



ABN 80 112 893 491

and Controlled Entities

INTERIM FINANCIAL REPORT FOR THE
HALF YEAR ENDED 31 DECEMBER 2021

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GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities
Interim Financial Report
for the Half-Year ended 31 December 2021

	Page
Directors' Report	3
Auditor's Independence Declaration	7
Consolidated Statement of Profit or Loss and Other Comprehensive Income	8
Consolidated Statement of Financial Position	9
Consolidated Statement of Cash Flows	10
Consolidated Statement of Changes in Equity	11
Notes to the Financial Statements	12
Directors' Declaration	18
Independent Auditors Review Report to the Members	19

GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities

DIRECTORS' REPORT

The directors of Global Oil & Gas Limited ("Global" or the "Company") submit their report for the half year ended 31 December 2021.

DIRECTORS

The names of the Company's directors in office during the half year period and until the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

Christopher Zielinski	Chairman
Patric Glovac	Executive Director
Troy Hayden	Non-Executive director
Richard Barker	Non-Executive director

REVIEW AND RESULTS OF OPERATIONS

The consolidated net loss from continuing operations after income tax for Global and its subsidiaries ("the Group" or "the consolidated entity") for the half year ended 31 December 2021 was \$1,062,224 (2020: \$371,327).

EP127 Exploration Program 2021

Global Oil & Gas Limited announced in November 2021, the completion of the in-field gas sampling survey testing helium and hydrogen concentrations over areas of interest identified by the previously completed remote spectroscopy analysis. Initial readings from the field have identified sample sites with levels of helium detected at double background level. This study will look to correlate the elevated helium levels from field data with the geological model of the Southern Georgina Basin and the remote spectroscopy data. This study will enable the company to build a hydrogen and helium geological model which can be used to understand the hydrogen and helium generation and trapping mechanisms in the basin. This can then be used to high-grade and plan future exploration activities.

Remote spectroscopy analysis was conducted by Dirt Exploration of South Africa, survey planning, field sampling, data analysis and reporting conducted by H2He Services of Perth, WA.

Results of the survey were provided to shareholders in February 2022. Refer to ASX announcement dated 21 Feb 2022.

Goshawk Energy

The Company announced in December 2021 that Goshawk Energy Corporation Pty Ltd ("GEC") and Goshawk Energy (Canning Basin) Pty Ltd ("Goshawk") executed a Sales Agreement with Squadron Energy Pty Ltd ("Squadron") on the Helvetica Oil Prospect EP499. GLV is a 20% shareholder in GEC and is not incurring any further costs or liabilities (or paying any further consideration) under the Sale agreement. By way of Squadron exiting the JV arrangement with Goshawk (previously owned 80% Squadron & 20% Goshawk) the net interest for GLV on the EP499 Helvetica Oil Prospect increases from 4% to 20%.

GEC is already in discussions with several interested groups to advance the Helvetica Oil Prospect by way of Farm-In or ASX IPO listing.

About Helvetica EP 499

Helvetica Prospect was defined from existing 2D seismic data and a shallow test well, drilled in 1985 (Pandorea-1) encountered oil shows above the Helvetica Prospect. The Helvetica Prospect will test the deeper salt sealed structure.

Please also refer to previous ASX announcements dated 12th and 24th August 2020.

Helvetica Sub-Salt Oil Prospective Resource*			
	Low Estimate (P90)	Best Estimate (P50)	High Estimate (P10)
Oil MMBBL Gross	33	194	355
Oil MMBBL Net GLV (20% previously 4%)	6.6	38.8	71

* **Cautionary Statement:** The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

DIRECTORS' REPORT cont.**Sale Agreement Summary**

GEC has paid Squadron the first instalment, being \$700,000, on execution of the Agreement. Funding of the first instalment was by way of cancellation of existing outstanding amounts owed by Squadron to GEC under the JV agreement and existing cash reserves held by GEC. The second instalment, being a further payment of \$2,800,000, is payable on the earlier of: 1st January 2023; or if GEC raises new capital in excess of \$5,000,000 or by way of a farm-in agreement being executed by a third party in respect the Helvetica Prospect. The payment of the second instalment is also subject to permit approval and registration.

