



ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE: 31 JANUARY 2011

DECEMBER 2010 QUARTERLY REPORT

The Board of Global Petroleum Limited ("Global") is pleased to present its Quarterly Report for the period ending 31 December 2010.

Leighton Project

The first Eagle Ford well at the Leighton Project, Tyler Ranch EFS #1H was completed during the December quarter, having reached a total depth of 3,252m (10,670ft) and 1,372m (4,500ft) laterally. Good oil and gas shows were encountered during drilling, and following fracture stimulation and testing, the well had an initial flow in late December of 1,267 boepd, representing 1,202 bopd of light sweet crude and 782 mcfcpd of gas on a 16/64" choke.

Texon Petroleum Ltd (ASX: TXN) advised that Tyler Ranch EFS #1H produced 24,862 bo and 32,006 mcfcpd over the first 45 days on a restricted choke. This represents an average daily oil equivalent rate of 671 boepd (552 bopd and 711 mcfcpd) on the basis that 6mcf equals 1 barrel of oil equivalent. The 30 day rate on the same 6:1 basis was 716 boepd. The restricted choke is used to maintain reservoir pressure, slow the decline in production and potentially enhance oil recovery.

Global has a 7.939% working interest in the well. Global's beneficial interest (NRI) in the 45 day production is 5.95% or some 40 boepd.

The Company's share of oil and gas being produced from the well is now part of Global's revenue stream.

Global has a 7.939% working interest in approximately 1,651 acres beneath the Olmos formation including the Eagle Ford Shale. Global's interest in the Leighton prospect also includes a 15% working interest in approximately 873 acres from the surface down to the stratigraphic equivalent of the Olmos formation. Global has an interest in 7 producing Olmos wells.

Global expects to participate in the drilling of one Olmos production well during the current quarter, with Peeler #2 due to begin drilling in one weeks time.

The combined average daily production rate of the seven (7) Leighton wells (Peeler #1, Tyler Ranch #1, Tyler Ranch #2, Tyler Ranch #3, Tyler Ranch #4, Tyler Ranch #5 and Tyler Ranch #6) for the December quarter was a gross 421 boepd (186 bopd and 1,410 mcfcpd) with Global's beneficial interest (11.25% NRI) being 47 boepd.

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Business Development

Global has been actively reviewing opportunities for acquisitions, joint ventures, or investments in the resources sector, both domestic and overseas, which may enhance shareholder value.

The Company has now entered into a conditional sale and purchase agreement to acquire Jupiter Petroleum Limited (“Jupiter”) which holds prospective oil and gas exploration interests in offshore Namibia and in offshore Juan de Nova, a French dependency in the Mozambique Channel.

The acquisition of these interests will enable Global to participate in the prospective and active exploration province of offshore Namibia and position itself as an African focused oil and gas explorer.

Global will acquire 100% of Jupiter, a UK registered company which is owned 50% by Mr Peter Taylor and 50% by Mr Peter Blakey who are both also Directors of Global. The commercial terms of the acquisition, includes the issue of 25 million Global shares at settlement and the reimbursement of reasonable historical expenditure on the Namibian and Juan de Nova interests. The sale and purchase agreement is conditional on the satisfaction of a number of conditions precedent, including due diligence investigations, a report from an independent expert that the transaction is fair and reasonable to Global Shareholders, and Shareholder approval at a general meeting.

Further details on the proposed acquisition are available in the Company’s announcement dated 31 January 2011.

Mark Savage

Chairman

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Glossary:

bbl:	barrel
bo:	barrels of oil
boepd:	barrels of oil equivalent per day (including gas converted to oil equiv barrels on basis of 6 mcf to 1 barrel of oil equivalent)
bopd:	barrels of oil per day
mcf:	thousand cubic feet
mcfg:	thousand cubic feet of gas
mcfcpd:	thousand cubic feet of gas per day
mmbtu:	million British thermal units
NRI:	Net Revenue Interest

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

GLOBAL PETROLEUM LIMITED

ABN

68 064 120 896

Quarter ended ("current quarter")

31 DECEMBER 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	238	529
1.2 Payments for (a) exploration & evaluation	(608)	(1,059)
(b) development	-	-
(c) production	-	-
(d) administration	(319)	(525)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	274	517
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
- Business development	-	(7)
Net Operating Cash Flows	(415)	(545)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	(251)	(251)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(251)	(251)
1.13 Total operating and investing cash flows (carried forward)	(666)	(796)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(666)	(796)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(666)	(796)
1.20	Cash at beginning of quarter/year to date	26,902	27,899
1.21	Exchange rate adjustments to item 1.20	(87)	(954)
1.22	Cash at end of quarter	26,149	26,149

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	156
1.24	Aggregate amount of loans to the parties included in item 1.10	251

1.25 Explanation necessary for an understanding of the transactions

Payment of director's fees and superannuation, consulting fees and provision of a serviced office.

Loan to Jupiter Petroleum Limited, a company owned by Messrs Taylor and Blakey, Directors of Global Petroleum, for the purpose of assisting Jupiter meet bank guarantee and other licence payments for its Namibian Petroleum Exploration Licence whilst Global performed an initial assessment of Jupiter and its assets. The loan is repayable in the event that the acquisition of Jupiter does not complete.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	400
4.2 Development	-
4.3 Production	-
4.4 Administration	300
Total	700

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	7,792	7,864
5.2 Deposits at call	18,357	19,038
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	26,149	26,902

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	174,444,787	174,444,787		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date: 31 January 2011
(~~Director~~/Company secretary)

Print name: Clint McGhie

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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