past 6 months has been our exploration program. We have added significant resources of gold and silver and we have opened up new areas to explore on our very large and highly prospective tenement area.

So, I am pleased to report significant progress on a number of fronts in the past 6 months. We are all looking forward to seeing Martabe into production in these next few months. I can assure you we will be working diligently, safely and responsibly to do this.

Finally, I would like to thank all of our staff and contractors, our senior management team and my fellow Directors for an important and constructive 6 months. And I look forward to their continuing support and contributions as we bring the Company into a positive cash flow and earnings position in 2012.

Chiu Tao

Chairman

Hong Kong, 29 February 2012

CEO'S REPORT

As we head into the final few months prior to first production, I would like to recognize the dedication of the teams at Martabe, including our many contractors, and the teams in Jakarta and Hong Kong for their continued dedication and commitment.

Dear Shareholders,

The past six months for G-Resources has been one of significant challenge but also tremendous achievements. Our devoted employees at Martabe, in Jakarta, in Hong Kong and in Melbourne have worked tirelessly to continue to build our first project, the Martabe Gold Mine.

The six months to end December 2011 has been a period of consolidation and preparation for the final push to first gold and silver production. At the end of the period there were close to 4,000 people engaged in construction, operations and exploration activities at Martabe. The overall project was approximately 65% complete and plant construction activities approximately 50% complete. All contractors have established a site presence, with concrete works nearing completion, steel erection and mechanical installation accelerating and electrical and instrumentation activities about to commence.

At the end of the period, it was identified that the aggressive schedule of producing gold by end March 2012 was unlikely to be achieved due to a number of contributing factors. A revised schedule has been developed that puts us into commercial production of gold and silver by mid year – July is our target. Whilst we will be looking to

bring that forward if we can – we are very mindful that we do not want to sacrifice the world-class safety record we have achieved to date at Martabe. Overall the project is only a few months from realizing first production and the entire team is focused on achieving this goal; and we are also committed to building a high quality project capable of operating for decades and to nurturing and growing our social license.

On the exploration front, we have had a very exciting year culminating in 1.36 Moz of gold and 7.28 Moz silver being added to our resource base. In the latter half of the year the exploration team commenced re-focusing its attention to new drilling programmes on the wider Contract of Work, as well as planning for a sulphide gold drilling programme and a porphyry copper exploration plan. These will be a focus for our 2012 exploration programme, whilst we will also continue to drill on the Martabe Project area and extend our current resource base.

Another very successful aspect of our activities has been the demonstrated continued support by the Government at all levels. Particular achievements have been in the ongoing support by the Dams Safety Committee, the

renewal of forestry licenses by the Forestry Ministry, the approval by the Minister of State Owned Enterprises for access to plantation lands for project related infrastructure as well as numerous local and ongoing licenses required for normal business activities. There was no greater recognition of the importance of Martabe than the inclusion of the project into the National Economic Development Plan, the purpose of which is to advance Indonesia to the forefront of the global economy within 15 years. The Government's support is significantly recognized.

As we head into the final few months prior to first production, I would like to recognize the dedication of the teams at Martabe, including our many contractors, and the teams in Jakarta and Hong Kong for their continued dedication and commitment. I would also like to recognize and thank the support and encouragement of the G-Resources Board as well as the continued support of our loyal shareholders.

Peter Geoffrey Albert

Chief Executive Officer

Hong Kong, 29 February 2012



Aerial record of lowlands administration and infrastructure area – taken 22 February 2012.



Aerial record of processing plant, high voltage switchyard and fuel area – taken 22 February 2012.

MANAGEMENT DISCUSSION AND ANALYSIS

Whilst getting to production has taken some months longer than we expected, we have worked tirelessly, responsibly and safely towards our goal.

Key Financial Information

Financial Position

	31 December 2011 USD'000	30 June 2011 USD'000
Current Asset		
Bank balances and cash	154,667	135,627
Others	6,318	5,936
Non-current Assets	685,101	500,698
Total Assets	846,086	642,261
Total Debts	–	–
Other Liabilities	(47,508)	(52,063)
Net Assets	798,578	590,198

Income Statement

	6 months ended 31 December	
	2011 USD'000	2010 USD'000
Turnover	232	252
Gross profit	55	54
EBITDA	(9,074)	(8,754)
Loss before taxation	(9,195)	(8,872)
Taxation	–	–
Loss for the period	(9,195)	(8,872)

Management discussion and analysis

Business Review

During the period under review, the Group has made significant progress towards developing the Martabe Gold and Silver mine situated in Indonesia. The Company invested a total of approximately USD172 million in exploration and development activities during the six months ended 31 December 2011. The same is summarised in the following key categories:

Expenditure on exploration, development and mining activities

	Mine Property & Development* USD'000	Regional Exploration & Evaluation USD'000	Construction in Progress USD'000
Land holding fee	63	–	139
Assets & equipment	693	34	95,784
Earthworks & access	8,128	–	27,138
Drilling & assays expense	3,078	398	500
Consultancy and advisory	909	57	1,020
Staff cost	8,342	439	1,118
Transportation cost	394	–	9,946
Others	9,799	95	3,781
Sub-total	31,406	1,023	139,426
Total			171,855

* Include costs incurred on near mine exploration and evaluation

Results

The Martabe Project of the Company is still under construction and is not generating any revenue for the Company.

For the six months ended 31 December 2011, the Group's turnover amounted to approximately USD0.2 million, which was generated from the financial information services business for the period under review (2010: USD0.2 million). To focus on our mission of gold production in forthcoming months, the Company has determined in January 2012 to

cease its financial information service in the second quarter of 2012.

Losses attributable to owners of the Company from the operations for the current period was approximately USD9.2 million, compared to a loss of approximately USD8.9 million in the corresponding period of 2010, representing an increase of 3%. The increase in loss was mainly due to an increase in share-based payment expenses by USD0.4 million which was a non-cash expense of the Group.

Net Asset Value

As at 31 December 2011, the Group's total net asset amounted to approximately USD799 million, represented an increase of USD209 million as compared to approximately USD590 million as at 30 June 2011. The increase in net assets was mainly attributable to the share placement of USD213 million (net proceeds) in August 2011.

Liquidity and Financial Resources

The Group recorded a net cash inflow of approximately USD19 million during the six months ended 31 December 2011. As at 31 December 2011, cash and bank balances of the Group amounted to approximately USD155 million (30 June 2011: approximately USD136 million). A bank deposit of approximately USD92,000 was pledged to a bank to secure the tree cutting permit granted to a subsidiary of the Group as at 31 December 2011 (30 June 2011: USD92,000).

The Group's gearing ratio, expressed as the percentage of the Group's total borrowings over shareholders' equity, was nil as at 31 December 2011 and 30 June 2011 as the Group did not have any borrowings as at the end of the respective reporting period.

Meanwhile, in December 2011, PT Agincourt Resources ("PTAR"), an Indonesian subsidiary of the Group has executed a USD100 million Revolving Credit Facility Agreement with a consortium of international banks ("Facility") for the purpose of a standby facility for the Martabe gold and silver mine project. As at 31 December 2011 and upto the date of this report, none of the Facility has been utilised.

Material Acquisitions and Disposals of Subsidiaries and Associated Companies

There was no material acquisition or disposal of subsidiaries and associated companies during the period.

Exposure to Fluctuations in Exchange Rates and Related Hedge

The Group conducted most of its business in United States dollars ("USD"), Australian dollars ("AUD"), Indonesian Rupiah ("IDR") and Hong Kong dollars ("HKD"). The foreign currency exposure to USD is minimal as HKD is pegged to USD. The Group is exposed to foreign currency risk that are denominated in AUD and IDR.

In 2012, the Group has entered into certain forward currency contracts to sell USD and purchase IDR at a fixed rate in the normal course of business in order to limit its exposure to adverse fluctuations in currency exchange rates. These instruments are executed with creditworthy financial institutions. The management will continue to monitor the Group's other foreign currency exposure and impose other hedging policy should the need arise.

