



ASX RELEASE

29 October 2021

June 2021 Quarterly Activities Report

EP127 Exploration Program 2021

Global Oil & Gas Limited (“**GLV**” or the “**the Company**” (ASX: GLV)) provides an update to shareholders regarding its helium exploration program over its 100% owned Exploration Permit 127.

Helium testing will be carried out with a Portable Selective Ion Pump Detection Unit to detect concentrations of naturally occurring He (Helium). Hydrogen testing will be carried out using a portable gas monitor fitted with a Hydrogen detection cell. The field samples will focus on a number of target locations from the recently completed multispectral remote spectroscopy study.

The results of the remote multispectral spectroscopy study will be combined with the in-field geochemistry sampling survey, in addition to existing 2D seismic data and surface geology to high grade target areas for a seismic acquisition program planned to be undertaken in late 2022.

Acquisition of 25% strategic interest in drill ready Multi TCF Sasanof Prospect.

The Company announced during the quarter that it has entered into a binding Heads of Agreement (“**HOA**”) with Western Gas to acquire a 25% interest in its Sasanof Prospect. The proposed Sasanof-1 exploration well is in exploration permit WA-519-P in Commonwealth water, approximately 207 km northwest of Onslow, Western Australia, and is scheduled to drill in Q1 2022.

The HOA will see GLV fund 50% of the cost of drilling the Sasanof-1 exploration well through a 25% acquisition of the fully paid ordinary shares in Western Gas (519 P) Pty Ltd, the licence holder for WA-519-P as well as a 25% economic interest in portions of the Sasanof Prospect in adjoining Western Gas explorations permits.

The Sasanof Prospect is on trend and updip of the Mentor Gas and Condensate Field and nearby the Giant Gas Fields of Scarborough and Io-Jansz gas fields in the prolific Carnarvon Basin. The liquids rich, low CO₂ Mentor Field is the eastern fault block and is “filled to spill” into the updip Sasanof Prospect to the west.

Western Gas has secured the Valaris MS-1 semi-submersible rig to drill the well. Drilling will commence at the earliest in mid-February 2022, subject to approvals, with an estimated total campaign duration of 25 days. Western Gas has contracted specialist well engineering and drilling management company AGR Australia (AGR) to manage the Sasanof drilling campaign.

Sasanof-1 will be a vertical well and drilled to a total depth of approximately 2,500 m in 1,070 m of water, providing a low cost, high impact exploration activity in a known and proven hydrocarbon province. Drilling costs are estimated at US\$20 million.



Independent assessment of the Sasanof Prospect by independent consultancy ERC Equipoise Ltd (“**ERCE**”) of the Sasanof Prospect estimates 2U Prospective Resources (gross) of 7.2 Tcf gas and 176 Million bbls condensate (P50 recoverable)¹, with a 32% Chance of Success. The 3U estimate (gross) is for 17.8 Tcf gas and 449 Million bbls condensate (P10 recoverable)¹. Net GLV 1.03 Tcf gas and 25 Million bbls condensate (P50 recoverable), 2.3 Tcf gas and 58.4 Million bbls condensate (P10 recoverable)¹ **Table 1 below:**

¹ERCE Independent Review of WA-519-P Prospective Resources (Table 1)



Summary of Results

Under instruction from Global Oil & Gas, ERCE completed independent technical studies resulting in geological chance of success (“COS”) for the Sasanof Prospect shown in Table 1.

Table 1: Risking matrix and geological chance for success for the Sasanof Prospect

Chance of Success				
Source	Reservoir	Trap	Seal	TOTAL
1	0.8	0.8	0.5	32%

The gross, unrisks prospective resources for the Sasanof prospect are shown in Table 2.

Table 2: Gross Recoverable, Unrisks Prospective Resources, Sasanof Prospect

Gross Prospect	Recoverable Gas (Bscf)				Recoverable Condensate (MMstb)			
	1U	2U	3U	Mean	1U	2U	3U	Mean
Sasanof	2,611	7,248	17,794	9,082	59.8	176.2	449.3	226.1

The net working interest to WA-519-P, WA-390-P and WA-70-R are reported in Table 3.

