



**ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE: 29 APRIL 2011**

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## **MARCH 2011 QUARTERLY REPORT**

The Board of Global Petroleum Limited ("Global") is pleased to present its Quarterly Report for the period ending 31 March 2011.

### **Highlights**

- In January 2011, Global entered into a conditional sale and purchase agreement ("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 Namibian Project consists of an 85% interest in a petroleum exploration licence covering Offshore Blocks 1910B and 2010A in the Republic of Namibia (Figure 1). These blocks cover an area of about 11,730 square kilometers in water depths ranging from 1,200 meters to 3,000 meters;
  - Jupiter also has a 30% interest in the Juan de Nova Est Permit which was issued by the French Government in December 2008. The permit covers approximately 9,010 square kilometers and is situated to the east of the small island of Juan de Nova in the Mozambique Channel, immediately to the west of Madagascar and about 100 kilometres north west of the large heavy oil deposits of Tsimiroro and Bemolonga;
  - The Agreement is conditional on the satisfaction of a number of conditions precedent and Global is in the process of completing comprehensive due diligence on Jupiter and its assets. Shareholder approval at a general meeting is required and valuations for inclusion in the Independents Experts Report are currently being finalised. Global expects to hold a general meeting for Shareholder approval in June 2011.
- At the Leighton Project, total production from the first Eagle Ford horizontal well ("TR EFS #1H") in which Global has an interest was 44,145 boe (36,062 bo and 48,498 mcfg) for the March quarter or 490 boepd. Global has a 7.939% working interest (5.95% NRI) in TR EFS #1H.
- In February, the latest Leighton Olmos well, Peeler #2, reached its total depth of 2,774 metres (9,100 feet). This is the eighth well targeting the Olmos reservoir in which Global has a 15% working interest (11.25% NRI). The Olmos in Peeler #2 has similar reservoir characteristics to the Olmos in the previous Leighton wells. In April, Peeler #2 begun to flow oil and gas at the gross rate of 252 boepd from the Olmos reservoir (comprising 192 boepd and 360 mcf of gas per day).

## Acquisition of Jupiter Petroleum Limited

In January 2011, the Company 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.