Business Outlook

We are pleased to report significant progress on a number of fronts in the past 6 months of Martabe Project. We are all looking forward to seeing Martabe into production in these next few months. We will continue to explore on our very large and highly prospective tenement area.

Human Resources

As at 31 December 2011, the Group had 24 employees in Hong Kong, 371 employees in Indonesia and 1 employee in Australia. Employees are remunerated at a competitive level and are rewarded according to their performance. Our Group's remuneration packages include a medical scheme, group insurance, mandatory provident fund, performance bonus and options for our employees.

According to the share option scheme adopted by the Company on 30 July 2004, share options may be granted to directors and eligible employees of the Group to subscribe for shares in the Company in accordance with the terms and conditions stipulated therein.

EXPLORATION, RESOURCE AND RESERVE DEVELOPMENT ACTIVITIES

Regional exploration including drilling programs was conducted at three locations: the Tango Papa, Baning and Gambir-Kapur Prospects.

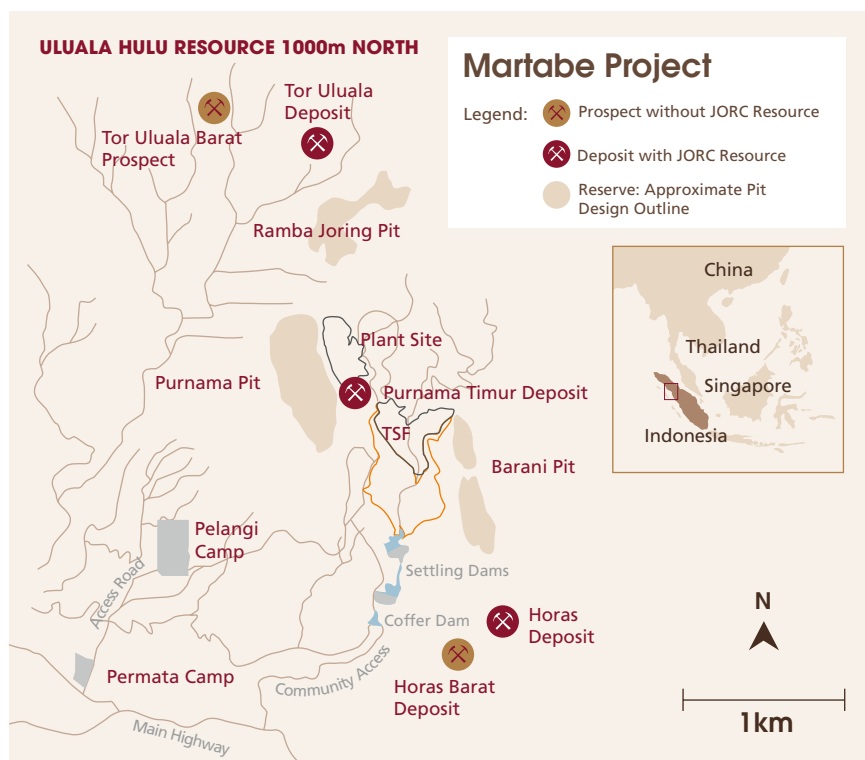
G-Resources continued its aggressive exploration program on the Martabe Contract of Work ("COW") during the six months ending December 2011, with resource development and exploration programs in the immediate vicinity of the Martabe Project and exploration programs in other areas of the COW. A total of 13,221m of drilling was completed utilising five helicopter portable diamond drill rigs.

The 2011 second half exploration program was highly successful with these outcomes:

- A new addition to the Martabe Mineral Resource completed at the Horas Deposit.
- New high grade intersections at Horas Barat prospect, located within the Martabe Project area.
- Drilling at the Tango Papa Prospect 20km North of Martabe located intersections of Martabe style gold mineralisation.
- Extension of Ministry of Forests "Rent Use Permits" which allow exploration in specified areas gazetted as forest on the Martabe Contract of Work.



A geologist records the geological log of a Tor Uluala drill hole prior to interpretation and 3D computer modeling.



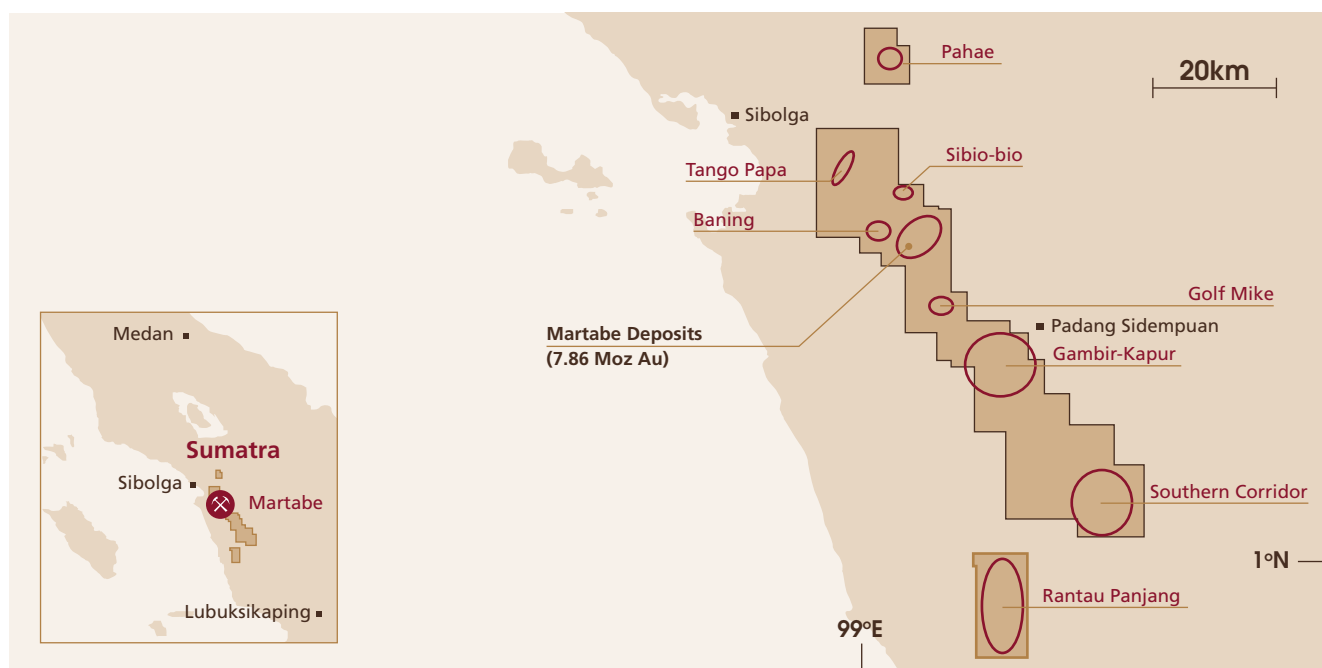
Martabe - Resource and Reserve Development

On 27 October 2011, an initial Resource Statement for the Horas Resource was released. The Horas deposit is 3km south east of the Martabe plant site and Purnama deposit, and 1km south of the Barani Deposit.

The Horas discovery drill hole was completed in October 2010 and the first resource estimate completed only one year later in October 2011. A total of 41 diamond drill holes for 8,948m of drilling was used to define the initial resource. The resource estimation process was completed jointly by PTAR staff geologists and Cube Consulting.

The Horas Mineral Resource Estimate contains 400,000 ounces of gold and 880,000 ounces of silver at an average grade of 0.8 g/t gold and 1.7 g/t silver. This resource is classified into Inferred Resource Category in accordance with the JORC Code. Horas remains open in several directions.

Following the addition of the Purnama Timur and Tor Uluala resources in the first half of 2011, the total Martabe Mineral Resource Estimate now contains 7.86 million ounces of gold and 73.48 million ounces of silver. Refer to Table 1 for the complete G-Resources Mineral Resource Statement.



Location of the mineral deposits and prospects within the COW area.

Martabe – District Exploration

Work in the latter months of 2011 tested new targets with potential for high grade zones and near surface oxide mineralisation near the Martabe project.