Western Gas (519P) Pty Ltd Acquisition

The Company announced in November 2021 that following satisfaction of the remaining conditions precedent, including all necessary shareholder and regulatory approvals, the completion of the 25% acquisition of Western Gas (519P) Pty Ltd. 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 early Q2 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 Mentorc 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 Mentorc 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 and also 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. Western Gas and Valaris formally executed the drilling contract for the MS-1 semi-submersible rig to drill the multi TCF Sasanof-1 exploration well.

Further to this Western Gas has received acceptance by NOPSEMA for the Sasanof-1 Exploration Drilling Environment Plan. The Safety Case Revision for the Sasanof-1 well and the Well Operations Management Plan (WOMP) were submitted to NOPSEMA in early December 2021 for assessment, with an expected outcome by early January 2022

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.

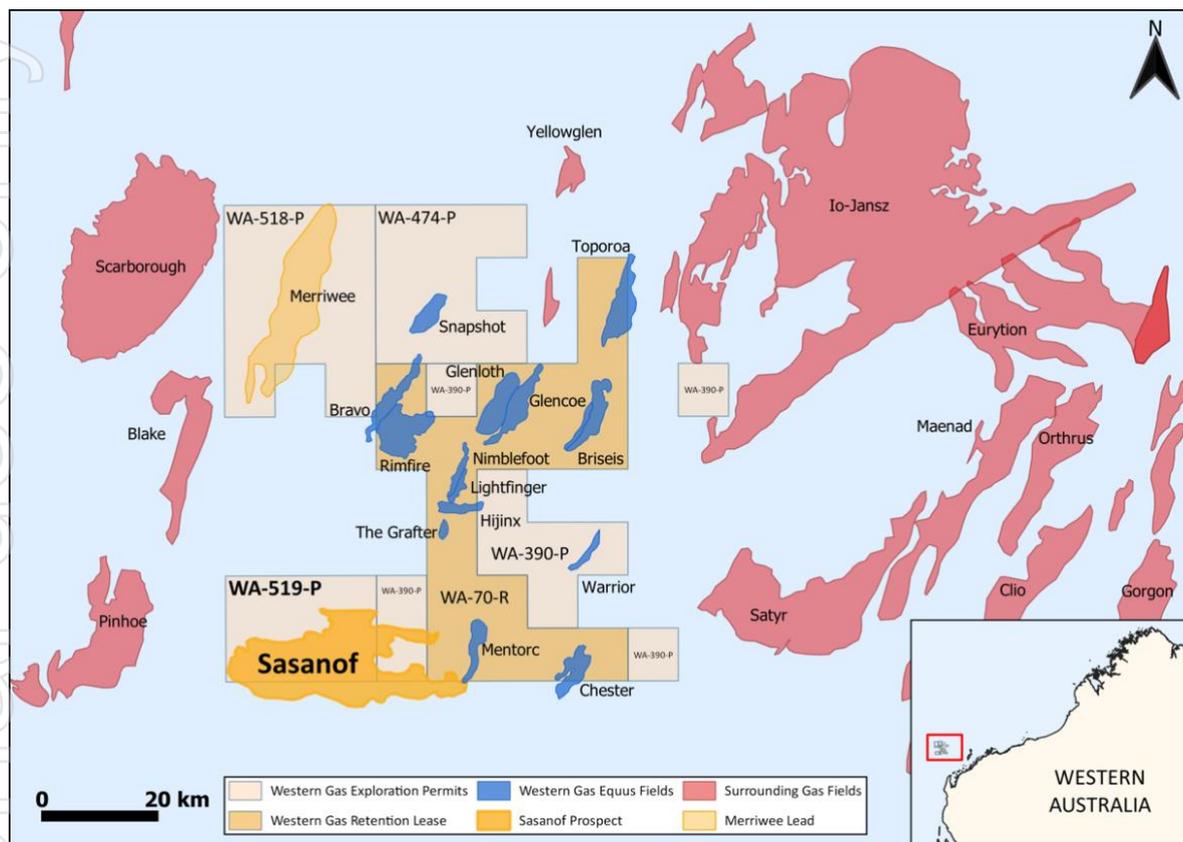
Western Gas has licenced and reprocessed multiple 3D seismic surveys over the area to define the exploration potential, including the Sasanof Prospect. These enhancements to the seismic data include reprocessing and inversion projects, together with comprehensive Rock Physics and Quantitative Interpretation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

