Chairman's Statement & Review of Operations

The Group has been actively vetting acquisition prospects in both the petroleum development sector as well as the oilfield services sector during the first half of 2016. Sustained low oil pricing has created enhanced buying opportunities stemming from highly-leveraged companies that are challenged within this current downturn. Global continues to have financial strength with a strong cash position and a debt-free balance sheet and believes that multiple sectors within the energy industry provide excellent "buy low", "hold" and "sell high" scenarios. The Group is seeking to use this downturn to capitalise on these opportunities.

Timing is key in successfully executing any strategy. Although the exact timing of an oil price stabilisation and following recovery is unknown, the Group believes that a future price recovery is, at some level, inevitable. We believe that over the next eighteen months there will be an opportune period to consolidate and acquire within the energy industry at low prices in order to expand and create a more diversified portfolio of assets and/or companies that can take advantage of a future oil price stabilisation and longer term recovery. Global has not limited itself to looking at traditional petroleum exploration and production plays and has expanded its geographical research to cover potential opportunities outside of our current South America focus.

During the first half of 2016, the Group has reorganised personnel and work functions to both streamline our efforts as well as strategically position the Company for advancement.

The Group also made the decision to perform a portion of its remediation obligations related to the Bocachico and Bolivar Contract Areas in Colombia during the upcoming year rather than upon expiration of the contracts. This decision was made in order to take advantage of lower oilfield service pricing during depressed industry conditions in Colombia and to also reduce future environmental obligations. This decision resulted in the increase in short-term provisions from $184 thousand to $912 thousand during the first half of 2016, as the projects and their related costs were reclassified from non-current and increased to their present values.

<u>Financials</u>

Statement of Financial Position

In February 2016, the Group and HKN, Inc. ("HKN") amended its secured, short-term financing note receivable ("Note Receivable") with Everest Hill Group, Inc. ("Everest"). Under the amendment, the Group loaned an additional $2.0 million principal amount to Everest and extended the maturity date by six months to 15 September 2016. In addition, the Group was granted right of first refusal to purchase certain offshore oil service vessels owned by Everest and its affiliates. The Note Receivable continues to be subject to an interest charge of 12 per cent per annum, payable monthly in arrears. Everest paid to Global a 2 per cent transaction fee of $40,000 upon the closing of the amendment. As of 30 June 2016, the total outstanding principal balance of the Note Receivable was $12 million, with Global's participating interest at $10 million and HKN's participating interest at $2 million.

Subsequently in September 2016, the Group and HKN agreed to amend the Note Receivable and extend the maturity date by thirty days from 15 September 2016 to 15 October 2016. All other terms within the Note Receivable shall continue in full force and effect.

Results of Operations

During the period, the Group's sole producing well, the Torcaz #2 well within the Bocachico field in Colombia, South America, averaged approximately 22 gross barrels of oil per day ("bopd") yielding lifted volumes of 3,946 barrels of oil ("bbls"), which was a decrease from the prior year lifted volumes of 5,862 bbls. Turnover decreased from $217 thousand during the prior year period to $84 thousand during the first six months of 2016, and average realised sales prices decreased to $21.38/bbl compared to $37.10/bbl for the prior year period.

Cost of sales decreased significantly to $269 thousand from $411 thousand during the prior year period as a result of lower production volumes at the Bocachico field and decreased maintenance activities in both fields. These decreases were due to efforts to minimise costs while oil pricing remains low. The decreases in both sales prices and production were more than offset by cost reductions in the fields, resulting in a slight reduction in the gross loss from $194 thousand to $185 thousand.

During the first six months of 2016, the Group recorded an impairment charge of $184 thousand on its oil and gas properties in the Bocachico and Bolivar contract areas in Colombia. This charge is the result of the decision to perform certain remediation obligations earlier than originally anticipated, as discussed above, and resulted in the recognition of future accretion as additional cost during the current period. The decision to perform these activities prior to the end of the contract terms will result in lower accretion being recognised within finance expense in future periods.