The Horas Barat prospect, immediately to the west of Horas, returned best results of:

- 11.0m @ 26.2 g/t gold, 23 g/t silver;
- 9.5m @ 7.10 g/t gold, 42 g/t silver.

At the Tor Uluala Barat prospect, drilling confirmed the potential for extensions to depth identified by a drill hole intersection from a previous campaign. Continuity of mineralisation along strike is indicated by surface mapping and sampling. Best results include:

- 9.3m @ 3.36 g/t gold, 14 g/t silver.

Exploration continues at these prospects and at other prospects near to the Martabe Project.

Martabe – COW Exploration

Regional exploration including drilling programs was conducted at three locations: the Tango Papa, Baning and Gambir-Kapur Prospects.

At the Baning Prospect, 5km northwest of Martabe, three diamond drill holes targeted interpreted sedimentary hosted gold mineralisation associated with a shallow dipping limestone sequence. The drilling intersected a weakly mineralized, subvertical shear zone which is currently interpreted as the source of mineralisation at surface.

At the Tango Papa Prospect, 20km to the north of Martabe, a first stage program of six diamond drill holes was completed. One of these holes intersected an interpreted zone of altered and weakly gold-silver mineralized colluvium (rock rolled down a slope by gravity) or landslide material. This rock is similar in appearance and style to the high sulphidation epithermal deposits at the Martabe Project.

It is interpreted that this material is rolling from a mineralized system which forms the crest of a hill, over which is mapped surface alteration with a coincident geophysics resistivity anomaly. This is one target within a cluster of altered hills and cliffs at Tango Papa, covering a total area of about six square kilometres. Surface rock samples have yielded up to 20 g/t gold from the Tango Papa Prospect, which is targeted for both near surface epithermal gold and buried porphyry copper-gold potential.

At the Gambir-Kapur Prospect, 20km to the South of Martabe, a 20 holes drilling program was commenced. Diamond drilling commenced in late December with the aim of following up exploration results from 2008, including:

- 27.1m @ 3.21 g/t gold, 1 g/t silver from surface;
- 9.1m @ 15.29 g/t gold, 11 g/t silver from surface.

Exploration, resource and reserve development activities

The Company has a very active community relations program which seeks to engage stakeholders in the exploration program, particularly on the COW. Typical activities include: open "Town Hall" style meetings; visits by local people, NGOs and government

officials to exploration work sites; preferential employment to local community members; and preferential purchasing of field supplies (for example camp foodstuffs) from the local area. The successful renewal of permits in 2011 by the Ministry of Forests,

and the open community relationships enjoyed by the Company are seen as being major achievements by the Exploration team and the Martabe and Jakarta based Community and Government Relations teams.

Table 1. Martabe Mineral Resource Estimates, 0.5 g/t Gold Cut-Off Grade

Deposit	Category	Tonnes (Mt)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Contained Metal	
					Gold (Moz)	Silver (Moz)
0.5 g/t Au Cut-Off Grade						
Purnama	Measured	4.36	3.1	53.0	0.43	7.46
	Indicated	36.44	2.0	24.0	2.36	28.46
	Inferred	41.24	1.3	17.0	1.74	22.54
	Total	82.04	1.7	22.0	4.53	58.46
Purnama Timur	Measured	–	–	–	–	–
	Indicated	2.37	1.3	15.9	0.10	1.21
	Inferred	2.60	1.6	10.8	0.13	0.90
	Total	4.97	1.5	13.2	0.23	2.11
Ramba Joring	Measured	–	–	–	–	–
	Indicated	33.71	1.0	4.1	1.11	4.47
	Inferred	4.64	0.8	3.7	0.12	0.55
	Total	38.35	1.0	4.1	1.23	5.02
Barani	Measured	–	–	–	–	–
	Indicated	10.30	1.3	3.5	0.42	1.14
	Inferred	6.60	1.1	2.4	0.24	0.63
	Total	16.90	1.2	3.2	0.66	1.77
Tor Uluala	Measured	–	–	–	–	–
	Indicated	–	–	–	–	–
	Inferred	22.0	1.0	6.0	0.73	4.29
	Total	22.0	1.0	6.0	0.73	4.29
Horas	Measured	–	–	–	–	–
	Indicated	–	–	–	–	–
	Inferred	15.7	0.8	1.7	0.40	0.88
	Total	15.7	0.8	1.7	0.40	0.88
Uluala Hulu	Measured	–	–	–	–	–
	Indicated	0.77	2.3	31.0	0.06	0.77
	Inferred	0.49	1.5	12.0	0.02	0.18
	Total	1.26	2.0	24.0	0.08	0.95
Combined	Total	181.22	1.34	12.5	7.86	73.48

The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Significant figures do not imply precision. Figures are rounded according to JORC Code guidelines.

The information in this report is based on and accurately reflects reports prepared by the Competent Persons for each Resource Estimation as listed below. All Competent Persons have given consent to the inclusion of the material in the form and context in which it appears in this report.

1. Michael Stewart (Member of AusIMM (209311), employee of Quantitative Group Pty Ltd) was responsible for those aspects of the Purnama resource estimate related to statistical and geostatistical analysis and estimation.
2. Bosta Pratama (Member of AusIMM (211701), employee of Quantitative Group Pty Ltd) was responsible for those aspects of the Purnama resource estimate related to statistical and geostatistical analysis and estimation.
3. Graham Petersen (Member of AusIMM (109633), former employee of G-Resources) was responsible for remaining aspects of the Purnama, Barani and Uluala Hulu resource estimates (including data, geological interpretation, modeling and classification).
4. Stuart Smith (Member of AIG (4180), former employee of G-Resources) was responsible for aspects of the Ramba Joring resource estimate related to data, geological interpretation and modeling.
5. Patrick Adams (Member of AusIMM (112739), employee of Cube Consulting Pty Ltd) was responsible for those aspects of the Ramba Joring resource estimate related to statistical and geostatistical analysis, estimation and classification.
6. David Slater (Member of AusIMM (201414), employee of Coffey Mining Ltd.) was responsible for those aspects of the Barani and Uluala Hulu resource estimates related to statistical and geostatistical analysis, estimation and classification.
7. Christopher Black (Member of AIG (1363) employee of Cube Consulting Pty Ltd) was responsible for those aspects of the Purnama Timur, Horas and Tor Uluala resource estimates related to modeling, statistical and geostatistical analysis, estimation and classification.
8. Shawn Crispin (Member and Chartered Professional of AusIMM (110597), employee of G-Resources) was responsible for those aspects of the Purnama Timur, Horas and Tor Uluala resource estimates related to modeling, classification, data and geological interpretation.

Table 2. Martabe Ore Reserve Estimates

Deposit	Category	Tonnes (Mt)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Contained Metal	
					Gold (Koz)	Silver (Koz)
Purnama	Proved Reserves	4.4	3.0	53.5	428	7,548
	Probable Reserves	30.6	2.1	25.3	2,066	24,860
Barani	Probable Reserves	4.5	1.6	2.8	225	412
Ramba Joring	Probable Reserves	6.0	1.6	4.2	315	810
Total Ore Reserves		45.5	2.1	23.0	3,034	33,630

Significant figures do not imply precision. Figures are rounded according to JORC Code guidelines.

Ore Reserves for Purnama and Barani are estimated using a gold price of USD820/oz and silver price of USD12.50/oz.

Ore Reserves for Ramba Joring are estimated using a gold price of USD1,054/oz and silver price of USD17.50/oz.

Competent Persons: The information relating to Ore Reserves is based on and accurately reflects reports prepared by Mr Quinton de Klerk. Mr de Klerk is a Director and Principal Consultant of Cube Consulting Pty Ltd and qualifies as a "Competent Person" under the JORC Code for Reporting of Mineral Resources and Ore Reserves (JORC, 2004 Edition). Mr de Klerk has attended three visits to the Martabe Gold Project site between September 2009 and March 2011. Mr de Klerk consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.

