

23 October 2019

**ASX RELEASE**

**September 2019 Quarterly Activities Report**

**Capital Raising**

During the September 2019 quarter, Global Vanadium Limited (“Global” or The Company”) completed a placement of fully paid ordinary shares amounting to \$600,000 before costs. The Company issued 300 million fully paid ordinary shares at an issue price of \$0.002 per share (“Placement”) to exempt offerees under section 708 of the Corporations Act (2001). The Placement shares were issued on the 20<sup>th</sup> August 2019.

Zark Capital Ltd (“Zark”) and GTT Ventures Pty Ltd (“GTT”) managed the Placement and will be entitled to a 2% management fee (on total respective monies raised under the Placement) and a 4% capital raising fee on shares placed by Zark or GTT respectively.

Proceeds from the Placement will be used to provide immediate funding for the Company’s ongoing review of oil and gas opportunities and provide additional working capital.

Shares issued under the Placement were issued under the Company’s 15% placement capacity (under ASX listing Rule 7.1) without prior shareholder approval.

**Notice for Repayment of loan Provided to Consolidated Iron Sands Limited (“CIS”)**

The Company has in place a Secured Converting Loan and Profit Share Agreement (“Secured Loan Agreement”) which it entered into, via the Company’s subsidiary Goldfleet Enterprises Pty Ltd (“Goldfleet”) with Consolidated Iron Sands Limited (“CIS”) and New York Securities Pty Ltd (“NYS”).

By way of background, the Company’s investment in the Philippines Iron Sands Vanadium- Magnetite Project, is currently through loan advances to CIS or its Philippine’s based subsidiary, Luzon Iron Development Group Corporation (“LIDGC”). These advances are made under the Secured Loan Agreement which was entered into in 2012 (and varied in 2014).

In light of the recent developments that LIDGC’s rights in respect of the Philippines Iron Sands Vanadium- Magnetite Project were not renewed by the Philippines Mines and Geosciences Bureau (as announced on 23 April 2019) and the ASX National Committee determining that the Company’s main undertaking is oil and gas, the Board determined it was appropriate for the Company to require immediate repayment of all outstanding monies under the Secured Loan Agreement.

As at 30 June 2019, the Secured Monies owed by CIS to the Company under the Secured Loan Agreement consisted of

- (i) Loan advances totaling \$2,829,789.85;
- (ii) Interest accrued on the Loan advances totaling \$1,050,386.08; and
- (iii) Interest accrued on Overdue Monies totaling \$420,991.59.

The Company issued written notice to CIS on the 16<sup>th</sup> August 2019, in accordance with the terms of the Secured Loan Agreement, that all Secured Monies are immediately due and payable to Goldfleet.

#### **Proposed Name Change**

With the Company's focus firmly on advanced oil and gas opportunities, it will seek shareholder approval for a name change to "Global Oil & Gas Limited" at the Company's next General Meeting. A Notice of meeting will be provided to shareholders shortly.

#### **Oil and Gas Acquisitions and Ongoing Review and Negotiations**

The during the quarter the Company continued its negotiations in respect to a potential transaction involving a strategic interest in several highly prospective oil block concessions located in an established and producing oil basin. The Company can confirm that subject to obtaining all necessary regulatory approvals (which has taken longer than expected), it will then move to expedite and finalise negotiations into a formal binding agreement. The Company is committed to structuring a beneficial deal for all parties and its shareholders and is confident that this can be achieved.

In addition, the Company also commenced negotiations in respect to securing an interest in an established and producing oil field in Central Africa that is connected by pipeline to an established and exporting refinery. The Company engaged a South African based consultant who travelled to be in-country later to undertake legal and technical due diligence. Subject to a satisfactory outcome on due diligence, the Company will look to advance negotiations towards commercial terms. The Company is expecting feedback and recommendations from the technical due diligence shortly.

If you have any queries, please contact the Company on +61 8 6380 2470.

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Global Vanadium Limited