



ABN 80 112 893 491

and Controlled Entities

INTERIM FINANCIAL REPORT FOR THE
HALF YEAR ENDED 31 DECEMBER 2020

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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 2020

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DIRECTORS' REPORT

The directors of Global Oil & Gas Limited ("Global " or the "Company") submit their report for the half year ended 31 December 2020.

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	Appointed 5 November 2020 resigned 30 November 2020 and re-appointed 30 November 2020

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 2020 was \$371,327 (2019: \$195,510).

EP127 Exploration Program 2020

A sacred site clearance was undertaken during the December 2020 half year and the Company received the clearance certificate during that period. This will allow the Company to move towards field exploration, including the planned geochemical survey, at the conclusion of the NT wet season.

Permitting is continuing in consultation with the Northern Territory Central Land Council (CLC) and Northern Territory Government ensuring COVID-19 guidelines are followed.

The exploration program is designed to prove the charge of helium and better define basement structuring and potential drape over basement related targets in addition to further delineating those prospects and leads.

Goshawk Energy Acquisition

In November 2020, the Company announced the satisfaction of the remaining conditions precedent, including all necessary shareholder and regulatory approvals for the 20% acquisition of Goshawk Energy Corporation Pty Ltd.

Allotment of shares and options for the Tranche 2 Placement, Vendor consideration and facilitator fees occurred 5 November 2020 (refer Appendix 2A dated 5 Nov 2020).

The appointment of Richard Barker as Director of the company occurred at this time. Richard, a co-founder of the Goshawk Group, has held executive roles at listed and unlisted oil and gas and resource companies over the last ten years. Prior to this Richard, who holds a Master of Laws, worked at Australian law firms Clayton Utz and Jackson McDonald. Richard has extensive corporate governance, project management, Native Title and operations experience.

In November 2020 the company provided further details regarding the exploration work program underway by the operator Goshawk. Goshawk awarded the contract for the processing of 3,400 km of existing 2D seismic over EP 499 and the adjoining STP-SPA-30, which will provide further definition of the portfolio of subsalt prospects and leads. The result of the reprocessing will also be used to finalise plans for the acquisition of 300 Km² of 3D seismic over the Helvetica subsalt prospect. Planning and regulatory approvals have now commenced for the 3D program which is expected to take place over 2 months during a 1H 2021 window . This 3D survey will allow for the identification of the optimal drilling location for a well on the Helvetica Prospect.

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Having now completed its technical review of the subsalt prospectivity within the Squadron-Goshawk Joint Venture permits, GLV is now working with Goshawk to assess the potential of its remaining extensive acreage position in the Canning Basin, including Goshawk's own 100% owned permits. These permits contain a variety of conventional oil and gas play types identified from existing seismic and drilling results and surrounding discoveries.

CORPORATE

The Annual General meeting was held on 30 November 2020 and all resolutions were passed via a poll.

Rights Issue and Placement completion

In conjunction with the acquisition of Goshawk (and a condition precedent to the acquisition), the Company received firm commitments for 142,857,143 fully paid ordinary shares at an issue price of \$0.007 each to qualified sophisticated and professional investors, to raise up to \$1.0 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 with the issue of 39,118,753 shares on 12 August 2020. Tranche 2 of the Placement of 103,738,390 shares, was approved by shareholders at the General Meeting that took place on 29 October 2020.

The Company also issued 47,619,048 free attaching options (**New Option**) (\$0.02 strike, 15 Dec 2022 expiry) on a 1:3 basis to all Placement participants, which was approved by shareholders at the general meeting held 29 October 2020.

In the first quarter of the 2020/2021 financial year, the Company undertook a pro-rata non-renounceable rights issue (**Rights Issue**) of up to 99,970,146 new shares (**New Share**) on the basis of one (1) New Share for every three (3) existing Shares held by Shareholders registered at the Record Date at an issue price of \$0.007 per New Share, together with 1 free attaching new option for every three (3) New Shares subscribed for and issued (exercisable at \$0.02 on or before 15 December 2022) being up to 33,323,382 New Options. The Rights Issue was completed in September 2020 and the shortfall shares 58,692,956 (and attaching options) were placed to sophisticated and professional investors and issued 2 October 2020.