Group Results

The Board of Directors (the "Board") of G-Resources Group Limited (the "Company") presents the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 31 December 2011, together with the comparative figures for the six months ended 31 December 2010, which comprises the condensed consolidated statement of financial position as at 31 December 2011 and the related condensed consolidated income statement, consolidated statement of comprehensive income, changes in equity and cash flows for the six months period ended, and explanatory notes.

Condensed Consolidated Income Statement

For the six months ended 31 December 2011

	Notes	For the six months ended 31 December	
		2011 USD'000 (unaudited)	2010 USD'000 (unaudited)
Revenue		232	252
Cost of sales		(177)	(198)
Gross profit		55	54
Other income		1,214	803
Distribution and selling expenses		–	(24)
Administrative expenses		(9,509)	(9,866)
Fair value change of held for trading investments		(955)	161
Loss for the period, attributable to owners of the Company	4	(9,195)	(8,872)
Loss per share	6		
– Basic and diluted (US cents)		(0.06)	(0.06)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 31 December 2011

	For the six months ended 31 December	
	2011 <i>USD'000</i> (unaudited)	2010 <i>USD'000</i> (unaudited)
Loss for the period	(9,195)	(8,872)
Other comprehensive (expenses)/income:		
Fair value change on available-for-sale investment	(2,214)	269
Exchange difference on translation	1,385	1,067
Total other comprehensive (expenses)/income for the period	(829)	1,336
Total comprehensive expenses for the period, attributable to owners of the Company	(10,024)	(7,536)

Condensed Consolidated Statement of Financial Position

As at 31 December 2011

	Notes	31 December 2011 USD'000 (unaudited)	30 June 2011 USD'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	7	640,515	467,538
Exploration and evaluation assets	8	2,965	1,942
Available-for-sale investment	9	7,115	9,329
Other receivable	10	34,506	21,889
		685,101	500,698
CURRENT ASSETS			
Trade and other receivables	10	3,979	2,645
Held for trading investments	11	2,247	3,199
Pledged bank deposits		92	92
Bank balances and cash		154,667	135,627
		160,985	141,563
CURRENT LIABILITY			
Other payables	12	42,694	49,435
NET CURRENT ASSETS			
		118,291	92,128
TOTAL ASSETS LESS CURRENT LIABILITY			
		803,392	592,826
NON-CURRENT LIABILITY			
Provision for mine rehabilitation cost	13	4,814	2,628
		798,578	590,198
CAPITAL AND RESERVES			
Share capital	14	21,757	18,147
Reserves		776,821	572,051
TOTAL EQUITY			
		798,578	590,198

The condensed consolidated financial statements on pages 22 to 35 were approved and authorised for issue by the Board of Directors on 29 February 2012 and are signed on its behalf by:

Peter Geoffrey Albert
Director

Kwan Kam Hung, Jimmy
Director

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2011

	Attributable to owners of the Company								Total USD'000
	Share capital USD'000	Share premium USD'000	Capital redemption reserve USD'000	Contributed surplus USD'000	Share options reserve USD'000	Exchange reserve USD'000	Investment revaluation reserve USD'000	Accumulated losses USD'000	
(Unaudited)									
At 1 July 2010	18,147	563,657	212	11,658	10,267	(1,893)	46	-	602,094
Loss for the period	-	-	-	-	-	-	-	(8,872)	(8,872)
Fair value change on available-for-sale investment	-	-	-	-	-	-	269	-	269
Exchange difference on translation	-	-	-	-	-	1,067	-	-	1,067
Total comprehensive income/ (expenses) for the period	-	-	-	-	-	1,067	269	(8,872)	(7,536)
Recognition of equity-settled share-based payment	-	-	-	-	4,829	-	-	-	4,829
At 31 December 2010	18,147	563,657	212	11,658	15,096	(826)	315	(8,872)	599,387
At 1 July 2011	18,147	563,657	212	11,658	20,296	(1,771)	(596)	(21,405)	590,198
Loss for the period	-	-	-	-	-	-	-	(9,195)	(9,195)
Fair value change on available-for-sale investment	-	-	-	-	-	-	(2,214)	-	(2,214)
Exchange difference on translation	-	-	-	-	-	1,385	-	-	1,385
Total comprehensive income/ (expenses) for the period	-	-	-	-	-	1,385	(2,214)	(9,195)	(10,024)
Issue of shares	3,610	213,000	-	-	-	-	-	-	216,610
Transaction costs attributable to issue of shares	-	(3,457)	-	-	-	-	-	-	(3,457)
Recognition of equity-settled share-based payment	-	-	-	-	5,251	-	-	-	5,251
At 31 December 2011	21,757	773,200	212	11,658	25,547	(386)	(2,810)	(30,600)	798,578

Condensed Consolidated Statement of Cash Flows

For the six months ended 31 December 2011

	For the six months ended 31 December	
	2011 <i>USD'000</i> (unaudited)	2010 <i>USD'000</i> (unaudited)
OPERATING ACTIVITIES		
Loss for the period	(9,195)	(8,872)
Adjustments for:		
Interest income	(1,214)	(773)
Depreciation	121	118
Share-based payment expenses	5,251	4,829
Allowance for other receivables	746	–
Fair value change of held for trading investments	955	(161)
Loss on disposal of property, plant and equipment	–	11
Operating cash flows before movements in working capital	(3,336)	(4,848)
Increase in other receivable (non-current portion)	(12,617)	(6,257)
(Increase)/decrease in trade and other receivables	(2,080)	4,033
Decrease in held for trading investments	–	488
Decrease in other payables	(692)	(1,190)
Net cash used in Operating Activities	(18,725)	(7,774)
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(176,799)	(45,532)
Purchase of exploration and evaluation assets	(1,023)	(911)
Interest received	1,214	773
Proceeds from disposal of property, plant and equipment	–	450
Net cash used in Investing Activities	(176,608)	(45,220)
CASH FROM FINANCING ACTIVITY		
Net proceeds from issue of shares	213,153	–
Net increase/(decrease) in cash and cash equivalents	17,820	(52,994)
Cash and cash equivalents at beginning of the period	135,627	279,508
Effect of foreign exchange rate changes	1,220	912
Cash and cash equivalents at end of the period, represented by bank balances and cash	154,667	227,426

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2011

1. Basis of Preparation

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange").

The unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 30 June 2011.

2. Principal Accounting Policies

The unaudited condensed consolidated interim financial statements have been prepared on the historical basis except for certain financial instruments, which are measured at fair values.

The accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 31 December 2011 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2011.

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("new or revised HKFRSs") issued by the HKICPA.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010
HKFRS 1 (Amendments)	Severe hyperinflation and removal of fixed dates for first-time adopters
HKFRS 7 (Amendments)	Disclosures – Transfer of Financial Assets
HKAS 24	Related Party Disclosures
HK(IFRIC) – Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement

The application of the above new or revised HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

The Group has not early applied new or revised HKFRSs that have been issued but are not yet effective. The Group is in the process of making an assessment of the impact of these new or revised HKFRSs but is not yet in a position to state whether these new or revised HKFRSs would have significant impact on the Group's results of operations and financial position.

3. Segment Information

For management purposes, the Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments.