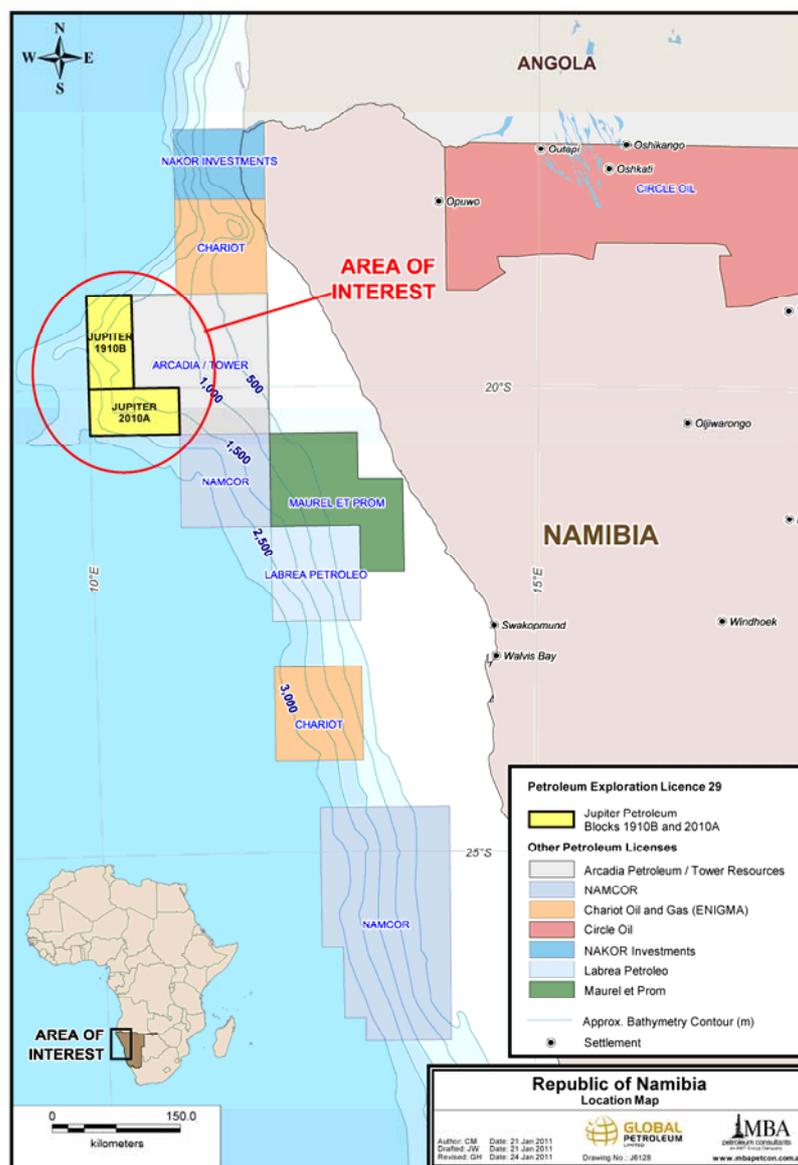


FIGURE 01

## Namibian Project

The Namibian Project consists of an 85% 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, covers 11,730 square kilometers and is located in offshore Namibia in water depths ranging from 1,200 meters to 3,000 meters.

A reconnaissance grid of 1995 2D seismic data over both blocks is available for purchase and following completion of the acquisition of Jupiter, is expected to be one of the first steps taken by Global in advancing the project. Preliminary examination suggests the presence of large structural highs and the presence of a significant Early Cretaceous and possibly older section beneath the main highs. Although only a few wells have been drilled in the area, they have established the presence of oil and gas-prone source rocks, good potential reservoirs and migrated hydrocarbons in the region, making this an attractive frontier play.

It is believed that the regional basin or basins were formed in response to thermal subsidence following the rifting preceding the separation of Africa from South America.

The Jupiter blocks lie adjacent to acreage held by Arcadia Petroleum Limited (Refer Figure 1), whose partner Tower Resources recently announced encouraging estimates (from a Competent Person's Report) for finding hydrocarbons in one or more of their prospects.

To the north east of the Jupiter blocks, a well drilled last year by Sintezneftgaz (Nakor Investments) reportedly found a substantial gas column whilst Chariot Oil and Gas has recently announced the identification of new structures and increases in its estimates of gross unrisked mean prospective resources in its licences in offshore Namibia. Chariot have shot 3-D seismic and also have a Competent Person's Report.

The Jupiter blocks represent one of the last remaining opportunities to participate in this prospective and active exploration province in this part of offshore Namibia.

The Licence is governed by a Petroleum Agreement with the Government of the Republic of Namibia, the National Petroleum Corporation of Namibia ("NAMCOR" - wholly owned by the Government) who have a 10% carried interest in the Licence and Bronze Investments Pty Limited who have a 5% carried interest in the Licence.

In accordance with the terms of the Petroleum Agreement, the following minimum work and expenditure programme must be undertaken:

(a) **Initial Exploration Period** (First Four Years of Licence):

Undertake geological, geochemical, geophysical and related studies and review all existing gravity and magnetic data, and other available information, including the purchase of existing relevant and reasonable quality seismic data, and acquire, process and interpret a minimum of 1,000 kms of 2-D seismic data. Minimum exploration expenditure for the Initial Exploration Period: US\$1 million.

(b) **First Renewal Exploration Period** (Two Years):

The drilling of one exploration well. Minimum exploration expenditure for the First Renewal Exploration Period: US\$20 million.

(c) **Second Renewal Period (Two Years):**

Acquisition, processing and interpretation of additional seismic data (if necessary) and the drilling of one exploration well. Minimum exploration expenditure for the Second Renewal Exploration Period: US\$20 million, or US\$ 21 million if new seismic is required.