EVENTS SUBSEQUENT TO REPORTING DATE

In January 2021, the Company successfully placed 100,000,000 fully paid ordinary shares at an issue price of \$0.011 to raise \$1,100,000 before costs.

The Company also issued 50,000,000 free attaching options (GLVO) (\$0.02 strike 15 Dec 2022 expiry) on a 1:2 basis to all Placement participants. In addition, 13,400,000 free broker options (GLVO) (\$0.02 strike 15 Dec 2022 expiry) were issued to unrelated parties in connection with the capital raising.

The Placement utilised the Company's existing placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A. The placement was made to a combination of existing major shareholders and new sophisticated investors.

The funds will be used for working capital, advancement of EP127 and to fund new opportunities in the oil and gas sector.

On 19 February 2021 the Company issued 10 million fully paid shares as a result of the conversion of 10 million Class A Performance Rights to Directors. The Company achieved a VWAP of at least \$0.024 per share over a period of 20 trading days so the vesting condition was met.

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 is rapidly developing 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.

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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 6 and forms part of this directors' report for the half-year ended 31 December 2020.

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
12 March 2021

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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 2020, 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, 12 March 2021

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INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	Note	Consolidated	
		31 December 2020	31 December 2019
		\$	\$
OTHER INCOME			
Interest Income	2	2,117	1,915
CVS Loan Interest	2	29,970	-
ATO Cashflow Boost	2	5,000	75,000
		35,087	76,915
EXPENDITURE			
Employee benefits expenses		(131,473)	(93,075)
Technical consultants and contracts		(1,000)	(597)
Occupancy expenses		(9,312)	(10,000)
Travel		-	(1,091)
Finance costs		(1,762)	(21)
Share based payment	7(b)	(55,314)	(2,256)
Administration expenses		(199,495)	(165,386)
Lease amortisation		(8,058)	-
		(371,327)	(272,425)
Profit (Loss) before income tax		(371,327)	(195,510)
Income tax expense		-	-
Total Comprehensive income (loss) net of income tax		(371,327)	(195,510)
Earnings per share (cents per share):			
Basic earnings (loss) per share		(0.089)	(0.006)

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

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INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	Consolidated	
		31 December 2020	30 June 2020
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	416,385	405,140
Prepayments		18,870	4,602
Financial Assets		-	5,000
TOTAL CURRENT ASSETS		435,255	414,724
NON-CURRENT ASSETS			
Financial Assets	5	392,272	364,302
Exploration and evaluation expenditure	6	1,435,595	1,257,536
Right of use asset		56,406	-
Investment in Associate (Goshawk)	8	3,064,643	-
TOTAL NON-CURRENT ASSETS		4,984,916	1,621,838
TOTAL ASSETS		5,384,171	2,036,580
CURRENT LIABILITIES			
Trade and other payables		22,129	84,740
Employee provisions		6,317	-
Lease Liability		31,250	-
TOTAL CURRENT LIABILITIES		59,696	84,740
NON CURRENT LIABILITIES			
Lease Liability		25,976	-
TOTAL NON CURRENT LIABILITIES		25,976	-
TOTAL LIABILITIES		85,672	84,740
NET ASSETS		5,298,499	1,951,840
EQUITY			
Issued capital	7a	59,738,720	55,333,191
Reserves	7b, 8	342,598	30,141
Accumulated losses		(54,782,819)	(54,411,492)
TOTAL EQUITY		5,298,499	1,951,840

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

GLOBAL OIL & GAS LIMITED

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INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	Note	Consolidated 31 December 2020 \$	31 December 2019 \$
Cash flows from operating activities			
Miscellaneous income		10,000	75,000
Payments to suppliers and employees		(411,842)	(275,508)
Interest received		2,117	1,915
Net cash flows used in operating activities		(399,725)	(198,593)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(178,059)	(4,357)
Acquisition Goshawk Energy	8	(1,007,500)	-
Net cash flows (used in)/provided by investing activities		(1,185,559)	(4,357)
Cash flows from financing activities			
Lease repayment		(9,000)	-
Proceeds from issue of shares		1,699,908	600,000
Payments for share issue costs		(94,378)	(40,428)
Net cash flows from financing activities		1,596,529	559,572
Net Increase/(decrease) in cash and cash equivalents		11,245	356,622
Cash at the beginning of the period		405,140	280,752
Cash and cash equivalents at the end of the period	4	416,385	637,375