Segment information reported externally was analysed on the basis of the following operating divisions, namely:

- mining business;
- provision of financial information services; and
- securities trading

Notes to the condensed consolidated financial statements

3. Segment Information (continued)**(a) Segment revenue and results**

An analysis of the Group's revenue and results by operating segment is as follows:

**For the six months ended 31 December 2011
(Unaudited)**

	Provision of financial information services USD'000	Securities trading USD'000	Mining business USD'000	Total USD'000
Segment revenue	232	–	–	232
Segment result	(10)	(396)	(4,631)	(5,037)
Unallocated corporate expenses				(4,785)
Unallocated income				627
Loss for the period				(9,195)

**For the six months ended 31 December 2010
(Unaudited)**

	Provision of financial information services USD'000	Securities trading USD'000	Mining business USD'000	Total USD'000
Segment revenue	252	–	–	252
Segment result	(30)	857	(1,615)	(788)
Unallocated corporate expenses				(8,153)
Unallocated income				69
Loss for the period				(8,872)

3. Segment Information (continued)

(b) Segment assets

An analysis of the Group's assets by operating segment is as follows:

At 31 December 2011 (Unaudited)

	Provision of financial information services USD'000	Securities trading USD'000	Mining business USD'000	Total USD'000
ASSETS				
Segment assets	153	9,530	835,493	845,176
Unallocated corporate assets				910
Total assets				846,086

At 30 June 2011 (Audited)

	Provision of financial information services USD'000	Securities trading USD'000	Mining business USD'000	Total USD'000
ASSETS				
Segment assets	215	18,068	623,157	641,440
Unallocated corporate assets				821
Total assets				642,261

Notes to the condensed consolidated financial statements

4. Loss for the Period

	For the six months ended 31 December	
	2011	2010
	USD'000	USD'000
	(unaudited)	(unaudited)
Loss for the period has been arrived at after charging/(crediting):		
Depreciation of property, plant and equipment	121	118
Share-based payment expenses (included in administrative expenses)	5,251	4,829
Loss on disposal of property, plant and equipment	–	11
Exchange loss, net	524	258
Allowance for other receivables	746	–
Interest income	(1,214)	(773)

5. Taxation

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Under the relevant tax law, the tax rate of the Indonesian subsidiary is 25%.

No provision for Hong Kong Profits Tax or taxation in other jurisdictions has been made in the condensed consolidated interim financial statements for both periods as neither the Company nor any of its subsidiaries had any assessable profits in both periods.

6. Loss per Share

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	For the six months ended 31 December	
	2011	2010
	USD'000	USD'000
	(unaudited)	(unaudited)
Loss for the period attributable to owners of the Company, for the purposes of basic and diluted loss per share	9,195	8,872
	Number of shares	
	2011	2010
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	16,375,625,233	14,066,831,950

The computation of diluted loss per share for the six months ended 31 December 2011 and 2010 does not include adjustments for the Company's outstanding share options as these options have anti-dilutive effect in both periods.

7. Movement in Property, Plant and Equipment

During the period, the Group increased its property, plant and equipment by approximately USD173,018,000 (six months ended 31 December 2010: USD42,231,000), of which USD33,592,000 (six months ended 31 December 2010: USD15,893,000) and USD139,426,000 (six months ended 31 December 2010: USD24,971,000) were attributable to additions of the mine property and development assets and construction in progress for the construction of Martabe Project respectively.

8. Exploration and Evaluation Assets

Exploration and evaluation assets represent the costs of acquiring exploration rights and expenditures incurred in the search for mineral resources on an area of interest basis. The addition on the exploration and evaluation assets represents consultancy and advisory fee, staff costs and other expenditures incurred in the search for mineral resources during the period in mining areas where the existence or economically recoverable reserves could not be reasonably assessed.

9. Available-for-sale investment

The available-for-sale investment represents the Group's investment in senior notes with principal amount of USD10,000,000 issued by a company with its shares listed on the Stock Exchange with maturity date of 18 May 2015 (the "Senior Notes Due 2015"). These notes are listed on the Singapore Exchange Securities Trading Limited, carry interest at a fixed rate of 11.75% per annum, payable semi-annually in arrears on 18 May and 18 November of each year, commencing on 18 November 2010.

The Senior Notes Due 2015 were measured at fair value determined using the Hull-White term structure model at the end of the reporting periods. During the six months ended 31 December 2011, a decrease in fair value of USD2,214,000 (six months ended 31 December 2010: increase in fair value of USD269,000) was recognised in the investment revaluation reserves.

10. Trade and Other Receivables

	31 December 2011 USD'000 (Unaudited)	30 June 2011 USD'000 (Audited)
Trade receivables (Note a)	7	13
Other receivables, net of allowance (Note b)	38,478	24,521
	38,485	24,534
Less: Other receivable classified as non-current assets (Note b)	(34,506)	(21,889)
Trade and other receivables classified as current assets	3,979	2,645

Notes:

- (a) The Group normally allows an average credit period of 60 days to its trade customers from provision of financial information services. The following is an ageing analysis of trade receivables at the end of the reporting periods which is determinate based on the invoice date:

	31 December 2011 USD'000 (Unaudited)	30 June 2011 USD'000 (Audited)
0-60 days	7	13

- (b) As at 31 December 2011, included in other receivables is an amount of USD34,506,000 (30 June 2011: USD21,889,000) value added tax ("VAT") paid by an Indonesian subsidiary of the Group in connection with its purchase of equipment and services from suppliers in relation to the construction of the mine site which were classified as non-current portion based on the expected refund time span. The Indonesian subsidiary is in the process of obtaining the approval from the relevant Indonesian tax authority for refund of such VAT paid.

Notes to the condensed consolidated financial statements

11. Held for Trading Investments

The entire balance of the held for trading investments are Hong Kong listed equity securities held by the Group as at the end of the reporting periods. The fair value is determined based on the closing price per share quoted on the Stock Exchange as at the end of the respective reporting periods.

12. Other Payables

Included in other payables is an amount of USD40,502,000 (30 June 2011: USD46,520,000) relating to payables by an Indonesian subsidiary of the Group to its consultants and contractors in connection with the construction of the mine site of the Martabe Project.

13. Provision for Mine Rehabilitation Cost

In accordance with relevant rules and regulations in Indonesia, the Indonesian subsidiary of the Group accrued for the cost of land rehabilitation and mine closure for the Group's gold and silver mine. The provision for rehabilitation cost has been determined by the directors based on their best estimates in accordance with the Indonesian rules and regulations.

Provision for mine rehabilitation cost incurred for the period of USD2,186,000 (six months ended 31 December 2010: USD93,000) was capitalised as part of mine property and development assets (included in property, plant and equipment).

14. Share Capital

	Number of shares	Value <i>USD'000</i>
Ordinary shares of HK\$0.01 each		
Authorised:		
At 30 June 2011 and 31 December 2011	60,000,000,000	76,923
Issued and fully paid:		
At 1 July 2010 and 30 June 2011 (Audited)	14,066,831,950	18,147
Issue of shares (Note)	2,813,364,000	3,610
At 31 December 2011 (Unaudited)	16,880,195,950	21,757

Note:

On 3 August 2011, 2,813,364,000 shares of HK\$0.01 each were issued and allotted at a price of HK\$0.60 per share pursuant to the placing agreement with the placing agent dated 27 July 2011. Details of the share placement were announced on 28 July 2011 and 3 August 2011.

All the shares issued by the Company during the period ended 31 December 2011 rank pari passu with the then existing ordinary shares in all respects.

15. Share-based Payment Transactions

The Company has a share option scheme for directors and eligible employees of the Group.

Details of the share options outstanding during the current period are as follows:

	Number of share options
Outstanding at 1 July 2011 (Audited)	1,373,490,261
Granted during the period	47,750,000
Forfeited during the period	(3,000,000)
Outstanding at 31 December 2011 (Unaudited)	<u>1,418,240,261</u>

On 8 July 2011, a total of 47,750,000 share options were granted to certain employees of the Group under share option scheme adopted by the Company on 30 July 2004 with details as follows:

	Number of share options granted	Estimated fair value of share option on grant date (per option)
Lot 1	23,875,000	HK\$0.2347
Lot 2	11,937,500	HK\$0.2510
Lot 3	11,937,500	HK\$0.2690
	<u>47,750,000</u>	

Share options granted will vest upon the occurrence of: (1) as to 50%, 90 days after the first gold production by the Martabe Project; (2) as to 25%, upon the process plant of the Martabe Project being in operation and having reached its designed capacity of not less than a monthly average of gold production of 90% of the board approved production output for that year over a period of any six consecutive months after the first gold production at the Martabe Project; and (3) as to the remaining 25%, upon the process plant of the Martabe Project being in operation and having reached its designed capacity of not less than a monthly average of gold production of 90% of the board approved production output for that year over a period of any twelve consecutive months after the first gold production at the Martabe Project. No share options shall be vested at any time prior to the expiry of twelve months from the date of grant of the share options.