Juan de Nova Project

Jupiter has a 30% interest in the Juan de Nova Est Permit which was issued by the French Government in December 2008. The Permit covers approximately 9,010 square kilometers and is situated to the east of the small island of Juan de Nova in the Mozambique Channel, immediately to the west of Madagascar (Refer Figure 2).

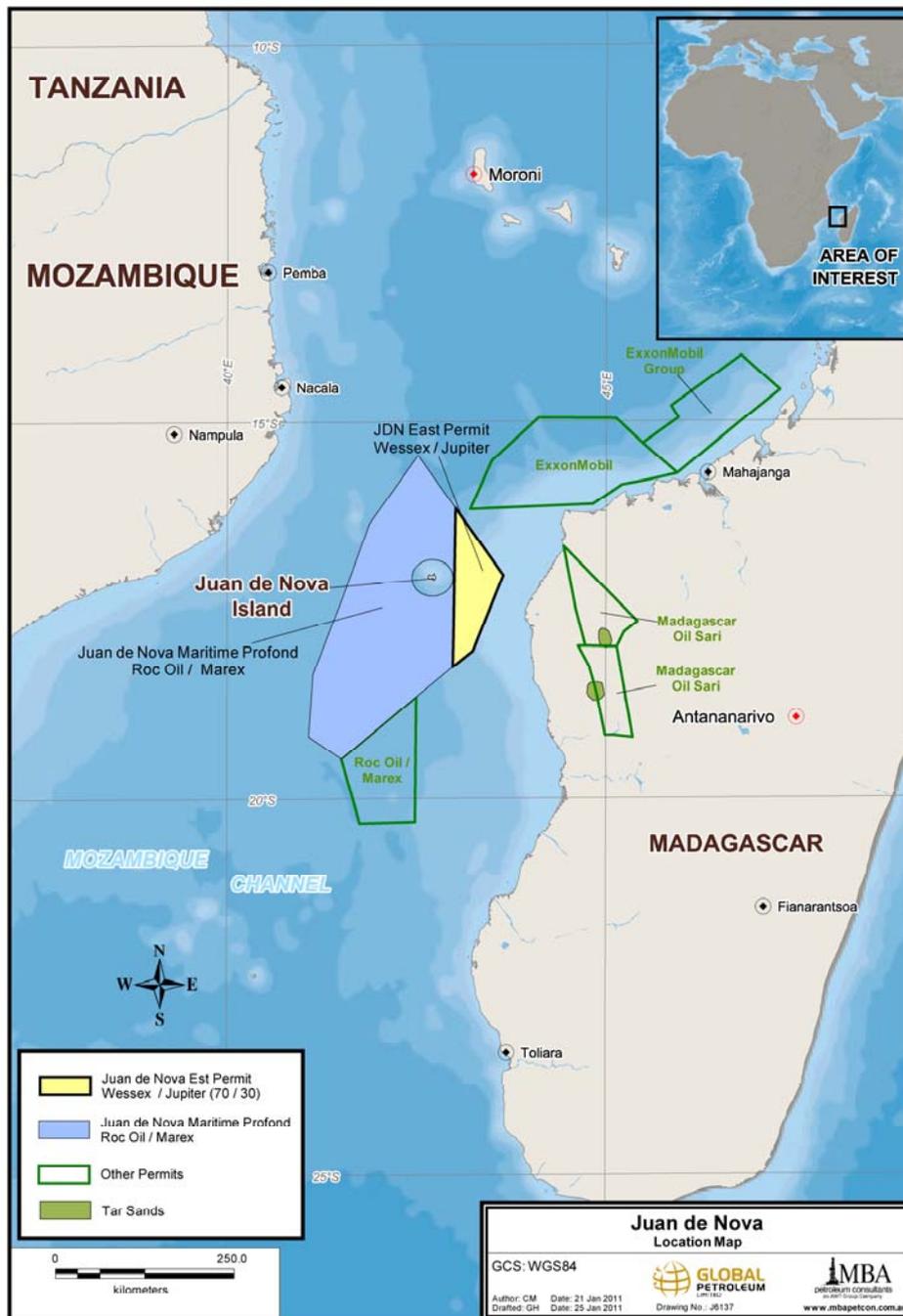


FIGURE 02

The permit lies within the exclusive economic zone surrounding Juan de Nova which is under French control. The remainder of the exclusive economic zone is covered by a permit operated by Roc Oil (Madagascar) Pty Ltd which is immediately to the west of Juan de Nova Est.