Table 3: Western Gas Entitlement of Recoverable Unrisks Prospective Resources, Sasanof Prospect

Gross Prospect	Recoverable Gas (Bscf)				Recoverable Condensate (MMstb)			
	1U	2U	3U	Mean	1U	2U	3U	Mean
Net Entitlement Contingent Resources	600.5	4,131.1	9,253.1	5,177.0	13.8	100.4	233.7	128.8

Notes:

- COS represents the geological chance of success of at the proposed Well Sasanof-1 location (as of 1st August 2021) in WA-519-P. The Prospective Resources have not been adjusted for the chance of development. Quantifying the chance of development (COD) requires consideration of both economic contingencies and other contingencies, such as legal, regulatory, market access, political, social license,*



internal and external approvals and commitment to project finance and development timing. As many of these factors are out-with the knowledge of ERCE they must be used with caution.

- 2. The Prospective Resources presented here are the result of probabilistic method using Monte Carlo simulation for a single zone reservoir.*
- 3. Gross Prospective Resources include volumes off-block to WA-519-P in permits WA-390-P, WA-70-R and WA-538-P.*
- 4. Net working interest Prospective Resources are based on the permits WA-519-P, WA-390-P and WA-70-R on-block volumes and Western Gas's 100% working interest.*

WA-519-P & Sasanof-1 Well Location

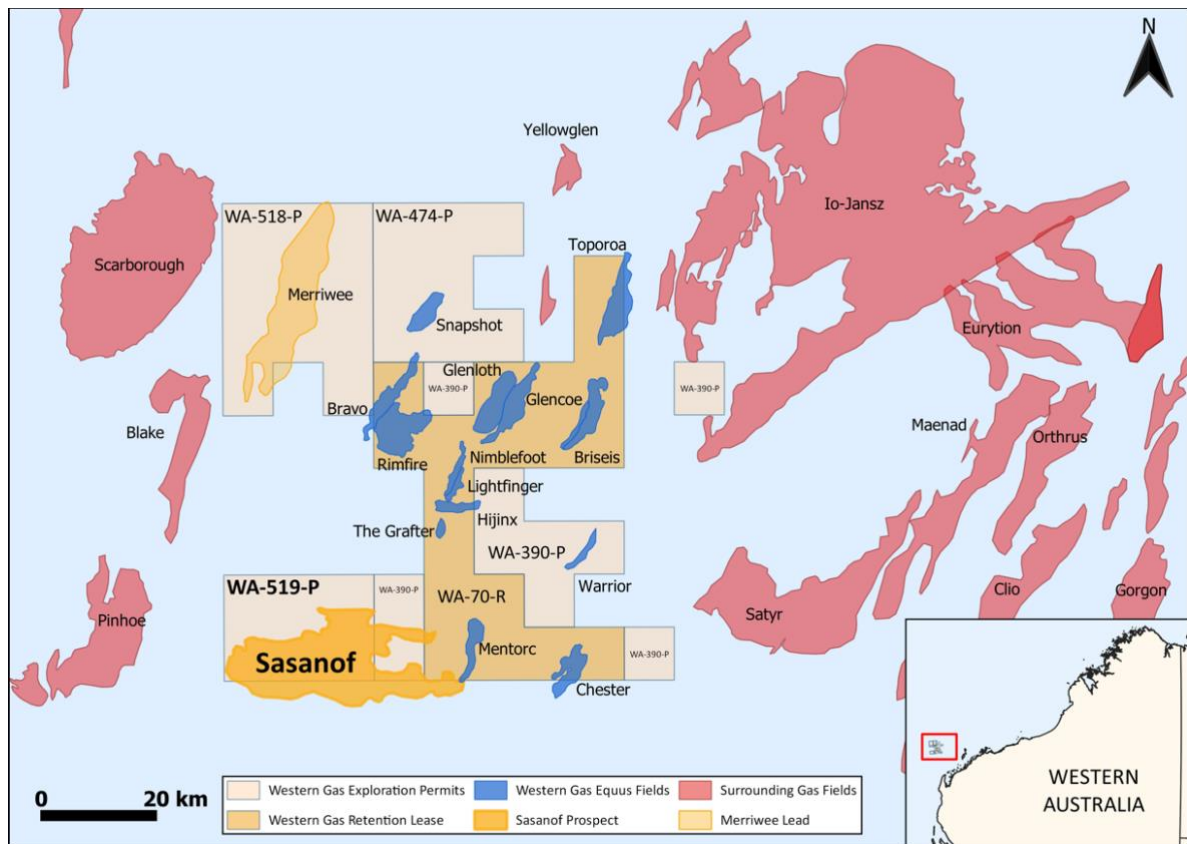
The Sasanof Prospect is located in permit WA-519-P, approximately 207 km northwest of Onslow, Western Australia. The permit WA-519-P was awarded in September 2015 and no exploration drilling has been undertaken in the licence to date.

