

INTERIM REPORT

Global Coal Management plc
(formerly Asia Energy plc)

Six months to 31 December 2006

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Key events since 30 June 2006

are summarised as follows:

Global Coal Management plc is a London-based resource development company operating in Bangladesh and with investments in South Africa. The Company's shares are quoted on the Alternative Investment Market (AIM) (Ticker code : GCM).

The Company's primary activity is the development of a coal basin at Phulbari in Northwest Bangladesh into a world-class coal mine. The mine life is expected to be more than 30 years, with production of 15 million tonnes per annum at full capacity of mostly export quality metallurgical and thermal coal. The Phulbari Coal Project will add to Bangladesh's energy security by reliably delivering coal to the domestic market. The Company has submitted an unsolicited proposal to install up to 1000 MW of coal fired power generating capacity at the mine site.

In December 2006, the Company invested in GVM Metals Limited, whose focus is to bring its South African coal properties to production. This investment provides GCM with a meaningful stake in the South African coal sector and the opportunity to assist in the development of a number of underground and open-cut coal mines.

Global Coal Management plc also made a strategic investment in the Bangladesh telecommunications market. Peoples Telecommunications and Information Services Ltd (PeoplesTel) is an exciting business opportunity which also brings significant benefits to the Phulbari Coal Project by ensuring that modern and extensive telecommunication networks and infrastructure are in place across all areas (mine site, transport corridor, port operations etc.) of the Project.

- Protests organised by groups external to Phulbari against open pit mining and resettlement occurred on 26 August 2006 in Phulbari.
- Shares suspended from trading 31 August 2006 – 6 October 2006.
- BNP Government handed over to the Caretaker Government on 28 October 2006 with elections scheduled for 23 January 2007.
- Asia Energy plc invests in GVM Metals Limited December 2006.
- At the January 2007 AGM shareholders approved Asia Energy plc changing its name to Global Coal Management plc and the issue of up to 100 million new shares.
- The Bangladesh President calls a State of Emergency on 11 January 2007 and steps down as the Chief Advisor of the Caretaker Government. The Bangladesh elections are cancelled until further notice. The Caretaker Government Advisors also resign.
- A new Chief Advisor of the Caretaker Government is appointed on 12 January 2007, and a new Advisory Council is appointed the following week.
- The Caretaker Government begins to address the country's issue with energy, including a review of the Coal Policy. It also advocates the restoration of normalcy for a free and fair election and the elimination of corruption.
- Global Coal Management plc invests in the Bangladesh telecommunications company Peoples Telecommunications and Information Services Ltd in January 2007.
- Bangladesh Government's approval for the Scheme of Development remains outstanding.

Chief Executive's statement

It has been an exciting period for Global Coal Management plc (GCM) where we have acquired some new additions to the Company's portfolio, whilst witnessing many dynamic changes in the political and investment climate in Bangladesh.

In January 2007 the Company's name changed to Global Coal Management plc. The name better reflects the global strategy of the Company and the broadening of its investment portfolio.

While the political situation in Bangladesh remains uncertain, there is general optimism in the business community that the current Caretaker Government will take this opportunity to address the critical issues facing the country today. This includes the key issue of power supply.

GCM continues to wait for approval from the Government of Bangladesh for the Phulbari Coal Project's Scheme of Development. We remain committed to work with the Government to find an acceptable and harmonious way to implement this exciting Project for the benefit of all stakeholders.

Investments in GVM Metals Ltd (GVM) and Peoples Telecommunications and Information Services Ltd (PeoplesTel) in the latter part of December 2006 and January 2007 have been highlights.

Results

The Group made a loss of £1,027,000 after tax for the six months to 31 December 2006 (December 2005: loss of £355,000). This includes a one-off charge of £834,000 due to the valuation of options issued during the six months ended 31 December 2006 to comply with the new accounting standard FRS20 Share-Based

Payments. Excluding the impact of this charge, the loss for the six months ended 31 December 2006 is £193,000.

Exploration expenditure for the six months amounted to £1.8 million (December 2005: £3.9 million) as the Group reduced activity while awaiting approval from the Government of Bangladesh, to proceed with the next stage of the Phulbari Coal Project.

Bangladesh Political situation update

The Bangladesh National Party (BNP) Government handed over to the Caretaker Government on 28 October 2006. Disagreement between political parties over a consensus candidate to lead the Caretaker Government led to protests and strikes.