Administrative expenses decreased slightly to $2.3 million during the period compared to $2.5 million for the prior year period. The decrease was primarily attributable to a decrease of $589 thousand in personnel and office related costs as compared to the first six months of 2015 which is the result of staff and salary reductions during the second half of 2015 and cost-cutting measures implemented across the organisation as well as the inclusion of one-time redundancies of $173 thousand during the prior year period. The decreases in the Group's staffing and office costs were partially offset by an increase of $310 thousand in professional fees due to consulting and due diligence costs related to the Group's evaluation of acquisition opportunities within the energy market as well the search for the Group's new Director of Operations.

The Group recorded a loss on currency translation during the current year period of approximately $194 thousand as a result of the Colombian peso exchange rate strengthening against the Group's functional currency which is the US dollar.

Finance income increased significantly during the current year period as a result of $590 thousand in interest and fees related to the Note Receivable to Everest which earns an annual interest rate of 12 per cent. The Group extended $8 million to Everest during September 2015 and subsequently loaned an additional $2 million during February 2016.

Tax expense for the six months ended 30 June 2016 was $87 thousand as compared to an overall tax benefit of $296 thousand for the prior year period. Tax expense for the current year is primarily comprised of the CREE and wealth taxes related to our Colombian subsidiaries. The prior year period benefit was primarily due to a net decrease in deferred tax liabilities for the period.

The Group also recognised a $139 thousand loss from discontinued operations during the first six months of 2016 related to disallowed tax credits on a tax refund due from the tax authorities in Peru. The anticipated tax refund was related to VAT charged on invoices for oil and gas activities related to the Group's Block 95 contract in Peru which was sold to Gran Tierra Energy during 2012. Upon the Group's request for a refund, the taxing authority in Peru commenced an audit of the refund claim which was completed during the 2016 period, and a partial refund was issued to the company's wholly-owned Peruvian subsidiary. The income from discontinued operations of $1.0 million during the prior year period was related to tax and purchase price adjustments on the Group's sale of its wholly-owned subsidiary, Colombia Energy Development Company ("CEDCO"), which was finalised during 2015.

Conclusion

During this period of time that uncertainty in the energy market prevails, the Group's goal continues to be to increase value for its shareholders by seeking investments or acquisitions within the energy sector with potential for upside upon sustained oil price recovery. The Group is well-positioned to pursue strategic opportunities during a time of consolidation within our industry.

Mikel Faulkner
Chairman

Independent Review Report to Global Energy Development PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2016 which comprises the Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Financial Position, Condensed Consolidated Cash Flow Statement, Condensed Consolidated Statement of Changes of Equity and related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. Our review work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing and presenting the half-yearly financial report in accordance with the AIM Rules of the London Stock Exchange.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards and International Financial Reporting Interpretations Committee pronouncements as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. 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 International Standards on Auditing (UK and Ireland) 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 condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2016 is not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union, and the AIM Rules of the London Stock Exchange.

RSM UK Audit LLP

Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

14 September 2016

Unaudited Condensed Consolidated Statement of Comprehensive Income

For the period ended 30 June 2016

	Note	**Six months ended 30 June 2016 $'000 (Unaudited)**	Six months ended 30 June 2015 $'000 (Unaudited)	Year ended 31 December 2015 $'000 (Audited)
Continuing operations				
Revenue	**5**	**84**	217	365
Cost of sales		**(269)**	(411)	(978)
Gross loss		**(185)**	(194)	(613)
Other income		**-**	6	8
Administrative expense		**(2,273)**	(2,529)	(4,478)
Share-based expense		**(5)**	(6)	(14)
Exchange (expense)/gain		**(194)**	10	(59)
Impairment loss		**(184)**	-	(21,813)
Operating loss from continuing operations		**(2,841)**	(2,713)	(26,969)
Finance income		**606**	1	440
Finance and other expense		**(94)**	(98)	(196)
Loss before taxation from continuing operations		**(2,329)**	(2,810)	(26,725)
Tax (expense)/benefit	**10**	**(87)**	296	2,114
Loss from continuing operations, net of tax		**(2,416)**	(2,514)	(24,611)
(Loss)/income from discontinued operations, net of tax	**3**	**(139)**	1,047	1,047
Total comprehensive loss attributable to the equity holders of the parent		**(2,555)**	(1,467)	(23,564)
Loss per share for continuing operations				
– Basic	**6**	**$(0.07)**	$(0.07)	$(0.68)
– Diluted	**6**	**$(0.07)**	$(0.07)	$(0.68)
Earnings/(loss) per share for discontinued operations				
– Basic	**6**	**$(0.00)**	$0.03	$0.03
– Diluted	**6**	**$(0.00)**	$0.03	$0.03
Total loss per share				
– Basic	**6**	**$(0.07)**	$(0.04)	$(0.65)
– Diluted	**6**	**$(0.07)**	$(0.04)	$(0.65)