DIRECTORS' REPORT cont.



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.

CORPORATE

A Shareholders meeting was held on 5 November 2021 and all resolutions were passed via a poll. This meeting approved the Sasanof acquisition and capital raising. Subsequent to the meeting (22 November 2021) the following issue of securities occurred.

	Shares	Listed Options
Issue of Shares and listed Options to Western Gas Con Note Holders	125,000,000	20,000,000
Finance Facility Shares	187,500,000	-
Issue of Facilitation Fee Shares to GTT	25,000,000	-
Issue of Placement Shares (Tranche 2)	500,000,000	-
Issue of Lead Manager Shares and Options	25,000,000	50,000,000
Issue of Director Options	-	20,000,000

GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities

A further issue of shares (51,875,000) took place utilising the Company's Rule 7.1 15% capacity.

This was made up of :

- Broker and Lead manager Fees in lieu of 6% cash on funds raised and management fee (\$530,000) - 33,125,000 shares
- 18,750,000 shares to cover interest applicable to the Western Gas Convertible Note holders.

The Company Annual General Meeting took place on 29 November 2021 and all resolutions were passed via a poll.

EVENTS SUBSEQUENT TO REPORTING DATE

On 15 March 2021, Western Gas Pty Ltd declared the planned drilling of the Sasanof Well to be fully funded and with the planned drilling program to proceed in May 2022.

WGC will provide this funding to Western Gas (519 P) Pty Ltd (the holding company for Sasanof) to maintain its working interest at 62.5%. Together with the existing committed funding from Global Oil & Gas Ltd (ASX:GLV) (50%) and Prominence Energy Limited (ASX:PRM) (25%).

Sasanof-1 Prospect Interests

Company	Funding Interest	Working Interest
Western Gas Corporation Pty Ltd	25%	62.5%
Global Oil and Gas Limited	50%	25%
Prominence Energy Limited	25%	12.5%

GLV will pay the remaining \$5,000,000 completion funds to WG519 plus the net proceeds from the sale of the 187,500,000 GLV shares, as part of the Finance Facility, by 31 March 2022, to fund 50% of the drilling of the Sasanof Well in accordance with the agreed Budget.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation continues to develop and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, BDO Audit (WA) Pty Ltd, to provide the directors of the company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 7 and forms part of this directors' report for the half-year ended 31 December 2021.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



Chris Zielinski
Chairman
16 March 2022

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF GLOBAL OIL & GAS LIMITED

As lead auditor for the review of Global Oil & Gas Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Global Oil & Gas Limited and the entities it controlled during the period.



Dean Just
Director

BDO Audit (WA) Pty Ltd
Perth, 16 March 2022

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GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Note	Consolidated	
		31 December 2021	31 December 2020
		\$	\$
OTHER INCOME			
Interest Income	2	14,240	2,117
CVS Loan Interest		-	29,970
ATO Cashflow Boost		-	5,000
		14,240	35,087
EXPENDITURE			
Employee benefits expenses		(185,511)	(131,473)
Technical consultants and contracts		(21,200)	(1,000)
Occupancy expenses		(900)	(9,312)
Travel		(1,823)	-
Finance costs		(2,167)	(1,762)
Share based payment	6	(550,348)	(55,314)
Administration expenses		(250,089)	(199,495)
Lease amortisation		(18,910)	(8,058)
Share of Loss of associate accounted for using the equity method (20%)		(45,516)	-
		(1,076,464)	(371,327)
Loss before income tax		(1,062,224)	(371,327)
Income tax expense		-	-
Total Comprehensive loss net of income tax		(1,062,224)	(371,327)
Earnings per share (cents per share):			
Basic earnings (loss) per share		(0.099)	(0.089)

The above consolidated statement of Profit or Loss and Other Comprehensive income should be read in conjunction with the accompanying notes.

GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities

**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Note	Consolidated 31 December 2021 \$	30 June 2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	9,567,452	1,602,568
Prepayments		22,801	5,550
TOTAL CURRENT ASSETS		9,590,253	1,608,118
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	5	690,420	430,000
Right of use asset		25,700	40,290
Investment in Associate (Sasanof)	7	6,009,481	-
Investment in Associate (Goshawk)		2,967,512	3,009,028
TOTAL NON-CURRENT ASSETS		9,693,113	3,479,318
TOTAL ASSETS		19,283,367	5,087,436
CURRENT LIABILITIES			
Trade and other payables		82,830	97,595
Employee provisions		14,238	13,898
Lease Liability		26,207	33,129
TOTAL CURRENT LIABILITIES		123,275	144,622
NON CURRENT LIABILITIES			
Lease Liability		-	8,911
TOTAL NON CURRENT LIABILITIES		-	8,911
TOTAL LIABILITIES		123,275	153,533
NET ASSETS		19,160,092	4,933,903
EQUITY			
Issued capital	6a	74,752,122	60,669,682
Reserves	6b,c	1,773,975	568,003
Accumulated losses		(57,366,005)	(56,303,781)
TOTAL EQUITY		19,160,092	4,933,903

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities

**INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

	Note	Consolidated 31 December 2021 \$	31 December 2020 \$
Cash flows from operating activities			
Miscellaneous income		-	10,000
Payments to suppliers and employees		(467,499)	(411,842)
Interest received		14,240	2,117
Net cash flows used in operating activities		(453,259)	(399,725)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(284,121)	(178,059)
Goshawk Energy		(4,000)	(1,007,500)
Sasanof cash call and due diligence costs	7	(2,084,481)	-
Property Plant & Equipment		(4,320)	-
Net cash flows (used in) by investing activities		(2,376,922)	(1,185,559)
Cash flows from financing activities			
Lease repayment		(18,000)	(9,000)
Proceeds from issue of shares		11,015,244	1,699,908
Payments for share issue costs		(202,179)	(94,378)
Net cash flows from financing activities		10,795,065	1,596,529
Net Increase/(decrease) in cash and cash equivalents		7,964,884	11,245
Cash at the beginning of the period		1,602,568	405,140
Cash and cash equivalents at the end of the period	4	9,567,452	416,385

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Attributable to equity holders of the parent
Consolidated

	Note	Issued Capital \$	Reserves	Accumulated Loss \$	Total Equity \$
CONSOLIDATED					
As at 1 July 2021		60,669,882	568,003	(56,303,781)	4,933,903
Loss for the period		-	-	(1,062,224)	(1,062,224)
Equity Transactions					
Issue of share capital	6a	16,079,619	-	-	16,079,619
Issue of Options			910,000		910,000
Share issue costs		(1,997,179)	-	-	(1,997,179)
Issue of Performance rights	6b	-	295,973	-	295,973
As at 31 December 2021		74,752,122	1,773,976	(57,366,005)	19,160,092
CONSOLIDATED					
As at 1 July 2020		56,333,191	30,141	(54,411,492)	1,951,840
Loss for the period		-	-	(371,327)	(371,327)
Equity Transactions					
Issue of share capital		3,499,908	-	-	3,499,908
Issue of Options		-	257,143	-	257,143
Share issue costs		(94,379)	-	-	(94,379)
Issue of Performance rights		-	55,314	-	55,314
As at 31 December 2020		59,738,721	342,598	(54,782,819)	5,298,499

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021**1. Basis of Preparation**

This general purpose financial report for the interim half-year reporting period ended 31 December 2021 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Global Oil & Gas Limited during the interim period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year except for as disclosed below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Treasury shares

If the Group reacquires its own equity instruments, the consideration paid, including any directly attributable incremental costs (net of income taxes) on those instruments, are deducted from equity until the shares are cancelled or reissued. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Consideration paid or received is recognised directly in equity.

