



ABN 68 064 120 896

24 October 2006

ASX release

Global Petroleum Limited – September 2006 Quarterly Report

Kenya (Global 20%)

On the 24th of August the Company announced that Repsol Exploracion S.A. (a wholly owned subsidiary of Spanish based company Repsol YPF - an integrated oil and gas company which produces over 1 million barrels of oil equivalent per day) had joined the Company's Kenya joint venture which will drill two wells offshore Kenya beginning in the last quarter of this year – one each in Blocks L-5 and L-7.

Subsequently (on 29/9/06) it was announced that the rig to drill the wells was expected to be handed over to Woodside as operator of the Company's Kenya project in the second half of October and this is still the case. Drilling operations in Kenya should begin about a month later when the rig has mobilized to Kenya.

The first of the two wells is scheduled to be on the Pomboo prospect in L-5 and this will be followed by the Sokwe prospect in L-7.

L-5 and L-7 now contains some 50 prospects and leads, a number of which are each capable of containing several hundred million to a billion barrels of recoverable oil. There are Direct Hydrocarbon Indicators (DHI: potential oil and gas indicator) on some of the leads.

Holdings in the L-5 and L-7 Joint Venture are:

Woodside	30% (and operator);
Dana	30%
Repsol	20%
Global	20%

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 and Repsol earn their farm-in equity when these two wells are drilled.

For further information, refer also to Global's releases dated 16/3/06, 4/5/06, 24/8/06 and 29/9/06 and Global's website: www.globalpetroleum.com.au

Falkland Oil and Gas Limited (“FOGL”) (Global shareholding 14.0%)

FOGL has an average 90% holding in 65,000 sqkm of prospective offshore licences to the East and South of the Falkland Islands. A relinquishment of 14,000 sqkm was made by FOGL.

In July, FOGL announced its intention to proceed with a Controlled Source Electro-Magnetic Survey which has the “potential to indicate which of the numerous prospects may contain hydrocarbons”. FOGL advised that it expected to commence this and further 2D seismic surveys before the end of 2006 and to announce the results “early next year”.

At the time of announcing its preliminary unaudited results for the year ended 31 March 2006, FOGL’s CEO Mr Tim Bushell noted that the Company had “already begun preliminary discussions with the other oil and gas companies operating in the Falkland Islands with a view to forming a consortium to share a rig.”

He said “discussions will continue with regard to all rig options in order that FOGL can be in a position to commence drilling in 2008”.

FOGL continues to seek companies to participate with FOGL in the future work program by way of farming into FOGL’s licences.

At a FOGL share price of 81p/share (as at 30/9/06), Global’s shareholding is valued at A\$26.1m (15 cents/share).

Malta Exploration Study Agreement Area 3 – Blocks 4 & 5 (Global 80%)

In June 2006, the Company announced that German international oil and gas company RWE Dea AG had agreed to farm in to Blocks 4 & 5 for an initial 20% equity which will increase to 70% if RWE decides, prior to the expiry of the ESA on 31 December this year or any further extension of the ESA, to commit to the drilling of a well and enter into a Production Sharing Agreement. Global would retain 30% equity including 3% on behalf of a UK marketing agency that assisted Global in the farm process. Global is fully carried through the seismic and drilling programs including the abandonment of the well but excluding drill stem testing of the well.

RWE planned to undertake seismic studies in the second half of this year at RWE's cost and had made arrangements with the owners of a seismic vessel in mid September 2006 to commence a seismic survey in October 2006. On 22 September 2006 the Company was notified that the vessel owners had informed RWE that they were not able to provide their seismic vessel at the agreed time and that the vessel would not be available until the first half of calendar year 2007, if at all. At the end of September RWE was looking for a replacement vessel although, due to high oil and gas prices and the resultant increase in exploration activity, such vessels are in short supply. The Company will advise the market should RWE be successful in securing a replacement vessel.

Ireland Licence Option 03/3 (Global 100%)

The reprocessing and subsequent interpretation of over 200km of 1982 vintage seismic lines in the Licence Option area has just been completed. The work confirmed potential exploration targets of Cretaceous and Jurassic age. A campaign is being undertaken to market the prospects to potential farminees, to take over operatorship of the project and conduct work to earn significant equity in the project.

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")

30 SEPTEMBER 2006

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(96)	(96)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(449)	(449)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	99	99
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – management fees	10	10
	Net Operating Cash Flows	(436)	(436)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a)prospects	-	-
	(b)equity investments	-	-
	(c) other fixed assets	(2)	(2)
1.9	Proceeds from sale of: (a)prospects	179	179
	(b)equity investments	-	-
	(c)other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	177	177
1.13	Total operating and investing cash flows (carried forward)	(259)	(259)

1.13	Total operating and investing cash flows (brought forward)	(259)	(259)
	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	(259)	(259)
1.20	Cash at beginning of quarter/year to date	6,991	6,991
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	6,732	6,732

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	147
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	150
4.2 Development	-
Total	150

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	55	593
5.2 Deposits at call	6,677	6,398
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	6,732	6,991

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		
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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 (description)	None			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	None			
7.3 +Ordinary securities	172,294,787	172,294,787		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	None			
7.5 +Convertible debt securities (description)	None			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	None			
7.7 Options (description and conversion factor)	A. 8,100,000 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	Debentures <i>(totals only)</i>	None			
7.12	Unsecured notes <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: 24 October 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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