Figures in thousands except for per share information.

Unaudited Condensed Consolidated Statement of Financial Position

As at 30 June 2016

	Note	**30 June 2016 $'000 (Unaudited)**	30 June 2015 $'000 (Unaudited and Restated)	31 December 2015 $'000 (Audited and Restated)
Assets				
Non-current assets				
Intangible assets		**93**	29	93
Other non-current assets		**877**	840	862
Property, plant and equipment	**8**	**79**	22,336	145
Total non-current assets		**1,049**	23,205	1,100
Current assets				
Inventories		**251**	276	246
Note receivable	**9**	**10,050**	-	8,040
Trade and other receivables		**49**	501	339
Prepayments and other assets		**295**	302	169
Cash and cash equivalents		**21,012**	34,963	25,608
Total current assets		**31,657**	36,042	34,402
Total assets		**32,706**	59,247	35,502
Liabilities				
Non-current liabilities				
Deferred tax liabilities (net)		-	(1,886)	(6)
Long-term provisions		**(1,692)**	(2,224)	(2,005)
Total non-current liabilities		**(1,692)**	(4,110)	(2,011)
Current liabilities				
Trade and other payables		**(325)**	(680)	(932)
Short-term provisions		**(912)**	-	(184)
Corporate and equity tax liability		**(74)**	(115)	(122)
Total current liabilities		**(1,311)**	(765)	(1,238)
Total liabilities		**(3,003)**	(4,905)	(3,249)
Net assets		**29,703**	54,342	32,253
Capital and reserves attributable to equity holders of the parent				
Share capital	**11**	**608**	608	608
Share premium account		**27,139**	27,139	27,139
Capital reserve		**51,855**	51,855	51,855
Retained deficit		**(49,899)**	(25,260)	(47,349)
Total equity		**29,703**	54,342	32,253

The financial information on pages 4 to 14 was approved and authorised for issue by the Board of Directors on 14 September 2016 and is signed on its behalf by:

Mikel Faulkner
Chairman – 14 September 2016

Unaudited Condensed Consolidated Cash Flow Statement

For the period ended 30 June 2016

	Note	**Six months ended 30 June 2016 $'000 (Unaudited)**	Six months ended 30 June 2015 $'000 (Unaudited)	Year ended 31 December 2015 $'000 (Audited)
Cash flows from operating activities				
Cash used by operations	**4**	**(3,041)**	(3,406)	(5,108)
Taxes paid (continuing and discontinued operations)		**(155)**	(536)	(586)
Net cash used by operating activities		**(3,196)**	(3,942)	(5,694)
Cash flows from investing activities				
Placement of note receivable		**(2,000)**	-	(8,000)
Interest and commission fee from note receivable		**590**	-	400
Proceeds from sale of assets		**38**	-	-
Purchase price adjustments for sale of subsidiary	**3**	**-**	(1,161)	(1,161)
Costs paid for sale of subsidiary		**-**	(1,000)	(1,000)
Interest received		**-**	1	8
Purchase of property plant and equipment		**(28)**	(88)	(98)
Net cash used in investing activities		**(1,400)**	(2,248)	(9,851)
Decrease in cash and cash equivalents		**(4,596)**	(6,190)	(15,545)
Cash and cash equivalents at beginning period		**25,608**	41,153	41,153
Cash and cash equivalents at the end of period		**21,012**	34,963	25,608