Adoption of new and amended Accounting Standards

For the half-year ended 31 December 2021 the Group has reviewed all of the new and revised Standards and interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2021. The adoption of these new and revised standards and interpretations did not have any effect on the financial position or performance of the Group.

Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2021.

Going Concern

The historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the six-month period ended 31 December 2021 the Group made a loss of \$1,062,224 and had cash outflows from operating activities of \$453,259.

The Board believe that the measures it has taken, enables the Company to prepare the financial reports on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

2. OTHER INCOME

Loss before income tax expense includes the following income whose disclosure is relevant in explaining the performance of the consolidated entity:

	Consolidated 31 December 2021 \$	Consolidated 31 December 2020 \$
Other Income		
Bank interest	14,240	2,117
CVS loan interest	-	27,970
ATO cashflow boost	-	5,000

3. SEGMENT REPORTING

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The consolidated entity operates in a single business segment being oil and gas exploration in Australia.

The company is domiciled in Australia. All revenue from external parties is generated from Australia only. All the assets are located in Australia, investing in opportunistic/distressed situations where both short and long term rewards may be produced for shareholders.

4. CASH AND CASH EQUIVALENTS

For the purposes of the Consolidated Cash Flow Statement, cash and cash equivalents comprise the following:

	Consolidated 31 December 2021 \$	Consolidated 30 June 2021 \$
Cash at bank and in hand (i)	9,567,452	1,602,568
	9,567,452	1,602,568

(i) Non cash activities are disclosed within Note 6

5. EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation costs carried forward in respect of exploration areas of interest

	Dec 2021 \$	June 2021 \$
Opening Balance Exploration and Evaluation Expenditure	430,000	1,257,356
Additions:		
EP 127 NT Australia	260,420	205,436
Provision for Impairment	-	(1,032,792)
Closing balance	690,420	430,000

The ultimate recoupment of the Company's expenditure on its oil and gas interests is dependent upon the successful development and commercial exploitation or sale of the respective interests at amounts at least equal to book value.

GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

6a. ISSUED AND PAID UP CAPITAL

	31 December 2021		30 June 2021	
	Number	\$	Number	\$
Balance at beginning of period	763,658,572	60,669,682	260,791,684	56,333,191
Placement tranche 1 (Sep 21) (i)	187,500,000	3,000,000	-	-
Option conversion	762,185	15,244	-	-
Placement Tranche 2 (Nov 21) (ii)	500,000,000	8,000,000	-	-
Sasanof acquisition and facilitation (iii)	168,750,000	3,665,000	-	-
Finance facility shares (iv)	187,500,000	-	-	-
Broker/ lead manager (v)	58,125,000	1,399,375	-	-
Placement tranche 1 (Aug 20)	-	-	39,118,753	273,831
Rights Issue (Sep 2020)	-	-	41,277,190	288,940
Rights Issue shortfall (Oct 2020)	-	-	58,692,956	410,851
Placement tranche 2 (Nov 2020)	-	-	103,738,390	726,169
Vendor and Facilitator shares -Goshawk (Nov 2020) (iv)	-	-	149,999,999	1,800,000
Option conversion (Nov 2020)	-	-	5556	111
Option conversion (Jan 21)	-	-	278	6
Placement (Jan 21)	-	-	100,000,000	1,100,000
Conversion Performance Rights	-	-	10,000,000	100
Option conversion	-	-	33,766	675
Capital Raising Costs	-	(1,997,179)	-	(264,192)
Balance at end of period	1,866,295,757	74,752,122	763,658,572	60,669,682

(i) Tranche 1 placement of 187,500,000 shares at \$0.016 per share in a Placement to sophisticated/ Professional Investors to raise \$3,000,000 before costs.