Share-based payment was recognised over the vesting period based on the management's estimation of the timing when the vesting conditions disclosed above are met. The fair value of the total share options granted during the six months ended 31 December 2011 is USD1,520,000 (six months ended 31 December 2010: USD11,902,000).

For the six months ended 31 December 2011, the Group recognised a share-based expenses of USD5,251,000 (six months ended 31 December 2010: USD4,829,000).

Notes to the condensed consolidated financial statements

15. Share-based Payment Transactions (continued)

The following assumptions were used to calculate the fair values of share options granted on 8 July 2011:

	Lot 1	Lot 2	Lot 3
Weighted average share price as at date of grant	HK\$0.649	HK\$0.649	HK\$0.649
Exercise price	HK\$0.770	HK\$0.770	HK\$0.770
Expected life	2.99 years	3.29 years	3.53 years
Expected volatility	61.815%	62.516%	64.183%
Dividend yield	0%	0%	0%
Risk-free interest rate	0.711%	0.833%	0.937%

The Black-Scholes option pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

Expected volatility was determined by using the volatility of a set of companies in the mining industry. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss, with a corresponding adjustment to the share option reserve.

16. Operating Leases**The Group as lessee**

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	At 31 December 2011 USD'000 (Unaudited)	At 30 June 2011 USD'000 (Audited)
Within one year	474	519
In the second to fifth year inclusive	256	484
	730	1,003

Operating lease payments represented rentals payable by the Group for certain of its office premises and warehouse. Leases are negotiated for terms ranging from one to four years.

17. Capital Commitments

At the end of the reporting periods, the Group had the following capital commitments:

	At 31 December 2011 USD'000 (Unaudited)	At 30 June 2011 USD'000 (Audited)
Capital expenditure contracted for but not provided for in the consolidated financial statements in respect of acquisition of property, plant and equipment	69,370	145,578
Capital expenditure authorised but not contracted for in respect of acquisition of property, plant and equipment	22,733	143,403

18. Related Party Disclosures

Key management personnel compensation

	For the six months ended 31 December 2011 USD'000 (unaudited)	2010 USD'000 (unaudited)
Short-term benefits	1,204	1,349
Share-based payments (Note)	3,395	4,580
Post-employment benefits	6	5
	4,605	5,934

Note: Share-based payments represent the portion of the total fair value at the grant date of share options issued under the 2004 Scheme and the Share Option Agreements which have been charged to the condensed consolidated income statement during the period ended 31 December 2011 and 2010.

Interim Dividend

No dividend were paid or proposed during the six months ended 31 December 2011 nor has any dividend been proposed since the interim reporting date (six months ended 31 December 2010: Nil).

Statutory Disclosure

Directors and Executive Officers' Interests and Short Positions in Shares and Underlying Shares of the Company

As at 31 December 2011, the interests and short positions of the directors and executive officers of the Company and their respective associates in the shares, underlying shares, convertible notes or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by directors and executive officers of the Company (the "Model Code"), were disclosed as follows in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"):

Long positions in shares and underlying shares of the Company

Name of Directors/ Executive Officers	Number of *shares / underlying shares				Approximate % of the issued share capital of the Company	Notes
	Personal interests	Corporate interests	Share options	Total		
Chiu Tao	–	–	280,000,000	280,000,000	1.65%	
Owen L Hegarty ("Mr Hegarty")	1,002,000	175,179,000	322,181,050	498,362,050	2.95%	1
Or Ching Fai	9,999,000	–	109,000,000	118,999,000	0.70%	
Peter Geoffrey Albert ("Mr Albert")	33,213,000	–	301,681,050	334,894,050	1.98%	2
Ma Xiao	–	–	50,000,000	50,000,000	0.29%	
Wah Wang Kei, Jackie	1,272,000	–	50,000,000	51,272,000	0.30%	
Hui Richard Rui	–	–	50,000,000	50,000,000	0.29%	
Kwan Kam Hung, Jimmy	–	–	21,500,000	21,500,000	0.12%	
Arthur Ellis	210,000	–	38,000,000	38,210,000	0.22%	

* Ordinary shares unless otherwise specified in the Note

Notes:

- 175,179,000 shares are held by Asia Linkage International Corp. ("Asia Linkage"), and Asia Linkage was wholly-owned by Mr Hegarty. By virtue of SFO, Mr Hegarty is deemed to have interest in all of the shares.

Pursuant to a share option agreement entered into between Mr Hegarty and the Company on 10 May 2009, the Company agreed to grant to Mr Hegarty 201,681,050 share options upon the fulfilment of certain conditions precedent pursuant to such share option agreement. Upon fulfilment of these conditions precedent, the share options granted to Mr Hegarty became effective on 24 July 2009 and shall be valid for a maximum period of five years thereafter.

- Pursuant to an investment agreement entered into between Mr Albert and the Company on 8 June 2009, Mr Albert agreed to subscribe for 33,213,000 shares at HK\$0.35 each in an aggregate amount of USD1,500,000. The shares were issued and allotted to Mr Albert on 9 July 2009 upon completion of placing of new shares under specific mandate.

Pursuant to a share option agreement entered into between Mr Albert and the Company on 10 May 2009, the Company agreed to grant to Mr Albert 201,681,050 share options upon the fulfilment of certain conditions precedent pursuant to such share option agreement. Upon fulfilment of these conditions precedent, the share option granted to Mr Albert became effective on 24 July 2009 and shall be valid for a maximum period of five years thereafter.

Save as disclosed above, none of the directors and executive officers of the Company or their associates had any interests and short positions in the shares, underlying shares, convertible notes or debentures of the Company or any of its associated corporations as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or otherwise notified by the Company pursuant to the Model Code required to be disclosed in accordance with the Listing Rules as at 31 December 2011.

Disclosable Interests and Short Positions of Substantial Shareholders other than Directors and Executive Officers

As at 31 December 2011, so far as known to the directors or executive officers of the Company, the following persons/entities are the shareholders (other than the directors or executive officers of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of general meetings of the Company or who were recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO or had otherwise notified the Company.

Long positions in shares and underlying shares of the Company

Name of shareholders	Capacity	Number of shares/ underlying shares	Approximate % of the issued share capital
CST Mining Group Limited ("CST") (Note 2)	Interest of a controlled corporation	1,686,331,571 (L)	9.98%
Skytop Technology Limited ("Skytop") (Note 2)	Beneficial owner	1,686,331,571 (L)	9.98%
BlackRock, Inc. (Note 3)	Interest of a controlled corporation	1,286,787,400 (L)	7.62%
		5,594,400 (S)	0.03%
JPMorgan Chase & Co. ("JPMorgan") (Note 4)	Beneficial owner/ Investment manager Custodian corporation/ Approved lending agent	1,491,662,429 (L)	8.84%
		714,938,429 (P)	4.24%
McGoldrick Mark	Interest of a controlled corporation	1,268,150,050 (L)	7.51%
Mount Kellett Capital Management GP LLC	Investment manager	1,268,150,050 (L)	7.51%

Notes:

- "L" denotes long position, "S" denotes short position and "P" denotes lending pool.
- CST is the ultimate beneficial owner of Skytop. Under Part XV of the SFO, CST is deemed to have interest in the shares of the Company held by Skytop.

Statutory disclosure

3. These interests comprised 1,286,787,400 ordinary shares of the Company.

These interests comprised the respective direct interests held by:

	Number of shares (in Long Position)	Number of shares (in Short Position)
BlackRock Institutional Trust Company, N.A.	63,773,000	
BlackRock Institutional Trust Company, N.A.	13,716,000	
BlackRock Fund Advisors	1,221,412,400	5,594,400
BlackRock Advisors, LLC.	249,000	
BlackRock International Holdings Inc.	1,221,163,400	5,594,400
BlackRock Investment Management (Australia) Limited	3,096,000	
BlackRock Asset Management Australia Limited	90,000	
BlackRock Trident Holding Company Limited	32,241,000	
BlackRock Asset Management Japan Limited	32,241,000	
BlackRock Asset Management North Asia Limited	970,000	
BlackRock Luxembourg Holdco S.a.r.l.	682,685,000	
BlackRock Asset Management Ireland Limited	2,686,000	
BlackRock Investment Management (Korea) Limited	1,177,000	

BlackRock, Inc. is deemed to be interested in 1,286,787,400 shares held by various of its indirectly wholly owned subsidiaries.