With the election date scheduled for 23 January 2007, nationwide strikes continued. On 3 January 2007 the opposition party (Awami League) announced that it would boycott the proposed election.

On 11 January 2007 the Chief Advisor of the Caretaker Government stepped down and a State of Emergency was declared. Subsequently all Advisors forming the advisor council to the Caretaker Government resigned.

On 12 January 2007, a former Bangladesh Bank Governor and ex-Vice President of the World Bank became the new Chief Advisor. A new advisory council was appointed the following week. Since this time a sense of calm has prevailed in Bangladesh. There is a new optimism that the Caretaker Government will be able to oversee a

free and fair election process. They are pursuing a crackdown on corruption and are commencing a review on the energy crisis and ways to tackle this problem, including a review of the coal policy. They have taken initiatives to examine both short term and long term solutions. No date has been announced for the holding of the elections postponed from 23 January 2007.

Phulbari Coal Project

The Definitive Feasibility Study and draft Preliminary Banking Information Memorandum to finance the Phulbari Coal Project were completed. Once the Scheme of Development is approved these documents will be updated and distributed to the International Banking Community as part of the process of arranging finance for the Project.

Additional work has been completed on improving various social development plans at the request of the Asian Development Bank (ADB). As part of the ADB guidelines and requirements, Forrest E. Cookson, an economist, has been engaged to prepare an "Economic Benefits Report – Phulbari Coal Project". GCM has appointed a Sustainable Development Manager to support efforts in Bangladesh and review the Company's overall approach to managing social and environmental risks and improving contributions to sustainable development.

We continue to work closely with the Government of Bangladesh to endeavour to find a harmonious way of implementing the Project.

PeoplesTel

In January 2007, GCM signalled further its commitment to Bangladesh by subscribing for 26.5% of the equity in PeoplesTel. The US\$5 million investment registration approval was received on 13 February 2007 from the Bangladesh Board of Investment.

This is an exciting investment opportunity which also brings significant benefits to the development of the Phulbari Coal Project by ensuring that modern and extensive telecommunication networks and infrastructure are in place across all areas (mine site, transport corridor, port operations etc.) of the Project.

PeoplesTel has a licence to operate fixed, wireless local loop along with voice data, image and all forms of telecommunication services in Bangladesh. It has been in operation since 1989 as rural operator and converting to a national operator in 2005. PeoplesTel has over 6000 km of microwave links covering all the major centres of Bangladesh and has the necessary human resources to implement its expansion plan and provide a consistently high standard of service.

South Africa

GCM's global coal portfolio strategy has begun with the acquisition of just over 18% of the issued capital of South African mineral processing and coal mining company GVM. The investment provides the Company with a meaningful stake in the South African coal sector. Steve Bywater and Graham Taggart were appointed Non-Executive Directors of the Board of GVM in February 2007.

GVM's primary listing is on the Australian Stock Exchange with secondary listings on London's Alternative Investment Market (AIM) and the Johannesburg Stock Exchange (JSE).

GVM has focused on opportunities in South Africa coal mining with its South African Black Empowered Partner (BEE), Motjoli Resource (Proprietary) Limited. GVM's Holfontein Project is located in the Witbank coal fields and the balance of its coal properties are located in the Limpopo province. GVM plans to bring the Holfontein mine into production in the first half of 2008. It is expected to produce 400,000 tpa of soft coking coal and 800,000 tpa of thermal coal.

GVM plan to bring the Limpopo Coal Project into production following Holfontein. A bankable feasibility study on the Limpopo Coal Project is expected to be completed by December 2007 with coal production expected in the first half of 2009.

Further to this, a heads of agreement to acquire Kelso Mining Limited (Kelso) whose principal asset is the right to acquire 70% of the issued share capital of Coal of Africa Limited (CoA) was signed by GVM in early February 2007. CoA's major assets include the Mooiplaats Coal Project, which has a JORC and SAMREC compliant resource in excess of 450 million tonnes of coal, and surrounding New Order prospecting rights.

In summary

The Company remains fully committed to developing the coal resource at Phulbari for the benefit of all stakeholders and continues to aim to do so in a safe and sustainable way. We are committed to working with all stakeholders to find an acceptable way of implementing such a vital source of long-term energy and economic benefit for the Bangladesh economy.