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

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INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

Attributable to equity holders of the parent
Consolidated

	Note	Issued Capital \$	Reserves	Accumulated Loss \$	Total Equity \$
CONSOLIDATED					
As at 1 July 2019		55,773,618	-	(53,941,197)	1,832,421
Loss for the period		-	-	(195,510)	(195,510)
Equity Transactions					
Issue of share capital	7a	600,000	-	-	600,000
Share issue costs	7a	(40,428)	-	-	(40,428)
Issue of Performance rights	7b	-	2,256	-	2,256
As at 31 December 2019		56,333,190	2,256	(54,136,707)	2,198,739
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	7a	3,499,908	-	-	3,499,908
Issue of Options	8	-	257,143	-	257,143
Share issue costs	7a	(94,379)	-	-	(94,379)
Issue of Performance rights	7b	-	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 2020**1. Basis of Preparation**

This general purpose financial report for the interim half-year reporting period ended 31 December 2020 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 2020 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. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment. After application of the equity method, the company determines whether it is necessary to recognise any additional impairment loss with respect to the company's net investment in the associate.

The company's share of the associate post-acquisition profits or losses is recognised in the statement of profit or loss and other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Adoption of new and amended Accounting Standards

For the half-year ended 31 December 2020 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 2020. The adoption of these new and revised standards and interpretations did not have any effect on the financial position or performance of the Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2020**Critical accounting estimates and judgements**

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Investments in associate

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries. A holding of 20% or more of the voting power will indicate significant influence. They are accounted for using the equity method. The carrying amount of the investment in associates is increased or decreased to recognise the group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the group.

Asset Acquisition:

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 transaction 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. Asset's acquired during the period were exploration expenditure.

Impairment of exploration expenditure

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. When assessing impairment of exploration and evaluation assets, the carrying amount of exploration and evaluation is compared to its recoverable amount. The estimated recoverable amount is used to determine the extent of the impairment loss (if any).

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 31 December 2020.

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 2020 the Group made a loss of \$371,327 and had cash outflows from operating activities of \$399,725.

The Board believe that the measures it has taken, enables the Company to prepare the financial reports on a going concern basis. Subsequent to December 2020, the Company successfully completed a Placement issue of 100 million shares at an issue price of \$0.011 to qualified sophisticated and professional investors raising \$1,100,000 (before costs).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2020

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 2020 \$	Consolidated 31 December 2019 \$
Other Income		
Bank interest	2,117	1,915
CVS loan interest	27,970	-
ATO cashflow boost	5,000	75,000

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 2020 \$	Consolidated 30 June 2020 \$
Cash at bank and in hand	416,385	405,140
	416,385	405,140

5. OTHER ASSETS

	Consolidated Entity	
	31 Dec 2020 \$	30 June 2020 \$
NON-CURRENT		
Loan to unrelated entities – unsecured (Cervantes Corporation Ltd)	364,302	1,257,400
Loan amendment (waive of rights and fees)	-	(357,400)
Provision for loss allowance	-	(586,956)
CVS Interest	27,970	51,258
Net loan amount	<u>392,272</u>	<u>364,302</u>
Loans to unrelated entities – secured (CIS)	4,301,168	4,301,168

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2020

Provision for non-recovery loan	(4,301,168)	(4,301,168)
Net loan amount	-	-
Grand total	392,272	364,302

6. EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation costs carried forward in respect of exploration areas of interest	Dec 2020	June 2020
	\$	\$
Exploration Asset – held for sale	-	1,240,000
Transfer to Exploration and Evaluation	-	(1,240,000)
Asset held for sale transfer to Exploration and Evaluation Expenditure	-	-
Opening Balance Exploration and Evaluation Expenditure	1,257,356	1,240,000
Additions	178,059	17,356
Provision for Impairment	-	-
Closing balance	1,435,595	1,257,536

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.