Western Gas has licenced and reprocessed multiple 3D seismic surveys over the area to define the exploration potential, including the Sasanof Prospect. These enhancements to the seismic data include reprocessing and inversion projects, together with comprehensive Rock Physics and Quantitative Interpretation (QI) studies by DownUnder Geosolutions.

The Sasanof-1 well will be a vertical well and will be drilled to a total depth of approximately 2,500 metres in 1,070 m of water.

The well location is positioned updip and 20 km west of the Mentor Gas Field, 74 km southeast of the Scarborough Gas Field and 102 km southwest of the Io-Jansz Gas Field, on the Exmouth Plateau in the Northern Carnarvon Basin.

The Sasanof Prospect covers an area of 400 km² across three exploration permits and one retention lease, three of which, WA-519-P, WA-390-P & WA-70-R, are operated and owned by Western Gas.



Regional location of Sasanof Prospect and surrounding gas fields.

Further details can be found in the ASX Release titled “Strategic Interest in Drill ready Multi TCF Sasanof Prospect” dated 7 September 2021

Key Terms of binding agreement to Acquire 25% Interest in Sasanof Prospect

- (a) Western Gas and GLV have entered into a binding Head of Agreement (“**HOA**”) for GLV to acquire a 25% interest in Western Gas’ Sasanof Prospect through acquiring 25% of Western Gas (519 P) Pty Ltd (“**WG519**”), free from Encumbrances, in accordance with the terms below (“**Transaction**”).
- (b) GLV will subscribe for the 25% interest in WG519 through paying \$7,000,000 to WG519 (“**Completion Funds**”), plus the net proceeds from the sale of the 187,500,000 GLV shares (“**Finance Facility**”), to fund 50% of the drilling of the Sasanof Well in accordance with an agreed Budget.
- (c) At Completion of the Transaction, GLV will issue the following securities to Western Gas Convertible Note Holders in consideration for the cancellation of the \$2 million of convertible notes previously issued by Western Gas for the purpose of the Sasanof Prospect pre-drilling funding:



- i. 125,000,000 GLV Shares at a deemed issue price equal to \$0.016 per GLV Share ("**Consideration Shares**"); and
 - ii. 20,000,000 listed GLV Options exercisable at \$0.02 each on or before 15 December 2022 ("**Consideration Option**");
- (d) In addition, at Completion of the Transaction (and subject to GLV obtaining the necessary shareholder approval), GLV will issue to Western Gas (and/or its nominees) 187,500,000 performance rights, which each convert into GLV Shares (on a one for one basis) subject to the commencement and spudding of an exploration well on the Sasanof Prospect ("**Performance Rights**").
- (e) In the event that the drilling program exceeds the US\$20 million Budget (being the mutually agreed Budget), GLV will contribute 50% of the excess funding for the first US\$5m required in excess of the US\$20 million Budget. Any further funding shall be contributed on a pro-rata basis by the parties in accordance with the terms of the WG519 Shareholders Agreement.
- (f) The Parties agree that if the Purchaser complies with the necessary conditions for it to earn the 25% interest in WG519, it will also earn an initial 25% economic interest in those portions of the Sasanof Prospect that sit within other Western Gas exploration permits, owned by Western Gas, held outside of WG519.
- (g) The Finance Facility provided by GLV will be a cost recoverable from production, as a priority ahead of any joint venture distribution, from the proceeds of Project revenue or disposal.