We will actively review investment opportunities in order to broaden our global investment portfolio and increase shareholder value.

Finally, I would like to thank our shareholders and staff for their continued support and loyalty during this period.

On behalf of the board,



S Bywater
Chief Executive

Group profit and loss account

For the six months ended 31 December 2006

	6 months to 31 December 2006 (unaudited) £000	6 months to 31 December 2005 (unaudited) £000	Year ended 30 June 2006 (audited) £000
Share-based payments (FRS20)	834	-	-
Other administrative expenses	839	512	1,338
Administrative expenses	1,673	512	1,338
Group operating loss	(1,673)	(512)	(1,338)
Interest receivable	647	157	817
Group operating loss and loss on ordinary activities before taxation	(1,026)	(355)	(521)
Taxation on loss on ordinary activities	(1)	-	1
Loss on ordinary activities after taxation	(1,027)	(355)	(520)
Loss for the financial period attributable to members of the parent company	(1,027)	(355)	(520)
Retained loss for the period	(1,027)	(355)	(520)
Basic and diluted loss per share (pence)	(2.1)p	(0.8)p	(1.2)p

Group statement of total recognised gains and losses

For the six months ended 31 December 2006

	6 months to 31 December 2006 (unaudited) £000	6 months to 31 December 2005 (unaudited) £000	Year ended 30 June 2006 (audited) £000
Loss for the financial period attributable to members of the parent company	(1,027)	(355)	(520)
Total recognised losses relating to the period	(1,027)	(355)	(520)

As a result of adopting FRS20, the net assets as at 30 June 2006 increased by £36,000 to £46,090,000.

Group balance sheet

As at 31 December 2006

	31 December 2006 (unaudited) £000	31 December 2005 (unaudited) £000	30 June 2006 (audited) (restated) £000
Fixed assets			
Intangible assets	19,760	14,219	17,930
Tangible assets	351	328	343
Investments	2,513	-	-
	22,624	14,547	18,273
Current assets			
Debtors	258	200	155
Deferred tax asset	-	-	1
Other receivables	46	-	46
Cash at bank and in hand	23,502	31,050	28,083
	23,806	31,250	28,285
Creditors: amounts falling due with one year	(298)	(775)	(468)
Net current assets	23,508	30,475	27,817
Total assets less current liabilities	46,132	45,022	46,090
Net assets	46,132	45,022	46,090
Capital and reserves			
Called up share capital account	4,877	4,800	4,877
Share premium account	42,708	41,854	42,664
Other reserves account	537	-	346
Profit and loss account	(1,990)	(1,632)	(1,797)
Equity shareholders' funds	46,132	45,022	46,090

Group cash flow statement

For the six months ended 31 December 2006

	6 months to 31 December 2006 (unaudited) £000	6 months to 31 December 2005 (unaudited) £000	Year ended 30 June 2006 (audited) £000
Net cash outflow used in operating activities	(766)	(473)	(1,140)
Returns on investments and servicing of finance			
Interest	568	156	817
Capital expenditure and financial investment			
Purchase of tangible fixed assets	(48)	-	(124)
Purchase of intangible fixed assets	(1,822)	(4,305)	(7,680)
Expenditure on investments	(2,513)	-	-
Payment for security deposits	-	-	(31)
Net cash outflow before management of liquid resources and financing	(4,581)	(4,622)	(8,158)
Financing			
Issue of ordinary share capital	-	31,237	31,807
Share issue costs	-	(1,208)	(1,209)
	-	30,029	30,598
Increase (decrease) in cash	(4,581)	25,407	22,440

Notes to the interim report

1. Basis of preparation of financial statements

The financial information contained herein does not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985. The unaudited interim financial information has been prepared on the basis of the accounting policies set out in the Group's accounts for the year ended 30 June 2006 with the exception of the new standard for Share-Based Payments, as described below. The figures for the year ended 30 June 2006 have been extracted from the accounts. Those accounts have been filed with the Registrar of Companies and contained an unqualified report which contained an emphasis of matter reference and did not contain a statement under s237(2) or (3). The Company's auditors, Ernst & Young LLP, have reviewed the interim financial information for the six months ended 31 December 2006 and their report is set out on page 18.