4. These interests comprised 1,491,662,429 ordinary shares of the Company which include 714,938,429 shares in lending pool.

These interests comprised the respective direct interests held by:

	Number of shares
JPMorgan Chase Bank, N.A.	714,938,429
JF Asset Management Limited	93,993,000
JPMorgan Asset Management (UK) Limited	682,506,000
J.P. Morgan Whitefriars Inc.	225,000

JPMorgan is deemed to be interested in these interests through its controlling interests of 100% in all of the above companies.

Save as disclosed above, the Company has not been notified by any person (other than the directors or executive officers of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of general meetings of the Company or who were recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO or had otherwise notified the Company as at 31 December 2011.

Share Option

1. Share Option Scheme

The following table discloses movements in the Company's share options held by each of the directors and the employees of the Company in aggregate granted under the share option scheme of the Company during the six months ended 31 December 2011:

Name or Category of participants	Date of grant	Exercisable period	Note	Exercise price HK\$	Outstanding as at 1.7.2011	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding as at 31.12.2011	Market value per share at date of grant of options HK\$	Option value per share HK\$
(a) Directors												
Chiu Tao	23.11.2009	23.11.2009 – 22.11.2014	1	0.5500	140,000,000	–	–	–	–	140,000,000	0.5400	0.2412
	1.12.2010	1.12.2010 – 30.11.2015	2	0.7000	140,000,000	–	–	–	–	140,000,000	0.5200	0.1814
Owen L Hegarty	1.12.2010	1.12.2010 – 30.11.2015	2	0.7000	120,500,000	–	–	–	–	120,500,000	0.5200	0.1814
Or Ching Fai	23.11.2009	23.11.2009 – 22.11.2014	1	0.5500	9,000,000	–	–	–	–	9,000,000	0.5400	0.2412
	3.3.2011	3.3.2011 – 2.3.2016	2	0.7000	100,000,000	–	–	–	–	100,000,000	0.5400	0.2170
Peter Geoffrey Albert	1.12.2010	1.12.2010 – 30.11.2015	2	0.7000	100,000,000	–	–	–	–	100,000,000	0.5200	0.1814
Ma Xiao	20.10.2009	20.10.2009 – 19.10.2014	1	0.4800	3,954,057	–	–	–	–	3,954,057	0.4750	0.2288
	23.11.2009	23.11.2009 – 22.11.2014	1	0.5500	31,045,943	–	–	–	–	31,045,943	0.5400	0.2412
	1.12.2010	1.12.2010 – 30.11.2015	2	0.7000	15,000,000	–	–	–	–	15,000,000	0.5200	0.1814
Wah Wang Kei, Jackie	20.10.2009	20.10.2009 – 19.10.2014	1	0.4800	3,954,057	–	–	–	–	3,954,057	0.4750	0.2288
	23.11.2009	23.11.2009 – 22.11.2014	1	0.5500	31,045,943	–	–	–	–	31,045,943	0.5400	0.2412
	1.12.2010	1.12.2010 – 30.11.2015	2	0.7000	15,000,000	–	–	–	–	15,000,000	0.5200	0.1814
Hui Richard Rui	20.10.2009	20.10.2009 – 19.10.2014	1	0.4800	3,954,057	–	–	–	–	3,954,057	0.4750	0.2288
	23.11.2009	23.11.2009 – 22.11.2014	1	0.5500	31,045,943	–	–	–	–	31,045,943	0.5400	0.2412
	1.12.2010	1.12.2010 – 30.11.2015	2	0.7000	15,000,000	–	–	–	–	15,000,000	0.5200	0.1814
Kwan Kam Hung, Jimmy	23.11.2009	23.11.2009 – 22.11.2014	1	0.5500	15,000,000	–	–	–	–	15,000,000	0.5400	0.2412
	1.12.2010	1.12.2010 – 30.11.2015	2	0.7000	6,500,000	–	–	–	–	6,500,000	0.5200	0.1814
Total for directors					781,000,000	–	–	–	–	781,000,000		

Statutory disclosure

Name or Category of participants	Date of grant	Exercisable period	Note	Exercise price HK\$	Outstanding as at 1.7.2011	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding as at 31.12.2011	Market value per share at date of grant of options HK\$	Option value per share HK\$
(b) Employees	20.10.2009	20.10.2009 – 19.10.2014	1	0.4800	5,378,161	–	–	–	–	5,378,161	0.4750	0.2288
	23.11.2009	23.11.2009 – 22.11.2014	1	0.5500	13,850,000	–	–	(1,000,000)	–	12,850,000	0.5400	0.2412
	4.12.2009	4.12.2009 – 3.12.2014	1	0.5500	28,000,000	–	–	–	–	28,000,000	0.5200	0.2289
	13.5.2010	13.5.2010 – 12.5.2015	1	0.5500	5,000,000	–	–	–	–	5,000,000	0.4750	0.1929
	1.12.2010	1.12.2010 – 30.11.2015	2	0.7000	22,109,194	–	–	(1,000,000)	–	21,109,194	0.5200	0.1814
	1.12.2010	1.12.2010 – 30.11.2015	2	0.6000	28,400,000	–	–	(500,000)	–	27,900,000	0.5200	0.2021
	1.12.2010	1.12.2010 – 30.11.2015	3	0.6000	25,000,000	–	–	–	–	25,000,000	0.5200	0.2021
	2.3.2011	2.3.2011 – 1.3.2016	2	0.7000	27,500,000	–	–	–	–	27,500,000	0.5400	0.2174
	8.7.2011	8.7.2011 – 7.7.2016	4	0.7700	–	47,750,000	–	(500,000)	–	47,250,000	0.6400	0.2474
Total for employees					155,237,355	47,750,000	–	(3,000,000)	–	199,987,355		
(c) Others	23.11.2009	23.11.2009 – 22.11.2014	1	0.5500	4,000,000	–	–	–	–	4,000,000	0.5400	0.2412
	1.12.2010	1.12.2010 – 30.11.2015	2	0.6000	3,000,000	–	–	–	–	3,000,000	0.5200	0.2021
Total for others					7,000,000	–	–	–	–	7,000,000		
Total for Scheme					943,237,355	47,750,000	–	(3,000,000)	–	987,987,355		

Notes:

1. The share options will vest upon the occurrence of:

- as to one-third, upon the first gold production by G-Resources Martabe Pty Ltd and its subsidiary under the Martabe Gold and Silver Project owned by PT Agincourt Resources in the Regency of South Tapanuli, Northern Sumatra, Indonesia (the "Martabe Project");
- as to one-third, upon the process plant of the Martabe Project being in operation and having reached its designed capacity within a range of 10% deviation for the average of the first year of production as defined by the mine schedule and plan and as approved by the Board for a continuous of three months; and
- as to the remaining one-third, upon the average closing share price of the Company for a continuous period of 30 days having reached 100% above the exercise price of the share option granted,

provided always that, in each case, no share options shall be vested at any time prior to the expiry of 12 months from the date of the grant of the share options and no option is exercisable until upon and after vesting.

2. The share options will vest upon the occurrence of:

- as to 50%, upon the first gold production by G-Resources Martabe Pty Ltd and its subsidiary under the Martabe Project;
- as to 25%, upon the process plant of the Martabe Project being in operation and having reached its designed capacity of not less than a monthly average of gold production of 90% of the board approved production output for that year over a period of any six consecutive months after the first gold production at the Martabe Project; and
- as to 25%, upon the process plant of the Martabe Project being in operation and having reached its designed capacity of not less than a monthly average of gold production of 90% of the board approved production output for that year over a period of any 12 consecutive months after the first gold production at the Martabe Project,

provided always that, in each case, no share options shall be vested at any time prior to the expiry of 12 months from the date of grant of the share options.