7a. ISSUED AND PAID UP CAPITAL

	31 December 2020		30 June 2020	
	Number	\$	Number	\$
Balance at beginning of year	260,791,684	56,333,191	2,829,479,904	55,773,618
Placement tranche 1 (Aug 2020) (i)	39,118,753	273,831		
Rights Issue (Sep 2020) (ii)	41,277,190	288,940		
Rights Issue shortfall (Oct 2020) (ii)	58,692,956	410,851		
Placement tranche 2 (Nov 2020) (iii)	103,738,390	726,169		
Vendor and Facilitator shares -Goshawk (Nov 2020) (iv)	149,999,999	1,800,000		
Option conversion (Nov 2020) (v)	5,556	117		
Placement 20 August 2019	-	-		
Capital Raising costs	-	(94,379)		(40,427)
Placement August 2019	-	-	300,000,000	600,000
Consolidation 1 for 12 - June 2020	-	-	(2,868,688,220)	-
Balance at end of year	653,624,528	59,738,720	260,791,684	56,333,191

(i) Issue of 39,118,753 shares at \$0.007 per share in a Placement to sophisticated/ Professional Investors to raise \$273,831 before costs

(ii) Entitlement Issue of shares offered to all shareholders. A total of 99,970,146 shares issued at \$0.007 per share to raise \$699,791 before costs (including shortfall shares 58,692,956)

(iii) Issue of 103,738,390 shares at \$0.007 per share in a Placement (tranche 2) approved by shareholders at a meeting held 29 October 2020

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2020

(iv) Issue 128,571,429 shares (valued at \$0.012 which was the trading price on the date of issue) to the vendor as consideration for the acquisition of 20% interest in Goshawk Energy Corporation Pty Ltd. In addition 21,428,570 share were issued to the facilitator of this transaction on the same basis. These issues were approved by shareholders at the meeting held 29 October 2020.

(v) Issue of 5,556 GLV shares on conversion of listed options by shareholders at an exercise price of \$0.02

7b. PERFORMANCE RIGHTS

Share based payment expense relating to performance rights granted and issued in the 30 June 2020 financial year end, as recognised within 'share based payment' for the period ended 31 December 2020 was \$55,314. This reflects the total fair value of the performance rights over the three year vesting period.

Share Based Payment Reserve	31 December 2020 \$	30 June 2020 \$
Opening Balance	30,141	-
Share based payment	55,314	30,141
Share based payment reserve closing balance	85,455	30,141

NOTE 8 ASSET ACQUISITION

On the 5 November 2020, Global Oil and Gas Ltd completed the acquisition of a 20% interest in Goshawk Energy Corporation Pty Ltd. As the acquisition of Goshawk Energy Corporation Pty Ltd 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 29 October 2020. The consideration payable was a \$25,000 option fee plus \$975,000 cash consideration and the issue of 128,571,429 GLV shares at a deemed issued price of \$0.012 (closing price on the date of issue) and 42,857,143 listed options. Further to this is deferred consideration as follows:

- (a) \$1,350,000 worth of fully paid ordinary shares in GLV at a 3 month VWAP calculated up to the Milestone being the commencement of drilling of a commercial hydrocarbon well on any of the Goshawk or Goshawk Squadron Joint Venture Licenses within 3 years after Completion of the Transaction; and
- (b) If any necessary Shareholder Approvals are not obtained within 2 months (or such other date mutually agreed by the Parties in writing) of the Milestone Date occurring, Goshawk has the election of nominating to receive the Milestone Consideration in shares (subject to all necessary shareholder and regulatory approvals) or to elect to have GLV pay Goshawk Holdings, \$1,350,000 cash in lieu of the Milestone Consideration Shares.

As at the reporting date, the achievement of the milestones has been assessed as not probable, hence no value has been attributed to the performance rights. The probability is assessed again at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2020**NOTE 8 ASSET ACQUISITION** continued

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 \$1.7 million at a deemed issue price of \$0.007, being 242,857,143 shares, with 1 for 3 free attaching unlisted options (exercisable at \$0.02 each, expiring 15 Dec 2022) on the same terms as the Consideration Securities. The Company successfully conducted an Entitlement Issue of shares as well as a Placement, to satisfy this condition.