Water depths range from 200 metres to approximately 1,500 metres, with at least half of the permit lying in shallow water on the continental shelf of the island of Madagascar. The shallow water shelf area is probably underlain by late Paleozoic to early Mesozoic rocks, mainly sandstones and shales with interbedded volcanics, whilst the deeper water areas are probably underlain by younger rocks of late Mesozoic and Tertiary age, whose lithology is unknown.

No systematic petroleum exploration has taken place around Juan de Nova and this area is considered to be a frontier province.

Wessex Exploration PLC is the operator and 70% equity holder in the Juan de Nova Est Permit. The current term of the exploration permit runs to 31 December 2013 with three phases of exploration and a production period of 25 years for any discovery made. The work obligations for the current term of the exploration permit include geologic studies, seismic acquisition and reprocessing and a commitment to drill one well with a contingency for a second well. The total financial commitment for this period is €27.92 million with Jupiter's share being €8.38 million.

Preliminary work undertaken on the permit to-date has included an assessment of available data and an extensive review of literature on the North Morondava Basin in which the permit lies.

### Commercial Terms

In consideration for the acquisition of 100% of the issued capital of Jupiter, Global will issue Mr Peter Blakey and Mr Peter Taylor ("Vendors") 25 million fully paid ordinary shares on completion. The Vendors are also Directors of Global.

The Company has also loaned A\$251,102 to Jupiter to assist meet bank guarantee requirements and other licence payments for the Namibian petroleum licence whilst Global performed an initial assessment of Jupiter and its assets and undertook preliminary due diligence. In addition and prior to completion, Global will also reimburse the Vendors for any actual costs incurred in connection with obtaining the licence and other reasonable costs in connection with the agreement, anticipated to be in the order of £250,000 (A\$400,000). In accordance with the terms of a loan agreement between Global and Jupiter, these amounts will be fully repayable to Global in the event that the transaction does not complete.

The sale and purchase agreement to acquire Jupiter is subject to the following conditions precedent:

1. Global completing due diligence investigations, including confirmation of title of the Licence and Juan de Nova Est Permit, and due diligence on the Petroleum Agreement, Jupiter and its subsidiaries;
2. Obtaining any necessary consents from governmental authorities or third parties necessary to give effect to the transaction. Global has been advised that consent for the transaction is required from the Namibian Competition Commission. Submissions for approval of the acquisition have been finalised and are awaiting submission in Namibia.

3. An independent expert concluding that the issue of shares to the Vendors (as related parties) contemplated by the agreement is fair and reasonable to Global's Shareholders;
4. The independent directors of Global, having consulted with the Company's nominated adviser, concluding that the terms of the acquisition are fair and reasonable insofar as Global's Shareholders are concerned; and
5. Global Shareholders passing all resolutions as are required under the ASX Listing Rules, the constitution and the Corporations Act to give effect to the transaction contemplated by the agreement. Specific approval will be required because the Vendors are related parties who hold substantial interests in Global.

The Vendors have provided warranties in relation to title and Jupiter in general. There are normal commercial warranties provided by both parties.

#### Due Diligence Requirements and Settlement

Shareholders and potential investors should note that prior to executing the conditional sale and purchase agreement with Jupiter and its Vendors, Global conducted a high level review and assessment of the information provided in respect of the projects.

Global is currently completing a more comprehensive due diligence (including title and other risks) with respect to the acquisition of Jupiter, however, it should be noted that the usual risks associated with junior companies undertaking exploration activities in the oil and gas sector will remain at completion of this due diligence process.

Shareholder and investors should also be aware that the agreement to acquire Jupiter is conditional on the satisfaction of the condition precedent listed above. Accordingly there is a risk that the conditions may not be satisfied and the transaction contemplated by this announcement may be changed or not be completed before 30 June 2011. If necessary, the parties may agree to extend this date. Should the transaction not complete, the monies advanced to Jupiter shall be refunded at Global's request.

