

31 January 2018



Global Petroleum Limited

DECEMBER 2017 QUARTERLY REPORT

The Board of Global Petroleum Limited (“Global” or “Company”) presents its Quarterly Report for the period ending 31 December 2017.

Summary

- The Company announced during the reporting period that it had agreed with the Namibian Ministry of Mines and Energy (“MME”) an extension to the First Renewal Exploration Period (Phase 2) of 12 months to 3 December 2018 for Petroleum Exploration Licence No. 29 (“the Licence”), which covers Blocks 1910B and 2010A, in the Walvis Basin offshore Namibia. The announcement also specified that the MME had agreed entry into the Second Renewal Period (Phase 3) effective from 3 December 2018 for a period of two years.
- Processing and interpretation of the 2017 2D seismic data acquired over the Company’s acreage was finalised, and a Competent Persons Report (“CPR”) commissioned from AGR TRACS, which was completed post the reporting period. The CPR confirmed a high level of prospectivity in the Blocks held by the Company. Further details concerning the calculated prospective resources are detailed in the Company’s announcement of 15 January 2018.
- Global further announced on 19 January 2018 that it would be conducting a structured farm-out process and that it had appointed Stellar Energy Advisors to advise the Company in relation to the farm-out.
- In Italy, the Company announced in October 2017 the publication by the Italian authorities of the remaining two Environmental Decrees relating to its four offshore applications in the Southern Adriatic - the applications in question are designated d 80 F.R-GP and d 81 F.R-GP respectively. Since their publication a number of appeals against the Decrees by various interested parties have been notified to the Company.
- Mr Garrick Higgins was appointed a Director of the Company on 9 October 2017. Mr Damien Cronin retired from his position as Director and Company Secretary on 31 December 2017 when Mr Andrew Draffin, a Director of the Company, replaced Mr Cronin as Company Secretary.
- The Company held its Annual General Meeting in November 2017. All resolutions were passed on a show of hands, with the exception of the conditional spill resolution which was defeated.

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Namibian Project

The Namibian Project consists of an 85% participating interest in Petroleum Exploration Licence Number 29 (“Licence”) covering Offshore Blocks 1910B and 2010A in the Republic of Namibia. The Licence, issued on 3 December 2010, originally covered 11,730 square kilometres and is located offshore Namibia in water depths ranging from 1,300 metres to 3,000 metres (Figure 1).

The Company’s wholly owned subsidiary, Jupiter Petroleum (Namibia) Limited, is operator of the Licence, with an 85% interest in the two blocks. Partners NAMCOR and Bronze Investments Pty Ltd (Bronze) hold 10% and 5% respectively, both as carried interests.

In December 2015, the Company entered into the First Renewal Exploration Period (Phase 2) of the Licence, making a mandatory relinquishment of 50% of the Licence Area. Phase 2 originally had a duration of 24 months, with a reduced Minimum Work Programme. In place of the previous well commitment for Phase 2, the Company undertook to reprocess and re-interpret previously acquired 2D seismic data, and to shoot 800 kilometres of new 2D data. To this end, the Company’s technical team evaluated reprocessed 2D seismic data from the 1990s and also reprocessed speculative 2D seismic data shot over its Blocks in 2011/12 by TGS.

Following the reprocessing and evaluation of the historic 2D data, the Company entered into a contract with Seabird Exploration of Norway in order to acquire 834 km of full fold 2D seismic data over its Blocks, which was shot in June/July 2017. Processing and interpretation of the new 2D seismic data was completed early in the reporting period.

The new information significantly improved the prospectivity across Block PEL 0029 in general and the Gemsbok prospect in particular. Better imaging from the new 2D data revealed that the known source rock intervals are likely to be within the oil generative window and this, combined with data showing repeating oil seeps along the faulted flanks of Gemsbok, greatly improved the chance of a major oil discovery.

Consequently, the Company commissioned a Competent Persons Report (“CPR”) in respect of its acreage from consultants AGR TRACS, which was completed post the reporting period. Prospective resources have been calculated on three prospects: the Company’s primary structure, Gemsbok, as well as Dik Dik and Lion. The results of the CPR are set out in more detail in the Company’s announcement on 15 January 2018.

During the reporting period the Company also negotiated and agreed with the Namibian Ministry of Mines and Energy (“MME”) an extension of the First Renewal Exploration Period (Phase 2) of the Company’s Licence of 12 months to 3 December 2018. In addition, the MME has agreed entry into the Second Renewal Period (Phase 3) effective from 3 December 2018 for a period of two years.