Unaudited Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2016

	Attributable to equity holders of the parent				
	Share capital $'000	Share premium $'000	Capital reserve $'000	Retained deficit $'000	Total $'000
At 1 January 2015 (Audited)	**608**	**27,139**	**51,855**	**(23,802)**	**55,800**
Total comprehensive loss attributable to equity holders of the parent	–	–	–	(1,467)	(1,467)
Share-based payments	–	–	–	9	9
At 30 June 2015 (Unaudited)	**608**	**27,139**	**51,855**	**(25,260)**	**54,342**
Total comprehensive loss attributable to equity holders of the parent	–	–	–	(22,097)	(22,097)
Share-based payments	–	–	–	8	8
At 31 December 2015 (Audited)	**608**	**27,139**	**51,855**	**(47,349)**	**32,253**
Total comprehensive loss attributable to equity holders of the parent	–	–	–	(2,555)	(2,555)
Share-based payments	–	–	–	5	5
At 30 June 2016 (Unaudited)	**608**	**27,139**	**51,855**	**(49,899)**	**29,703**

Unaudited Notes Forming Part of the Condensed Consolidated Interim Financial Report

For the six months ended 30 June 2016

1. Accounting Policies

Basis of Preparation

The interim financial information has been prepared using policies based on International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU. The interim financial information has been prepared using the accounting policies which will be applied in the Group's statutory financial information for the year ending 31 December 2016. Of the new international accounting standards issued with effective date of 1 January 2016, none have an impact on the Group. The interim financial information has been prepared in accordance with IAS 34 - Interim Financial Reporting.

In forming its opinion as to going concern, the Board prepares a working capital forecast based upon its assumptions. The Board also prepares a number of alternative scenarios modelling the business variables and key risks and uncertainties. Based upon these, the Board remains confident that the Group's current cash on hand and current cash flow from operations will enable the Group to fully finance its future working capital discretionary expenditures beyond the period of 12 months of the date of this report.

Decommissioning

The decommissioning provision represents the present value of decommissioning costs for existing assets in the Group's oil operations, which are expected to be incurred between 2016 and 2024. These provisions have been generated based on the Group's internal estimates, and where available, studies and analyses from external sources. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates are included within short-term and long-term provisions within the statement of financial position and are reviewed periodically to take into account any material changes to those assumptions.

During 2016, the Group made the decision to perform a portion of its remediation obligations related to the Bocachico and Bolivar Contract Areas in Colombia during the upcoming year rather than upon expiration of the contracts. This decision was made in order to take advantage of lower oilfield service pricing during depressed industry conditions in Colombia and to also reduce future environmental obligations. This decision resulted in the increase in short-term provisions from $184 thousand to $912 thousand during the first half of 2016, as the projects and their related costs were reclassified from non-current and increased to their present values.

2. Financial reporting period

The interim financial information for the period 1 January 2016 to 30 June 2016 is unaudited. In the opinion of the Directors, the interim financial information for the period presents fairly the financial position, results from operations and cash flows for the period in conformity with the generally accepted accounting principles consistently applied. The interim financial information incorporates unaudited comparative figures for the interim period 1 January 2015 to 30 June 2015 and the audited financial year to 31 December 2015.

Certain prior year amounts in the statement of financial position have be reclassified to conform with current year presentation for purposes comparability. Short-term provisions of $184 thousand previously included within trade and other payables at 31 December 2015 have been presented separately in the current period due to the materiality of the provision at 30 June 2016. In addition, prepaid taxes of $17 thousand and $5 thousand previously recorded within trade and other receivables as of 30 June 2015 and 31 December 2015, respectively, have been reclassified to prepayments and other assets in order to be presented with items of similar nature. Lastly, prepaid taxes of $840 thousand and $862 thousand previously recorded within prepaid and other assets and corporate and equity tax liability as of 30 June 2015 and 31 December 2015, respectively, have been reclassified to other non-current assets for comparability as a result of their non-current nature as of 30 June 2016.