Finance Facility

GLV will issue 187,500,000 ordinary shares as a Finance Facility. The GLV shares will be issued to a unrelated broker (who is an AFSL holder) who will sell the shares on GLV's behalf either on-market or off-market (to parties who are not related parties of GLV or Western Gas) for the best price possible before 31 December 2021. The shares under the Finance Facility will be sold on the instructions of GLV – to parties and at a price which GLV approves on a case by case basis. All the net proceeds from the Finance Facility will go to WG519 to finance the well and be cost recoverable by GLV from WG519 (ahead of any joint venture distributions) future revenues or disposal.

Key Conditions Precedent to the Transaction

Completion will be subject to the following conditions precedent being satisfied (or waived):

- (a) (**Due Diligence**) GLV being satisfied with the findings of the ECRE independent technical report commissioned by GLV in respect of the Sasanof Prospect on or before 15 September 2021;



- (b) (**Formal Agreements**) negotiation, agreement and execution of the Formal Agreements which shall be consistent with, but may be more expansive and precise than, the HOA, noting that the WG519 Shareholders Agreement, must be negotiated and entered into as part of the Formal Agreements;
- (c) (**Approvals**) the Parties obtaining all necessary government, regulatory, shareholder and third-party approvals, in respect of the Project and the Transaction. GLV confirms that it will be seeking shareholder approval pursuant to ASX Listing Rule 10.1 in respect of the Transaction, and the notice of meeting will include an independent expert report. The notice of meeting has been dispatched and the meeting will be held on 5 November 2021;
- (d) (**Capital Raising**) GLV undertaking (to its satisfaction and subject to all necessary shareholder and regulatory approvals) a strategic placement to raise up to \$11,000,000 ("**Capital Raising**");
- (e) (**Budget**) GLV and Western Gas must jointly develop an agreed budget, which allocates the distribution of the Completion Funds (post Completion) ("**Budget**"). WG519 must strictly apply the Completion Funds in accordance with the Budget which will include pre-drill activities to enable the Sasanof Prospect to be "drill ready" including acquisition of long-lead items, securing a rig slot and finalisation and submission of environmental and regulatory documentation;
- (f) (**Escrow Deed**) execution by Western Gas (and/or its nominees) of such form of restriction agreement with respect to the Performance Rights as may be required by ASX;

(together, the **Conditions**).

If the Conditions are not satisfied (or waived in writing) within 90 days of the execution of the HOA or with respect to Condition (a) by the date for satisfaction of that Condition (or such later date(s) as agreed by the parties), the HOA may be terminated by either Party.

Goshawk Energy

During the quarter Goshawk has continued to undertake geological and geo-physical studies across its acreage position, in addition to continued Native Title negotiations and preparations for regulatory approval of its EP 499 seismic program. The highlights of the geological activities are set out below.

EP 499

- The Year 1 2D Seismic data reprocessing work commitment has been completed. Interpretation of the reprocessed data has commenced.



- Goshawk has continued negotiations with the relevant native title party to undertake on-ground activity as well as progressing regulatory approvals to enable the program to be undertaken in the Year 2 commitment year.

EPAs

- Goshawk continued to undertake Native title negotiations with the relevant groups and to progress preliminary geological and geophysical studies over the areas.

Canning Basin Helium and Hydrogen Potential

- Utilising methods being applied to EP127, Goshawk has also commenced analysis of the potential for naturally occurring Helium and Hydrogen across its Canning Basin acreage.

Squadron JV

- Squadron Resources, Goshawk's 80% partner in the Squadron Goshawk Joint Venture has made the strategic decision to exit from the Canning Basin permits and is currently undertaking a process. Until such time as this process completes Squadron will remain a partner and activities continue on the various permits.

Corporate

Capital Raising

The Company has received firm commitments for 687,500,000 fully paid ordinary shares at an issue price of \$0.016 each to qualified sophisticated and professional investors, raising up to \$11.0 million (before costs) ("**Placement**").

Tranche 1 of the Placement utilised the Company's existing placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A and 187,500,000 ordinary shares were issued on 17 September 2021.