The minimum work programme for the one year extension of Phase 2 is the acquisition of 600 square kilometres of 3D seismic data, contingent upon Global concluding a farm-out agreement with a third party

to fund the acquisition of the 3D data. If the 3D acquisition is not completed during the Phase 2 extension period, it may be carried over into Phase 3. During Phase 3, the commitment is to drill one well (depth and location to be agreed) unless the Ministry and Global agree that circumstances dictate otherwise.

Following the release of the CPR, the Company appointed Stellar Energy Advisors, a specialised, independent advisor providing acquisition and divestment services to upstream companies in the oil and gas business. Stellar will launch a structured farm-out process of the Company's Namibian acreage with a view to seeking a partner to fund future operations on the block, commencing with 3D seismic.

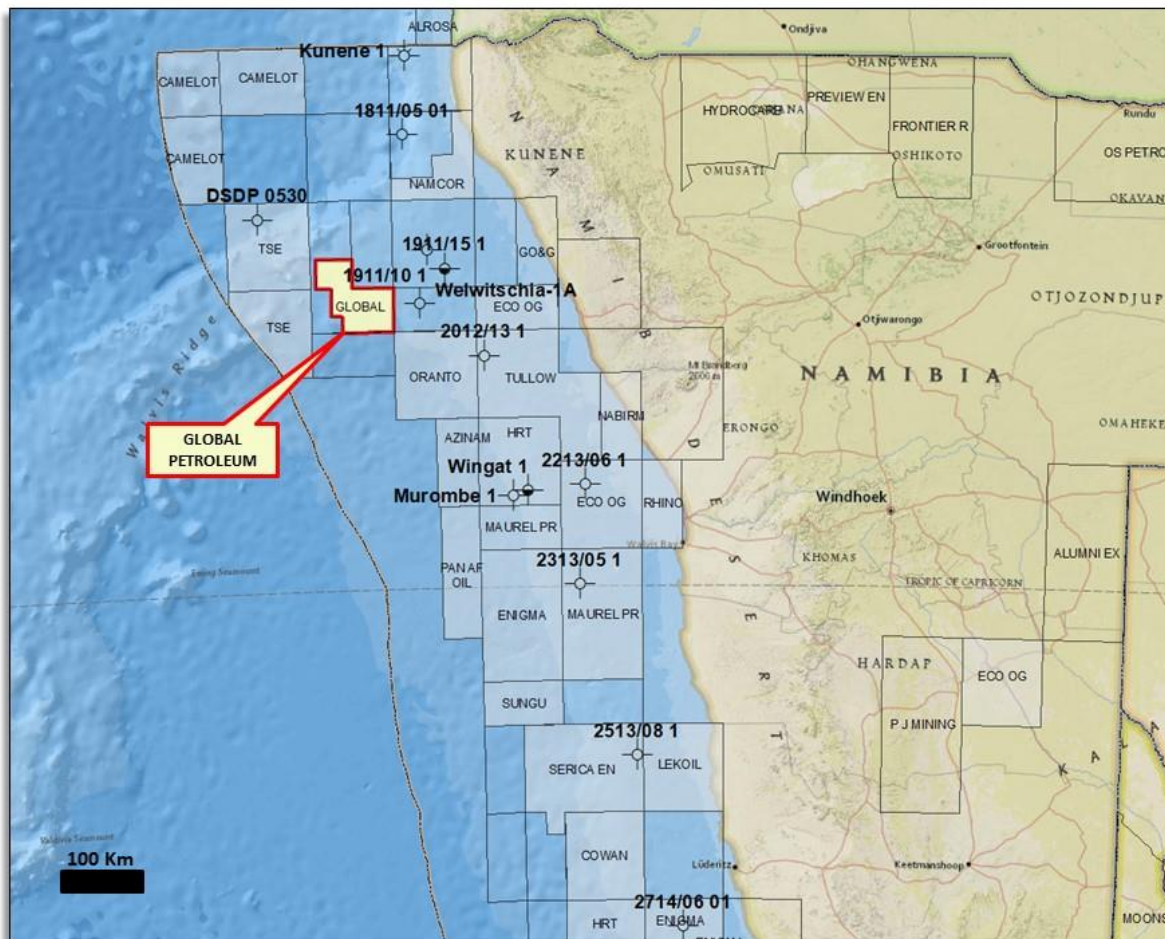


FIGURE 1 - Map of Namibia showing Global Licence.

Permit Applications in the Southern Adriatic, Offshore Italy

In August 2013, the Company submitted an application and proposed work programme and budget to the Italian Ministry of Economic Development for four exploration areas offshore Italy (the "Permit Applications" – Figure 2).