The financial information contained in this interim report does not constitute statutory accounts as defined by section 435 of the Companies Act 2006. The comparatives for the full year ended 31 December 2015 are not the Company's full statutory accounts for that year. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2)−(3) of the Companies Act 2006.

3. Discontinued Operations

Peru Discontinued Operations:

During 2012 the Group closed on the sale of its remaining 40 per cent working interest in the Peruvian Block 95 License Contract (“Block 95”) through its wholly-owned subsidiary to Gran Tierra Energy, Inc. (“GTE”). Block 95 was the Company’s only Peruvian asset, located in the Maranon Basin in the north-east area of the country. Block 95 did not generate any revenues or expenses during the year ended 31 December 2015. Following the sale of Block 95, the Group’s wholly-owned subsidiary retained a receivable for tax credits related to drilling costs incurred by that entity along with GTE. Under the terms of the sale agreement, the Group agreed to continue with the refund collection process with the Peruvian tax authority and to pass along to GTE any refunded tax credits attributable to drilling costs paid by them. Upon the filing for this refund in 2012, the Peruvian tax authority initiated an audit of this balance which was not fully concluded until 2016. Upon the conclusion of this audit and receipt of certain allowable refunds from the Peruvian tax authority, the Group satisfied its obligation to GTE and recorded expenses related to legal costs and disallowed tax credits. During the six months ended 30 June 2016, the Group’s results from discontinued operations consist of $130 thousand of disallowed tax credits along with approximately $14 thousand in legal and professional fees associated with the tax audit along with the associated foreign currency gain of $5 thousand upon extinguishment of the tax asset and liability to GTE.

The table below provides further details of the amounts shown in the statement of operations for the discontinued operations of Peru:

Peru	**Six months ended 30 June 2016 $´000 (Unaudited)**	Six months ended 30 June 2015 $´000 (Unaudited)	Year ended 31 December 2015 $’000 (Audited)
Revenue	**-**	-	-
Gross profit	**-**	-	-
Administrative expenses	**(144)**	-	-
Exchange gain	**5**	-	-
Loss before taxation	**(139)**	-	-
Tax (expense) benefit	**-**	-	-
Loss from discontinued operations	**(139)**	-	-

CEDCO Discontinued Operations:

On 6 December 2014, the Group closed on the sale of its wholly-owned subsidiary, Colombia Energy Development Company (“CEDCO”), with an effective date of 1 August 2014. CEDCO held the Company’s contract areas (Rio Verde, Alcaravan and Los Hatos contracts) within the Llanos Basin of Colombia, South America. These contracts previously comprised the majority of the Company’s oil producing properties. As a result of this disposal, the operations of CEDCO have been treated as discontinued operations. There were no discontinued operations pertaining to CEDCO during the six months ended 30 June 2016.

The table below provides further details of the amounts shown in the statement of operations for the discontinued operations of CEDCO:

Colombia	**Six months ended 30 June 2016 $´000 (Unaudited)**	Six months ended 30 June 2015 $´000 (Unaudited)	Year ended 31 December 2015 $’000 (Audited)
Revenue	**-**	-	-
Gross profit	**-**	-	-
Administrative expenses	**-**	-	-

Colombia	**Six months ended 30 June 2016 $´000 (Unaudited)**	Six months ended 30 June 2015 $´000 (Unaudited)	Year ended 31 December 2015 $'000 (Audited)
Profit before taxation	**-**	-	-
Tax benefit[1]	**-**	661	661
(Loss) / income after taxation		661	661
Gain on disposal of business (including fees and purchase price adjustments)[2]	**-**	386	386
Income from discontinued operations	**-**	1,047	1,047

[1]Based upon new Colombian regulation introduced in 2015, the 2014 pre-effective date CREE tax liabilities for discontinued operations previously accrued as at 31 December 2014 and owed by the Group were able to be eliminated upon the filing of the 2014 Colombian tax returns in May 2015. The elimination of the accrued CREE tax liability of approximately $661 thousand is recorded to profit from discontinued operations in the statement of operations as of 30 June 2015.