Details of the fair value of the assets and liabilities acquired as at 6 November 2020 are as follows:

Purchase consideration comprises:	\$
Option fee	25,000
Cash consideration	975,000
Due Diligence costs	7,500
128,571,429 GLV shares to vendor (issue price \$0.012)	1,542,857
42,857,143 GLV listed options (GLVO) (issue price \$0.004)	171,429
21,428,570 GLV shares to Facilitator (issue price \$0.012) ⁽ⁱ⁾	257,143
21,428,570 GLV listed options (GLVO) (issue price \$0.004) ⁽ⁱ⁾	85,714
Total consideration	3,064,643
Net asset acquired:	\$
Investment in Goshawk Energy Corporation Pty Ltd (20%)	3,064,643
	3,064,643

(i) 10,714,285 Facilitator shares and 10,714,285 listed options were issued to GTT Ventures Pty Ltd, of which P Glovac is a Director and shareholder.

9. CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities or contingent assets at 31 December 2020 not otherwise disclosed in this report. Note 8 details the milestone deferred consideration with respect to the Goshawk acquisition. These conditions have not been met at reporting date therefore the deferred consideration has not been accounted for.

10. COMMITMENTS

There has been no changes in commitments since the last annual reporting date.

11. RELATED PARTY TRANSACTIONS

Other than share based payment transactions disclosed in Note 7b for performance rights granted to Directors, transactions with related parties are consistent with those disclosed in the 30 June 2020 Annual Report.

Non-Executive Director Mr Patric Glovac was appointed as Executive Director, back dated to 1 August 2020, to assist the Company to continue to advance its Goshawk and Georgina Basin (EP127) prospects and better reflect the workload and

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2020

responsibilities undertaken by Mr Glovac. Mr Glovac is paid a remuneration package of \$120,000 per annum plus statutory superannuation on an initial 12 month contract, which can be terminated by either the Company or Mr Glovac providing 3 months written notice.

Richard Barker was appointed Director of the Company 5 November 2020. Mr Barker is also a Director of Goshawk Energy Corporation.

Capital raising fees paid to GTT Ventures Pty Ltd (Director P Glovac is a Director and shareholder of GTT) during the half-year amounted to \$43,521. In addition GTT Ventures were issued 10,714,285 shares and 10,714,285 options as a Facilitation fee associated with the Goshawk acquisition. See Note 8 also.

The Company entered into a lease agreement with 19808283 Pty Ltd, a Company of which P Glovac is a Director and shareholder.

12. EVENTS SUBSEQUENT TO REPORTING DATE

In January 2021, the Company successfully placed 100,000,000 fully paid ordinary shares at an issue price of \$0.011 to raise \$1,100,000 before costs.

The Company also issued 50,000,000 free attaching options (GLVO) (\$0.02 strike 15 Dec 2022 expiry) on a 1:2 basis to all Placement participants. In addition, 13,400,000 free broker options (GLVO) (\$0.02 strike 15 Dec 2022 expiry) were issued to unrelated parties in connection with the capital raising.

The Placement utilised the Company's existing placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A. The placement was made to a combination of existing major shareholders and new sophisticated investors.

The funds will be used for working capital, advancement of EP127 and to fund new opportunities in the oil and gas sector.

No other matters or circumstances have occurred subsequent to reporting date that would have a material impact on the consolidated financial statements.

On 19 February 2021 the Company issued 10 million fully paid shares as a result of the conversion of 10 million Class A Performance Rights to Directors. The Company achieved a VWAP of at least \$0.024 per share over a period of 20 trading days so the vesting condition was met.

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 is rapidly developing 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.

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 2020 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, 12 March 2021

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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 2020, 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 2020 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 2020 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

A handwritten signature in black ink, appearing to read 'Dean Just', written over a faint, light-colored BDO logo.

Dean Just

Director

Perth, 12 March 2021