The Group has applied the new accounting standard FRS20 Share-Based Payments, in accordance with the transitional provisions, to all equity instruments granted after 7 November 2002 which had not yet vested at 1 July 2006.

The financial information for the 6 months ended 31 December 2006 is unaudited. In the opinion of the Directors the financial information for this period fairly presents the financial position, results of operations and cash flows for this period and conforms to generally accepted accounting principles.

Political and economic risks

The Group's Bangladesh operations are currently subject to various political, social and economic risks inherent in an emerging market.

The scheduled elections of 23 January 2007 were cancelled due to nationwide protests and strikes. On 11 January 2007, a State of Emergency was declared, forcing the Caretaker Government at that time to step down. Since then a new Caretaker Government has taken over. The Caretaker Government has also begun a review of the Powers System Master Plan and Coal Policy.

The Directors are hopeful of gaining approval from the Caretaker Government for the Scheme of Development for developing a mine at Phulbari to which the Group mining assets relate.

If the contract was to be cancelled or the Group does not secure approval for development of a mine, the Group would be required to impair all of its intangible mining assets. The Directors would then need to assess and proceed with alternative opportunities.

The Directors have recently purchased new investments and continue to actively review investment opportunities.

Notes to the interim report continued

The Group has taken legal advice concerning the Phulbari contract pertaining to any proposed cancellation or breach of contract. The Directors believe that they have a legally binding agreement and consequently will endeavour to receive approval for development. They believe approval will ultimately be secured.

Accordingly, the Directors consider that it is appropriate not to record any impairment in respect of the intangible mining assets.

Fundamental Accounting Concept

The Directors are of the opinion that the Group has sufficient funds for the foreseeable future to meet its obligations as they fall due. The Group has lodged the Feasibility Study, Definitive Feasibility Study and Scheme of Development for approval with the Government of Bangladesh in line with the Group's contractual obligations. The Caretaker Government has announced that it intends to review the Coal Policy which incorporates the major features of the Phulbari Coal Project.

The Group has received no notification from the Government of Bangladesh of any changes to the terms of the Company's Contract and the Directors do not believe that there are any grounds for the Contract to be cancelled. The Directors believe that approval for further development will be granted.

Development of the Project will require further funding. Directors are of the opinion that the current funding is sufficient to determine the appropriate funding arrangements, secure financing commitment from interested parties and, following approval of the Scheme of Development to commence initial Project development. The process to determine and secure the optimal funding arrangements will continue after Project approval.

On this basis, the Directors believe that the adoption of the going concern basis is justified.

2. Segment analysis

There was no turnover during the financial year. The administrative expenses relate to the United Kingdom office.

The Group operates in one principal area of activity being coal exploration and evaluation.

The Group operates within in one geographical segment, being Bangladesh, and is supported by management and administrative functions in Australia, Singapore and the United Kingdom.

Notes to the interim report continued

3. Net cash outflow from operating activities

	6 months to 31 December 2006 (unaudited) £000	6 months to 31 December 2005 (unaudited) £000	Year ended 30 June 2006 (audited) £000
Operating loss	(1,673)	(512)	(1,338)
Depreciation	7	-	2
Decrease in operating debtors	20	39	131
Increase in operating creditors	46	-	53
Share-based payments (FRS20)	834	-	-
Loss on sale of fixed assets	-	-	12
Net cash outflow used in operating activities	(766)	(473)	(1,140)

4. Reconciliation of net cash flow to movement in net funds

	6 months to 31 December 2006 (unaudited) £000	6 months to 31 December 2005 (unaudited) £000	Year ended 30 June 2006 (audited) £000
Increase (decrease) in cash in the period	(4,581)	25,407	22,440
Net funds at beginning of period	28,083	5,643	5,643
Net funds at end of period	23,502	31,050	28,083

Notes to the interim report continued

5. Reconciliation of movement in shareholders' funds

	6 months to 31 December 2006 (unaudited) £000	6 months to 31 December 2005 (unaudited) £000	Year ended 30 June 2006 (audited) (restated) £000
Loss for the period	(1,027)	(355)	(520)
Share issues (net of costs)	44	30,029	30,598
Conditional shares issued	-	-	318
Share-based payments (FRS20)	1,025	-	346
	42	29,674	30,742
Shareholders' funds at beginning of period	46,090	15,348	15,348
Shareholders' funds at end of period	46,132	45,022	46,090

In the Annual Report for the Group as at 30 June 2006, shareholders' funds at 30 June 2006 was £46,054,000. The restated amount of £46,090,000 is due to the adoption of FRS20 Share-Based Payments (refer Note 6).

