



ABN 68 064 120 896

28 April 2006

Company Announcements Office  
Australian Stock Exchange Limited  
Level 4, 20 Bond Street  
SYDNEY NSW 2000

Dear Sirs,

### **Global Petroleum Limited – March 2006 Quarterly Report**

#### Kenya (Global 20%)

On the 16<sup>th</sup> of March, the Company announced that Woodside as operator for the Company's Kenya project had secured the deepwater vessel "Chikyu" to drill the first well in Kenya Licence L-5. Drilling operations are scheduled to begin in October this year, depending on metocean studies and delivery of the rig to Kenya.

The Company holds 20% in two blocks (L-5 and L-7) offshore Kenya together with Woodside (50% and operator) and Dana (30%).

L-5 and L-7 now contains some 50 prospects and leads, a number of which are each capable of containing several hundred to a billion barrels of recoverable oil. There are Direct Hydrocarbon Indicators (DHI: potential oil and gas indicator) on some of the leads. In its late 2005 presentation to investors, Woodside noted that its Kenya holdings (L5 & L7) contain "multiple large structural prospects", which it includes in its group of "big hit" targets for Woodside. In its 2004 Annual Report, Dana noted that the two possible first targets – Pomboo (L-5) and Sokwe (L-7) each have the potential to contain over one billion barrels of oil in place.

The costs associated with Global's 20% equity in L-5 and L-7 are carried for all activities including the drilling and testing of the first two wells. Woodside earns its 50% equity in L-5 and L-7 when these two wells have been drilled.

#### Falkland Oil and Gas Limited ("FOGL") (Global shareholding 14.0%) [www.fogl.com](http://www.fogl.com)

FOGL has an average 90% holding in 79,000 sqkm of prospective offshore licences to the East and South of the Falkland Islands.

FOGL's interim results were released on the 22<sup>nd</sup> of December 2005 followed by its announcement of the appointment of Tim Bushell as CEO early in January 2006 (refer to Global's release dated the 11<sup>th</sup> of January 2006). FOGL issued a status report on its project on 17<sup>th</sup> February 2006.

As advised in the last quarterly report the farmout process is underway and being conducted by Stellar Energy Advisors, a firm specialising in brokering farmout deals. The objective is to secure partners with appropriate financial capability and deepwater experience.

At a FOGL share price of £1.52/share (as at 25/4/06), Global's shareholding is valued at A\$46.8m (27.5 cents/share).

Ireland Licence Option 03/3 (Global 100%)

Having extended the Licence Option through to 31 December 2006, the Company continues to seek the participation of a farminee to take over operatorship of the project and conduct work to earn significant equity in the project. Meantime, the Company is conducting reprocessing of seismic data over the main prospect which has Jurassic and Lower Cretaceous targets capable of holding a potential 280 million barrels of oil in place.

Malta Exploration Study Agreement Area 3 – Blocks 4 & 5 (Global 100%)

Blocks 4 & 5 contain four leads (1 Triassic, 2 Jurassic / Cretaceous, 1 Tertiary) and a number of natural oil slicks on the ocean surface have been detected by satellite imagery.

The Company has begun discussions with potential farminees in regard to a farmin work programme, and with the Malta Government regarding an extension to the Exploration Study Agreement (beyond 26/6/06) to allow time for new seismic to be recorded, processed and interpreted prior to making a decision sometime in 2007 to drill a well.

Meantime the Company is reprocessing key seismic lines of the 1991 Texaco Survey as required by the Exploration Study Agreement with the Malta Government.

Other Projects

The Company continues to investigate opportunities in the petroleum industry in other countries, including Iraq.

Yours sincerely,



**John Armstrong**  
Executive Chairman

# Appendix 5B

## Mining exploration entity quarterly report

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

Name of entity

GLOBAL PETROLEUM LIMITED

ABN

68 064 120 896

Quarter ended ("current quarter")

31 MARCH 2006

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(211)	(459)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(309)	(1,218)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	97	294
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – management fees	22	191
	<b>Net Operating Cash Flows</b>	<b>(401)</b>	<b>(1,192)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a)prospects	-	-
	(b)equity investments	-	-
	(c) other fixed assets	(3)	(5)
1.9	Proceeds from sale of:		
	(a)prospects	-	-
	(b)equity investments	1,827	1,827
	(c)other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	<b>Net investing cash flows</b>	<b>1,824</b>	<b>1,822</b>
1.13	Total operating and investing cash flows (carried forward)	1,423	630

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1.13	Total operating and investing cash flows (brought forward)	1,423	630
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	125
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)	-	(1)
	<b>Net financing cash flows</b>	-	124
	<b>Net increase (decrease) in cash held</b>	1,423	754
1.20	Cash at beginning of quarter/year to date	5,491	6,160
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	6,914	6,914

### 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	139
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 – Payment of salaries/fees to directors under approved agreements

### 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

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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

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### 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	Nil	N/a
3.2	Credit standby arrangements	Nil	N/a

### Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	210
4.2	Development	-
<b>Total</b>		<b>210</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	156	209
5.2	Deposits at call	6,758	5,282
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>		<b>6,914</b>	<b>5,491</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	None		
6.2	Interests in mining tenements acquired or increased	None		

## 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>	None			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	None			
7.3 <b>+Ordinary securities</b>	170,294,787	170,294,787		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	None			
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	None			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	None			
7.7 <b>Options</b> <i>(description and conversion factor)</i>	A. 10,100,000 B. 250,000 C. 10,000,000		<i>Exercise price</i> 25 cents 25 cents 25 cents	<i>Expiry date</i> 30-06-2007 31-12-2008 30-06-2008
7.8 Issued during quarter	None			
7.9 Exercised during quarter	None			
7.10 Expired during quarter	None			
7.11 <b>Debentures</b> <i>(totals only)</i>	None			
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	None			

## 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 give a true and fair view of the matters disclosed.



Sign here:

Company secretary

Date: 28 April 2006

Print name: Desmond Frederick Olling

## 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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