(ii) Tranche 2 placement of 500,000,000 shares at \$0.016 per share in a Placement to sophisticated/ Professional Investors to raise \$8,000,000 before costs approved by shareholders 5 November 2021.

(iii) Issue of 143,750,000 shares to Sasanof Project vendors valued at \$0.027 per share (closing market price 22 Nov 2021) as consideration for the acquisition of 25% interest in Western Gas (WA 519) Pty Ltd. A further 25 million shares were issued as facilitation fees. This was approved by shareholders at a meeting held 5 November 2021.

(iv) Issue 187,500,000 finance facility shares (closing market price on the date of issue) to be utilised to fund planned well for the Sasanof Project. The GLV shares were issued to an 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 March 2022. 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.

(v) Issue of 58,125,000 shares to Broker and Lead Manager of the capital Raising of which 33,125,000 were issued in settlement of the cash broker/lead manager fee liability.

6b. PERFORMANCE RIGHTS & OPTIONS

Share based payment expense relating to performance rights during the Dec 2021 half, as recognised within 'share based payment' for the period ended 31 December 2021 was \$35,973. This reflects the total fair value of the performance rights over the three year vesting period. In addition, Directors were granted 20 million options as approved by shareholders on November 5, 2021. These were valued at \$0.013 per option (closing market price 5 November 2021) resulting in a total value of \$260,000.

GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Share Based Payment Reserve	31 December 2021 \$	30 June 2021 \$
Opening Balance	212,680	30,141
Share based payment (Class B and C Performance Rights) -Directors	34,613	68,661
Share based payment (Class C Performance Rights) – Operations Manager	1,360	-
Grant of Options to Directors	260,000	-
Share based expense on conversion of 10 million Class A Performance Rights	-	113,858
Share based payment reserve closing balance	508,633	212,680

6c. OPTION RESERVE

As part of the Sasanof acquisition the following options were granted as approved by shareholders at the general meeting held on 5 November 2021

Opening balance	\$ 355,343
Western Gas Pty Ltd Convertible Note Holders 25 million GLVO	260,000
Capital Raising Fees 50 million GLVO	650,000
Closing Balance	<u>1,265,343</u>

7. ASSET ACQUISITION

On the 22 November 2021, Global Oil and Gas Ltd completed the acquisition of a 25% interest in Western Gas (WA 519) Pty Ltd . As the acquisition is not deemed a business acquisition, the transaction must be accounted for as a share-based payment for the net assets acquired.

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase acquisition and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

The acquisition was approved by shareholders at the meeting held on 5 November 2021. The consideration payable was that GLV will subscribe for the 25% interest in WG519 through paying \$7,000,000 to WG519 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.

At Completion of the transaction (22 November 2021), GLV issued 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. 142,750,000 GLV Shares (this includes 18,750,000 shares to reflect interest on the convertible note) at a market price equal to \$0.027 per GLV Share; and
- ii. 20,000,000 listed GLV Options exercisable at \$0.02 each on or before 15 December 2022 ("Consideration Option");

In addition, 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

GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Prospect.

As at the reporting date, the achievement of the milestones has been assessed as not probable, hence the fair value of the rights was deemed to be nil.

Part of the conditions to this agreement was GLV undertaking (to its satisfaction and subject to all necessary shareholder and regulatory approvals) a Capital Raising, to raise a minimum of \$11 million at an issue price of \$0.016, being 687,500,000 shares. The Company successfully conducted the Placement in two tranches, to satisfy this condition.