[2]Per the share purchase agreement, the purchaser of CEDCO could send proposed adjustments to the purchase price following 90 days after the closing date. In February 2015, the Group received the purchaser's adjustment statement with proposed additional purchase price adjustments totalling $1.5 million. The Group accrued the $1.5 million of proposed adjustments in its financial statements as of 31 December 2014. On 31 March 2015, the Group and the purchaser agreed upon the finalised purchase price adjustment of $1.1 million following review of the proposed adjustments in accordance with the share purchase agreement. The $1.1 million was paid to the purchaser in March 2015. The resulting difference of approximately $386 thousand is recorded to profit from discontinued operations in the statement of operations as of 30 June 2015.

4. Reconciliation of profit / (loss) before taxation to net cash flow from operations

	Six months ended 30 June 2016 $´000 (Unaudited)	Six months ended 30 June 2015 $´000 (Unaudited)	Year ended 31 December 2015 $'000 (Audited)
Continuing operations			
Loss before tax	**(2,329)**	(2,810)	(26,725)
Adjustments for:			
Depreciation of property, plant & equipment	**49**	37	78
Amortisation of intangible assets	**-**	3	4
Impairment charge	**184**	-	21,813
Provision for uncollectible accounts	**4**	-	-
Share based expense	**5**	6	14
Other income	**-**	-	(8)
Finance income	**(590)**	(1)	(440)
Finance costs	**94**	98	196
Operating cash flow before movements in working capital	**(2,583)**	(2,667)	(5,068)
(Increase) / Decrease in inventories	**(5)**	14	44
Increase in trade and other receivables	**(16)**	(839)	(569)
Decrease in trade and other payables	**(425)**	(558)	(159)
Cash used in continuing operations	**(3,029)**	(4,050)	(5,752)
Discontinued operations			
Loss before tax	**(139)**	-	-
Adjustments for:			
Provision for uncollectible accounts	**130**	-	-
Gain on sale of subsidiary	**-**	1,047	1,047
Operating cash flow before movements in working capital	**(9)**	1,047	1,047
Increase in trade and other receivables	**(5)**	-	-
(Decrease) / increase in trade and other payables	**2**	(403)	(403)
Cash (used in) generated from discontinued operations	**(12)**	644	644
Cash used by operations	**(3,041)**	(3,406)	(5,108)

The Statement of Cash Flows contains the following elements related to discontinued operations:

	Six months ended 30 June 2016 $´000 (Unaudited)	Six months ended 30 June 2015 $´000 (Unaudited)	Year ended 31 December 2015 $'000 (Audited)
Net cash generated from operating activities	-	108	108
Net cash used in investing activities	-	(87)	(87)
Net cash used in financing activities	-	-	-
Total	-	21	21

5. Revenue

Revenue is attributable to one continuing activity which is oil liftings from the Group's Bocachico field located in Colombia, South America.

6. Earnings/(loss) per share

Basic earnings/(loss) per share amounts are calculated by dividing profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding for the period.

Diluted earnings/(loss) per share amounts are calculated by dividing the profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. The calculation of the dilutive potential ordinary shares related to employee and Director share option plans includes only those options with exercise prices below the average share trading price for each period.

The following table reflects the profit/(loss) and share data used in the basic and diluted earnings per share calculations:

Figures in thousands except for share and per share information.

	Six months ended 30 June 2016 $'000 (Unaudited)	Six months ended 30 June 2015 $'000 (Unaudited)	Year ended 31 December 2015 $'000 (Audited)
Loss from continuing operations after taxation	**(2,416)**	(2,514)	(24,611)
(Loss) / Profit from discontinued operations after taxation	**(139)**	1,047	1,047
Net loss attributable to equity holders of the parent used in dilutive calculation	**(2,555)**	(1,467)	(23,564)
Loss per share for continuing operations			
– Basic and diluted	**$(0.07)**	$(0.07)	$ (0.68)
Earnings / (loss) per share for discontinued operations			
– Basic and diluted	**$(0.00)**	$0.03	$0.03
Total loss per share			
– Basic and diluted	**$(0.07)**	$(0.04)	$(0.65)
Basic weighted average number of shares	**36,112,187**	36,112,187	36,112,187
Dilutive potential ordinary shares	**-**	-	-
Employee and Director share option plans	**-**	-	-
Diluted weighted average number of shares	**36,112,187**	36,112,187	36,112,187