Valuations for inclusion in the Independent Expert Report are in the process of being finalised and the Company expects to hold a General Meeting of Shareholders in June 2011. A Notice of General Meeting will be issued in due course.

#### **Leighton Project**

Total production in the March quarter for the first Eagle Ford well at the Leighton Project, Tyler Ranch EFS #1H, was 44,145 boe (36,062 bo and 48,498 mcfg). This represents an average daily oil equivalent rate of 490 boepd (401 bopd and 539 mcfcpd).

Global has a 7.939% working interest in the well. Global's beneficial interest (NRI) in the production is 5.95% or some 2,626 boe for the quarter or 29 boepd.

Texon Petroleum Ltd (ASX: TXN) has advised that it has secured a rig for Tyler Ranch EFS #2H, the second Eagle Ford horizontal well in which Global Petroleum Limited ("Global") has an interest.

Tyler Ranch EFS #2H is located immediately north of the first Eagle Ford well. Tyler Ranch EFS #2H is expected to begin drilling in mid May and take 30 days to drill. The fracing and testing for Tyler Ranch EFS #2H is scheduled for August.

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.

In February, the latest Leighton Olmos well, Peeler #2, reached its total depth of 2,774 metres (9,100 feet). This is the eighth well targeting the Olmos reservoir in which Global has a 15% working interest (11.25% net revenue interest). The Olmos in Peeler #2 has similar reservoir characteristics to the Olmos in the previous Leighton wells. In April, Peeler #2, begun to flow oil and gas at the gross rate of 252 boepd from the Olmos reservoir (comprising 192 bopd and 360 mcf of gas per day).

The combined average daily production rate of the seven (7) Leighton Olmos wells (Peeler #1, Tyler Ranch #1, Tyler Ranch #2, Tyler Ranch #3, Tyler Ranch #4, Tyler Ranch #5 and Tyler Ranch #6) for the March quarter was a gross 598 boepd (218 bopd and 2,281 mcf/gpd) with Global's beneficial interest (11.25% NRI) being 67 boepd.

## **Business Development**

The Board continues to review opportunities for other acquisitions, joint ventures, or investments in the resources sector, both domestic and overseas, which may enhance shareholder value. A number of new opportunities were assessed during the quarter and the Company will continue to evaluate these opportunities as they are presented.

## **Mark Savage**

Chairman

## **Enquiries:**

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**Glossary:**

bbbl:	barrel
bo:	barrels of oil
boe:	barrels of oil equivalent (including gas converted to oil equiv barrels on basis of 6 mcf to 1 barrel of oil equivalent)
boepd:	barrels of oil equivalent per day
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 MARCH 2011**

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	354	883
1.2 Payments for (a) exploration & evaluation	(493)	(1,552)
(b) development	-	-
(c) production	-	-
(d) administration	(181)	(705)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	265	782
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
- Business development	(79)	(86)
<b>Net Operating Cash Flows</b>	<b>(134)</b>	<b>(678)</b>
<b>Cash flows related to investing activities</b>		
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)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>(251)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(134)</b>	<b>(929)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(134)	(929)
	<b>Cash flows related to financing activities</b>		
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)	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(134)	(929)
1.20	Cash at beginning of quarter/year to date	25,956	27,899
1.21	Exchange rate adjustments to item 1.20	(86)	(1,234)
1.22	<b>Cash at end of quarter</b>	<b>25,736</b>	<b>25,736</b>

**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	66
1.24	Aggregate amount of loans to the parties included in item 1.10	-

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.

**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	600
4.2 Development	-
4.3 Production	-
4.4 Administration	300
<b>Total</b>	<b>900</b>

## 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	7,613	7,598
5.2 Deposits at call	18,123	18,358
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>25,736</b>	<b>25,956</b>

## 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 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	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 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <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 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <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 ~~not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: ..... Date: 29 April 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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+ See chapter 19 for defined terms.