Details of the fair value of the assets and liabilities acquired as at 22 November 2021 are as follows:

Purchase consideration comprises:	\$
125 million shares to Western Gas Pty Ltd Convertible Note holders	2,483,750
18.75 million shares to Western Gas Pty Ltd Convertible Note holders for interest on the Convertible note.	506,250
20 million options to Western Gas Pty Ltd Convertible Note holders valued @ \$0.013 per Option.	260,000
25 million shares as facilitation fees valued @ \$0.027 (ii)	675,000
Total consideration (i)	<u>3,925,000</u>
Net asset acquired:	\$
Investment in Western Gas (519P) Pty Ltd (25%)	3,925,000
	<u>3,925,000</u>
(i) The consideration valued at \$3,925,000, is based on fair value of the assets at the date of purchase. An independent valuation of the exploration acreage held by WG 519 provided a basis for the fair value at the acquisition date. The basis for valuation of the assets is at fair value and is based on comparable market transactions for similar assets.	
(ii) 25 million Facilitator shares were issued to GTT Ventures Pty Ltd, of which P Glovac is a director and shareholder.	
Opening balance as at 22 November 2021	-
Investment in Western Gas (519P) Pty Ltd (25%)	3,925,000
Due diligence costs	84,481
Cash advance	2,000,000
Closing carrying amount 31 December 2021	<u><u>6,009,481</u></u>

8. CONTINGENT LIABILITIES

Note 7 details the milestone deferred consideration with respect to the Western Gas (519P) Pty Ltd acquisition. These conditions have not been met at reporting date therefore the deferred consideration has not been accounted for.

9. COMMITMENTS

There has been no changes in commitments since the last annual reporting date other than those detailed in subsequent events.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021**10. RELATED PARTY TRANSACTIONS**

The Executive services contract for Mr Patric Glovac was extended by a further 12 months in September 2021. The remuneration package consists of \$150,000 per annum plus statutory superannuation on a 12 month contract, which can be terminated by either party providing 3 months notice.

All Directors were granted 5 million listed options each (total 20 million) at the shareholders meeting held 5 November 2021. Refer Note 6b for further details.

As part of the Sasanof transaction and the associated capital raising, \$31,819 were paid to GTT Ventures Pty Ltd as placement fees. Patric Glovac is a shareholder and director of GTT ventures Pty Ltd. In addition, a total of 25 million facilitation shares were issued as part of the Sasanof acquisition and Patric Glovac was allocated 13,826,642 of those shares.

Office lease payments totalling \$18,000 were paid to 19808283 Pty Ltd during the period. Patric Glovac is a shareholder and director of 19808283 Pty Ltd.

Other than share based payment transactions disclosed in Note 7b for performance rights granted to Directors, other transactions with related parties are consistent with those disclosed in the 30 June 2021 Annual Report.

11. EVENTS SUBSEQUENT TO REPORTING DATE

On 15 March 2021, Western Gas Pty Ltd declared the planned drilling of the Sasanof Well to be fully funded and with the planned drilling program to proceed in May 2022.

WGC will provide this funding to Western Gas (519 P) Pty Ltd (the holding company for Sasanof) to maintain its working interest at 62.5%. Together with the existing committed funding from Global Oil & Gas Ltd (ASX:GLV) (50%) and Prominence Energy Limited (ASX:PRM) (25%).

Sasanof-1 Prospect Interests

Company	Funding Interest	Working Interest
Western Gas Corporation Pty Ltd	25%	62.5%
Global Oil and Gas Limited	50%	25%
Prominence Energy Limited	25%	12.5%

GLV will pay the remaining \$5,000,000 completion funds to WG519 plus the net proceeds from the sale of the 187,500,000 GLV shares, as part of the Finance Facility, by 31 March 2022, to fund 50% of the drilling of the Sasanof Well in accordance with the agreed Budget.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation continues to develop and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

GLOBAL OIL & GAS LIMITED

ABN 80 112 893 491
and Controlled Entities

DIRECTOR'S DECLARATION

In accordance with a resolution of the directors of Global Oil & Gas Limited (the "consolidated entity"), in the opinion of the directors:

- (a) the half year interim financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2021 and the performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Chris Zielinski

Chairman

Perth, 16 March 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Global Oil & Gas Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Global Oil & Gas Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

BDO


Dean Just

Director

Perth, 16 March 2022