6. Share-based payments

The Group has adopted Accounting Standard FRS20 Share-Based Payments, the impacts of which are as follows.

Options

Options are measured at their fair value at date of grant. Fair value is measured by use of the Black-Scholes valuation model.

The Group recognised a total cost of £893,000 for the six months ended 31 December 2006, of which £59,000 has been capitalised on the basis of being directly attributable to the Phulbari Coal Project. The remaining £834,000 has been charged to the Profit and Loss Statement (June 2006: £0, December 2005: £0).

Notes to the interim report continued

Until 30 June 2006, the provision of options to individuals did not result in a charge to the consolidated profit and loss.

Conditional shares

Until 30 June 2006 the fair value provision of £310,000 was reflected in 'Other Reserves' (December 2005: £0). Under the new FRS20 standard, the conditional shares has been classified as equity-settled transactions and the fair value has been recalculated to £346,000 as at 30 June 2006. A prior year adjustment has been made to the financial information set out for the period ended 30 June 2006 to reflect these changes.

At 31 December 2006 the fair value of conditional shares was £478,000. As the conditional shares are directly attributable milestones of the Phulbari Coal Project, the £132,000 movement in fair value of the conditional shares has been capitalised.

7. Events subsequent to balance date

The following events occurred subsequent to 31 December 2006.

Phulbari Coal Project

As discussed in Political and Economic Risks, elections scheduled in Bangladesh for 23 January 2007 were cancelled, and a State of Emergency declared. A new Caretaker Government has taken over and as a result a sense of calm has prevailed. The Caretaker Government has begun working on a number of issues including the Coal Policy.

GVM Metals

As at 31 December 2006 the Group had subscribed for 12.2 million shares in GVM Metals Ltd for £2.4 million, which were allotted on 2 January 2007. A further 4.0 million shares were purchased on 30 January 2007 for £0.9 million, followed by an additional purchase of 1.0 million shares on 9 February 2007 for £0.3 million, bringing the total number of shares to 17.2 million, 18.38% of issued equity.

PeoplesTel

On 22 January 2007 it was announced that Global Coal Management plc would acquire a 26.5% interest in Peoples Telecommunications and Information Services Ltd (PeoplesTel) for the investment of US\$5 million. Approval from Bangladesh Board of Investment for the registration was received on 13 February 2007.

Independent review report

To Global Coal Management plc

We have been instructed by the company to review the financial information for the six months ended 31 December 2006 which comprises the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Consolidated Cash Flow Statement, Consolidated Statement of Total Recognised Gains and Losses and the related notes 1 to 7. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

This report is made solely to the company having regard to guidance contained in Bulletin 1999/4 'Review of interim financial information' issued by the Auditing Practices Board. To the fullest extent permitted by the law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the interim report as required by the AIM Rules issued by the London Stock Exchange.

Review work performed

We conducted our review having regard to the guidance contained in Bulletin 1999/4 'Review of interim financial information' issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of Group management and applying

analytical procedures to the financial information and underlying financial data, and based thereon, assessing whether the accounting policies and presentation have been consistently applied, unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK and Ireland) and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 31 December 2006.

Emphasis of matter –recoverability of mining assets

In arriving at our review conclusion, which is not qualified in this respect, we draw attention to note 1 in the financial information concerning the material uncertainty over Global Coal Management plc's Contract with the Bangladeshi Government and consequently over the recoverability of the intangible mining assets. The recoverability of these assets is dependent on the Company receiving approval from the Government to develop the mine at Phulbari and at present there is a risk that the government may cancel the existing Contract. The intangible assets are included in the balance sheet at £19,760,000, and in the event that the Contract was cancelled, these amounts would be fully impaired.

Furthermore, the Directors would need to assess and proceed with alternative opportunities in order to continue as a going concern. The ultimate outcome of these matters cannot be presently determined and no impairment has been recorded in respect of the intangible mining assets as at 31 December 2006.



Ernst & Young LLP
London
15 March 2007

Notes:

1. The maintenance and integrity of the Global Coal Management plc's web site is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial information since it was initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.