Tranche 2 of the Placement, being 500,000,000 shares, will be issued subject to GLV obtaining all necessary shareholder approvals at a general meeting to take place 5 November 2021, and subject to completion of the Transaction.

The Company intends to use the Placement funds to cover the Sasanof earn-in costs (including the Completion Funds), with the remaining funds to be used to further advancing the EP127 prospect, and general working capital.

The Company's Directors intend to participate in the Placement on the following basis: Mr Patrick Glovac (up to \$100,000), Mr Troy Hayden (up to \$100,000) and Mr Chris Zielinski (\$25,000).

The Placement was managed by Barclay Wells Pty Ltd ("**Barclays**") who are entitled to a 6% capital raising fee on all monies raised under the Placement, along with a fixed \$50,000 Lead Manager Fee.



For capital raising services provided by Barclays (and/or its nominees) as lead manager of the Placement, on successful completion of the Transaction, Barclays (and/or its nominees) will be issued a total of 25,000,000 fully paid ordinary shares and 50,000,000 GLVO options (exercisable at \$0.02 each, expiring 15 December 2022), subject to the Company obtaining all necessary shareholder and regulatory approvals.

For services provided as facilitator to the transaction GTT Ventures Pty Ltd (and/or its nominees) ("GTT") will be issued a 25,000,000 fully paid ordinary shares, subject to the Company obtaining all necessary shareholder and regulatory approvals.

The Company notes that GLV Director Patric Glovac is also a director and shareholder of GTT.

The Annual Report for the financial year ended 30 June 2021 was released on 30 September 2021.

Subsequent to the September 2021 quarter, a notice of Meeting was released (7 October 2021) in relation to the Shareholders Meeting to take place 5 November 2021.

Payments to related parties of the entity and their associates

Section 6.1 Appendix 5B description of payments:

Director Fees	\$76,450	
Nova Legal fees	\$18,521	Director C.Zielinski is a Director of Nova Legal
19808283 Pty Ltd – office rent	9,000	P Glovac is Director and shareholder of 19808283 Pty Ltd
GTT Ventures Pty Ltd – Placement fees	\$20,455	P Glovac is Director and shareholder of 19808283 Pty Ltd
Total	\$124,426	

Schedule of Tenements 30 September 2021

Project	Tenement	Nature of Company's Interest
Southern Georgina Basin, Northern Territory	EP 127	100%
Goshawk - Canning Basin, Western Australia	EPA 94	20%
Goshawk - Canning Basin, Western Australia	EPA 126	20%
Goshawk Squadron JV - Canning Basin, Western Australia	EP 499	4%
Goshawk Squadron JV - Canning Basin, Western Australia	STP-EPA 162	4%
Goshawk Squadron JV - Canning Basin, Western Australia	STP-EPA 163	4%



Goshawk Squadron JV - Canning Basin, Western Australia	STP-EPA 166	4%
Goshawk Squadron JV - Canning Basin, Western Australia	STP-EPA 167	4%

Authorised by the Board of Global Oil & Gas Limited

For further information please contact:
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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Global Oil and Gas Limited

ABN

80 112 893 491

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production		
	(d) staff costs	(93)	(93)
	(e) administration and corporate costs	(144)	(144)
1.3	Dividends received (see note 3)		
1.4	Interest received	3	3
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(234)	(234)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements		
	(c) property, plant and equipment		
	(d) exploration & evaluation (if capitalised)	(93)	(93)
	(e) investments		
	(f) other non-current assets		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(93)	(93)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,000	3,000
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(180)	(180)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (lease principal repayments)	(9)	(9)
3.10	Net cash from / (used in) financing activities	2,811	2,811

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,603	1,603
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(234)	(234)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(93)	(93)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,811	2,811

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	4,087	4,087

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,593	1,291
5.2	Call deposits		
5.3	Bank overdrafts	-	-
5.4	Other (EP127 Bond)	10	10
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,603	1,301

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities		\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(234)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(93)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(327)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	4,087
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	4,087
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	12.5
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1.	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
2.	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
3.	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2021

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.