The calculation of the diluted earnings per share assumes all criteria giving rise to the dilution of the earnings per share are achieved and all outstanding share options with exercise prices lower than the average period share price are exercised.

7. Segmental analysis

For management purposes, the Group organised its business units based upon the field locations of its production, development and sale of hydrocarbons and related activities in Colombia, South America as follows:

- Bolivar area (comprised of the Bolivar Contract in the Magdalena valley)
- Bocachico area (comprised of the Bocachico Contract in the Magdalena valley)

Segment performance is evaluated and measured consistently with operating profit/(loss) in the consolidated condensed financial statements. However, the Group income taxes are managed on a group basis and are not allocated to operating segments.

	Bolívar segment $'000	**Bocachico segment $'000**	**Other segment $'000**	**30 June 2016 $'000**	Bolívar segment $'000	Bocachico segment $'000	Other segment $'000	30 June 2015 $'000	Bolívar segment $'000	Bocachico segment $'000	Other segment $'000	31 Dec 2015 $'000
Total revenues[1]	**-**	**84**	**–**	**84**	-	217	-	217	3	362	-	365
Loss before tax[1]	**(380)**	**(302)**	**(1,647)**	**(2,329)**	(137)	(203)	(2,470)	(2,810)	(22,583)	(37)	(4,105)	(26,725)
Total non-current assets	**908**	**4**	**137**	**1,049**	22,979	1	225	23,205	901	4	195	1,100
Total non-current liabilities	**(953)**	**(739)**	**-**	**(1,692)**	(5,179)	778	291	(4,110)	(1,278)	(727)	(6)	(2,011)

[1]*From continuing operations*

All oil revenues from the Group's business units are generated entirely in Colombia and result from sales to Colombia-based customers. All revenue from continuing operations arose from sales of crude to one customer which amounted to $84 thousand and $217 thousand for the six months ended 30 June 2016 and 2015, respectively.

The loss before tax for the Bolivar segment and the Bocachico segment for the six months ended 30 June 2016 includes $130 thousand and $54 thousand in impairment losses, respectively, due to the decision to perform certain remediation obligations earlier than originally anticipated resulting in an increase to their present values in the current period. The loss before tax for the Bolivar segment for the year ended 31 December 2015 contains the $22.2 million impairment of the carrying value of the Bolivar oil assets due to the decline in oil prices and the resulting uneconomic nature of the proved and probable oil reserves. The loss before tax for the Bocachico segment for the year ended 31 December 2015 contains a $426 thousand impairment recovery recognised during the year primarily for the reduction of the decommissioning and environmental liabilities.

8. Property, plant and equipment

Oil assets are tested periodically for impairment to determine whether the net book value of capitalised costs relating to the cash generating unit exceed the associated estimated future discounted cash flows of the related commercial oil reserves. If an impairment is identified, the depletion is charged through the statement of comprehensive income in the period incurred.

As at 31 December 2015, the Group's Bolivar and Bocachico area oil assets were fully impaired and remained fully impaired as at 30 June 2016 due to the oil reserves within the Bocachico and Bolivar areas being uneconomic at current pricing. As a result, any capital costs following the impairment at 31 December 2015, including plugging and abandonment activities and related changes of estimates in the associated provisions, are recorded to impairment expense as incurred.

9. Note Receivable

During 2015, the Group and HKN, Inc. ("HKN") (collectively as "Co-Lenders") entered into a secured, short-term financing note agreement (the "Note") with Everest Hill Energy Group Ltd. ("Everest") for the principal amount of $10 million. Under the Note, the Group participated as a Co-Lender by loaning $8.0 million and HKN participated by loaning $2.0 million of the principal amount to Everest.