3. The share options will vest upon the occurrence of:
- as to 50%, upon completion of the Martabe Project and the first gold production by G-Resources Martabe Pty Ltd and its subsidiary under the Martabe Project on the condition that the first gold production of the Martabe Project must be on or before 31 December 2011; and
 - as to 50%, upon the process plant of the Martabe Project being in operation and having reached its designed capacity within a range of 10% deviation for the average of the first year of production as defined by the mine schedule and plan for a continuous period of three months as approved by the Board.
4. The share options will vest upon the occurrence of:
- as to 50%, 90 days after the first gold production by G-Resources Martabe Pty Ltd and its subsidiary under the Martabe Project;
 - as to 25%, upon the process plant of the Martabe Project being in operation and having reached its designed capacity of not less than a monthly average of gold production of 90% of the board approved production output for that year over a period of any six consecutive months after the first gold production at the Martabe Project; and
 - as to 25%, upon the process plant of the Martabe Project being in operation and having reached its designed capacity of not less than a monthly average of gold production of 90% of the board approved production output for that year over a period of any 12 consecutive months after the first gold production at the Martabe Project,

provided always that, in each case, no share options shall be vested at any time prior to the expiry of 12 months from the date of grant of the share options.

2. Share Option Agreements

On 10 May 2009 and 8 June 2009, two Directors and five employees of the Company entered into share option agreements with the Company respectively, pursuant to which the Company agreed to grant to each of them an option to subscribe for shares of the Company subject to fulfilment of the conditions under the share option agreement. The options were subsequently granted on 15 July 2009.

Details of movements of the options granted pursuant to the above share option agreements during the period under review were as follows:

Name or Category of participants	Date of grant	Exercisable period	Note	Exercise price HK\$	Outstanding as at 1.7.2011	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding as at 31.12.2011	Market value per share at date of grant of options HK\$	Option value per share HK\$
(a) Directors												
Owen L Hegarty	15.7.2009	24.7.2009 – 23.7.2014	1	0.3850	201,681,050	–	–	–	–	201,681,050	0.4150	0.1962
Peter Geoffrey Albert	15.7.2009	24.7.2009 – 23.7.2014	1	0.3850	201,681,050	–	–	–	–	201,681,050	0.4150	0.1962
Total for directors					403,362,100	–	–	–	–	403,362,100		
(b) Employees												
	15.7.2009	3.8.2009 – 2.8.2014	1	0.4025	26,890,806	–	–	–	–	26,890,806	0.4150	0.1959
Total for employees					26,890,806	–	–	–	–	26,890,806		
Total					430,252,906	–	–	–	–	430,252,906		

Note:

- The share options will vest upon the occurrence of:
 - as to one-third, upon the first gold production by G-Resources Martabe Pty Ltd and its subsidiary under the Martabe Gold and Silver Project owned by PT Agincourt Resources in the Regency of South Tapanuli, Northern Sumatra, Indonesia (the "Martabe Project");
 - as to one-third, upon the process plant of the Martabe Project being in operation and having reached its designed capacity within a range of 10% deviation for the average of the first year of production as defined by the mine schedule and plan and as approved by the Board for a continuous period of three months; and
 - as to the remaining one-third, upon the average closing share price of the Company for a continuous period of 30 days having reached 100% above the exercise price of the share option granted,

provided always that, in each case, no share options shall be vested at any time prior to the expiry of 12 months from the date of the grant of the share options and no option is exercisable until upon and after vesting.

Statutory disclosure

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 31 December 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Changes of Information of Directors Under Rule 13.51B(1) of the Listing Rules

Below are the changes of directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange since the date of the 2011 Annual Report of the Company.

Mr. Or Ching Fai, a Vice-Chairman and an independent non-executive director of the Company, is currently an independent non-executive director of Chow Tai Fook Jewellery Group Limited and Industrial and Commercial Bank of China Limited ("ICBC") (whose shares are both listed on the main board of the Stock Exchange). The qualification of Mr. Or as an independent non-executive director of ICBC is still subject to the approval of the China Banking Regulatory Commission and his appointment shall become effective from the date on which the approval has been obtained.

Save for the information disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Code on Corporate Governance Practices

Compliance with the Code on Corporate Governance Practices of the Listing Rules

In the opinion of the directors, the Company has complied with the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Listing Rules throughout the six months ended 31 December 2011, except for the deviation from the Code Provision A.4.1 in respect of the service term of directors.

Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term and subject to re-election. The existing non-executive and independent non-executive directors do not have a specific term of appointment but are subject to retirement by rotation and re-election at each annual general meeting under the Bye-Laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company has good corporate governance practices.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Enquiry has been made of all directors, and the directors have confirmed compliance with the required standard set out in the Model Code during the six months ended 31 December 2011.

Audit Committee

The Audit Committee, with terms of reference in compliance with the provisions set out in the CG Code, comprises three members who were all independent non-executive directors of the Company for the six months ended 31 December 2011. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the auditing, internal controls and financial reporting matters. The interim report for the six months ended 31 December 2011 has been reviewed by the Company's Audit Committee and the Company's auditors, Deloitte Touche Tohmatsu.

By Order of the Board

Chiu Tao

Chairman

Hong Kong, 29 February 2012

Report on Review of Interim Financial Information



TO THE BOARD OF DIRECTORS OF G-RESOURCES GROUP LIMITED
(incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 22 to 35, which comprises the condensed consolidated statement of financial position of G-Resources Group Limited (the "Company") and its subsidiaries as of 31 December 2011 and the related condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information 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 Hong Kong Standards on Auditing 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

29 February 2012

CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr Chiu Tao, *Chairman*

Mr Owen L Hegarty, *Vice-Chairman*

Mr Peter Geoffrey Albert, *Chief Executive Officer*

Mr Ma Xiao, *Deputy Chief Executive Officer*

Mr Wah Wang Kei, Jackie

Mr Hui Richard Rui

Mr Kwan Kam Hung, Jimmy

Non-Executive Director

Mr Tsui Ching Hung

Independent Non-Executive Directors

Mr Or Ching Fai, *Vice-Chairman*

Ms Ma Yin Fan

Mr Leung Hoi Ying

Investment and Management Committee

Mr Chiu Tao, *Chairman*

Mr Owen L Hegarty

Mr Peter Geoffrey Albert

Mr Ma Xiao

Mr Hui Richard Rui

Audit Committee

Mr Or Ching Fai, *Chairman*

Ms Ma Yin Fan

Mr Leung Hoi Ying

Remuneration Committee

Mr Or Ching Fai, *Chairman*

Ms Ma Yin Fan

Mr Leung Hoi Ying

Nomination Committee

Mr Chiu Tao, *Chairman*

Mr Or Ching Fai

Ms Ma Yin Fan

Company Secretary

Mr Wah Wang Kei, Jackie

Chief Financial Officer

Mr Arthur Ellis

Auditor

Deloitte Touche Tohmatsu

Legal Advisors

Hong Kong: Freshfields Bruckhaus Deringer,
Tung & Co.

Bermuda: Appleby

Indonesia: Brigitta I. Rahayoe and Partners,
Hadiputranto, Hadinoto & Partners,
Christian Teo & Associates

Principal Bankers

Hang Seng Bank Limited

BNP Paribas

Sumitomo Mitsui Banking Corporation

Commonwealth Bank of Australia

Citibank, N.A.

Share Registrars

Hong Kong

Union Registrars Limited

18/F, Fook Lee Commercial Centre

Town Place, 33 Lockhart Road

Wanchai, Hong Kong

Bermuda

Butterfield Fulcrum Group (Bermuda) Limited

Rosebank Centre

11 Bermudiana Road

Pembroke HM 08, Bermuda

Registered Office

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

Head Office and Principal Place of Business

Rooms 4501-02, 4510, 45th Floor

China Resources Building

26 Harbour Road

Wanchai, Hong Kong

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