As previously reported, various local authorities and interest groups appealed against the Environmental Decrees in relation to d 82 F.R-GP and d 83 F.R-GP. Publication of Environmental Decrees is the final administrative stage before grant of the Permits. The above-mentioned Decrees were published in October 2016 and the appeals against them are expected to be heard by the Latium Administrative Tribunal (Rome) in Q4 2018.

The Company announced during the reporting period (in October 2017) that the remaining two Environmental Decrees in relation to the Permit Applications, designated d 80 F.R-GP and 81 F.R-GP, had been published by the Italian authorities.

As with the previous two Environmental Decrees, a number of appeals by various interested parties against the new Decrees have been notified to the Company. Global understands that recent appeals against other Environmental Decrees in the Southern Adriatic have been rejected by the same tribunal.

The Southern Adriatic and adjacent areas continue to be the focus of industry activity. Most notably, in Montenegro, offshore concessions were awarded in 2016 /2017 to Marathon, OMV and Eni/Novatek (the latter just 35 km from the nearest of the Applications). The four Application blocks are contiguous with the Italian median lines abutting Croatia, Montenegro and Albania respectively (Figure 2).

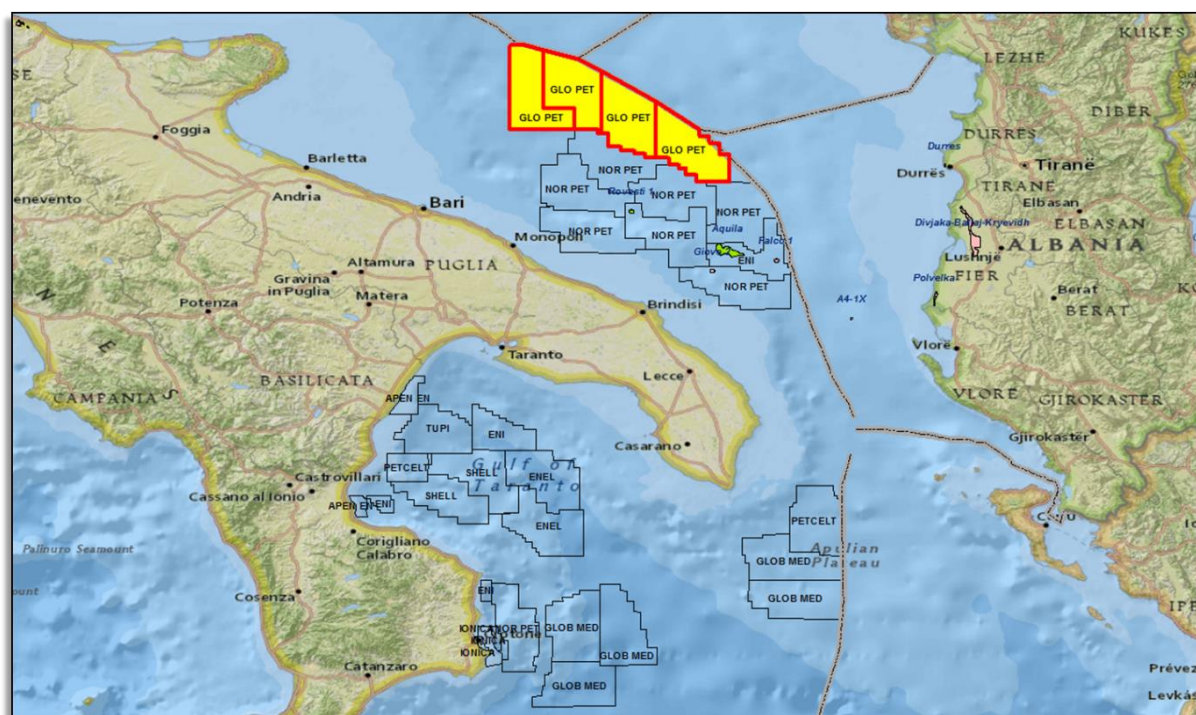


FIGURE 2 - Map of Southern Adriatic showing Italian permit applications.

ASX Listing Rule 5.4.3

Global provides the following information in accordance with ASX Listing Rule 5.4.3:

- The Company holds Petroleum Exploration Licence Number 29 covering Offshore Blocks 1910B and 2010A in the Republic of Namibia
- No granted petroleum tenements were acquired or disposed of by the Company during the reporting period.
- No beneficial percentage interests in joint venture, farm-in or farm-out agreements were acquired or disposed of by the Company during the reporting period.

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