On February 29, 2016, the Co-Lenders amended the Note. Under the Amendment, the Group loaned an additional $2.0 million principal amount to Everest and extended the maturity date by six months to 15 September 2016. In addition, the Group was granted right of first refusal to purchase certain offshore oil service vessels owned by Everest and its affiliates. The Note is subject to an interest charge of 12 per cent per annum, payable monthly in arrears. Everest paid to GED a 2 per cent transaction fee of $40 thousand upon the closing of this Amendment.

10. Tax expense
The Global Energy Development PLC Group is subject to UK and Colombian taxation.

UK taxation

The Group does not expect to be liable for UK corporation tax in the foreseeable future. As at 30 June 2016, the Group had trading losses carried forward of $26.2 million.

Colombian taxation

The Group pays taxes in Colombia through the branch offices of its wholly owned subsidiaries. The Colombian corporation tax is calculated as the CREE tax and the higher of net income tax or presumptive income tax as follows:

• Presumptive income tax. An alternative minimum tax calculated on the prior year gross equity less liabilities at a rate of 3 per cent to determine the presumptive income. A rate of 25 per cent is applied to the presumptive income to arrive at the tax obligation; or

• Net income tax. Calculated at a rate of 25 per cent taking into account revenues minus costs, standard and special deductions.

• CREE tax. Calculated at a rate of 14 per cent for 2015, 15 per cent for 2016, 17 per cent for 2017 and 18 per cent for 2018. Beginning in 2019, the rate will reduce to 9 per cent thereafter. Tax loss carryforwards incurred beginning 2015 shall be eligible to offset the CREE taxable amount with no expiration date. Lastly, the CREE tax may not be less than three per cent of the taxpayer's net equity as of 31 December of the preceding taxable year.

Additionally, in 2015, a new Equity Tax was introduced, now referred to as Wealth Tax, and is calculated each year for three years using a taxable base of the Net Equity (as at 1 January) at regressive rates of 1.15 per cent for 2015, 1.00 per cent for 2016 and 0.40 per cent for 2017. The payment of the tax is required with installments made twice per year (May and September).

The major components of income tax expense for the periods as disclosed in the consolidated condensed statement of comprehensive income are:

	Six months ended 30 June 2016 $'000 (Unaudited)	Six months ended 30 June 2015 $'000 (Unaudited)	Year ended 31 December 2015 $'000 (Audited)
Current taxes for continuing operations:			
CREE income tax	**16**	17	33
Current income tax charge for continuing operations	**42**	50	92
Wealth tax	**35**	125	125
Other withholdings	**-**	1	5
Total current taxes for continuing operations	**93**	193	255
Deferred tax:			
Change in deferred tax related to temporary differences and other	**(6)**	(489)	(2,369)
Tax expense (benefit) for continuing operations	**87**	(296)	(2,114)

11. Share capital

	Six months ended 30 June 2016 (Unaudited)		Six months ended 30 June 2015 (Unaudited)		Year ended 31 December 2015 (Audited)	
	Number of shares	**$´000**	Number of shares	$´000	Number of shares	$´000
Allotted, called up and fully paid						
Ordinary shares of 1p each	**36,112,187**	**608**	36,112,187	608	36,112,187	608

The ordinary shares confer the right to vote at general meetings of the Company, to a repayment of capital in the event of liquidation or winding up and certain other rights as set out in the Company's articles of association.

The ordinary shares also confer the right to receive dividends if declared by the Directors and approved by the Company.

12. Related Party Disclosures

HKN and its parties in concert are major shareholders of the Group. During 2016, the Group and HKN (collectively as "Co-Lenders") amended the secured Note Receivable with Everest. Under the Amendment, the Group loaned an additional $2.0 million principal amount to Everest and extended the maturity date by six months to 15 September 2016. Please see note 9 for information on the Note Receivable.

13. Post Reporting Date Event

On 9 September 2016, the Group extended the maturity date of the amended Note Receivable by thirty days to 15 October 2016.