GLOBAL PETROLEUM LIMITED

ABN 68 064 120 896

ANNUAL FINANCIAL REPORT

30 JUNE 2017

The Directors of Global Petroleum Limited present their report together with the consolidated financial statements of the Group comprising of Global Petroleum Limited ("the Company" or "Global" or "Parent") and the entities it controlled at the end of, or during, the year ended 30 June 2017 ("Consolidated Entity" or "Group").

Contents

19 September 2017

Dear Shareholders

We are pleased to present to you the Global Petroleum 2017 Annual Report. In terms of the wider economic picture during the last financial year, commodity prices have improved slightly with the Brent oil price averaging $51 per barrel in the reporting year to 30 June 2017, compared to $45 in the preceding year to end June 2016. Unsurprisingly, the outlook for operational and commercial activity remains challenging, but recent equity raisings by energy companies in the London capital market demonstrate that financing is available for the right opportunities.

The Company's Petroleum Exploration Licence offshore Namibia is currently in Phase 2, which has a duration of 24 months until December 2017. In place of the previous well commitment in Phase 2, the Company undertook to reprocess and re-interpret previously acquired 2D seismic data and to shoot 800 kilometres of new 2D. The evaluation of the reprocessed data proved to be very encouraging, increasing confidence in a syn-rift oil play in the outboard or deep water region offshore Namibia as well as the likely presence of both reservoir and source within the Company's blocks. This evaluation has significantly improved Global's view of the overall prospectivity of its acreage enabling the upgrading of the three leads previously identified to prospects, in particular the Gemsbok prospect.

Accordingly, the Company announced during the reporting period that it had entered into a contract with seismic contractor Seabird Exploration of Norway to acquire 834 km of full fold 2D seismic data over its blocks, primarily focused on Gemsbok. The seismic survey was duly carried out, and successfully completed post the end of the reporting period. Based on the preliminary technical information obtained, the Company remains highly encouraged as efforts now move to interpretation of the 2D seismic.

Regarding the Company's four exploration applications offshore Italy, environmental decrees were published in late 2016 by the Italian authorities in relation to two of the Company's four applications (d 82 F.R-GP and d 83 F.R - GP). Subsequently, a number of appeals were lodged against the two environmental decrees by a mixture of local and urban authorities, and by special interest groups. The Company understands that similar appeals have been made over the last two years or so against environmental decrees granted to other companies in the Southern Adriatic, and that these appeals were rejected by the Regional Administrative Tribunal of Latium.

The slow progress towards final grant of the Italian licences is disappointing, however, the Company has not lost sight of its very positive view of the prospectivity of the application areas and we intend to persevere through the appeals process.

Financial

During the year ended 30 June 2017, the Group recorded a loss after tax of US$1,856,463 (2016: loss US$2,336,513). Cash balances at 30 June 2017 amounted to US$7,807,605 (2016: US$10,172,598). The Group has no debt.

Strategy and Outlook

The further evaluation of the prospectivity of the Company's Namibian Licence - in particular the delineation of the Gemsbok structure - in our view constitutes real progress. In addition, the Company has continued to evaluate opportunities which would balance its existing portfolio, notably those more in the nature of investment in contingent resources or exploration in proven hydrocarbon provinces. Accordingly, over the past 12 months, we have been engaged in detailed discussions with certain counterparties, which ultimately proved unsuccessful. However, we will continue to evaluate appropriate opportunities, both asset purchases and potential corporate combinations. We retain a significant cash position compared to many of our peers, and remain confident of making a key investment in due course.

We look forward to meeting Shareholders at the Company's Annual General Meeting later in 2017.

John van der Welle Non-Executive Chairman	Peter G. Hill Chief Executive Officer

1. OPERATING AND FINANCIAL REVIEW

Namibian Project

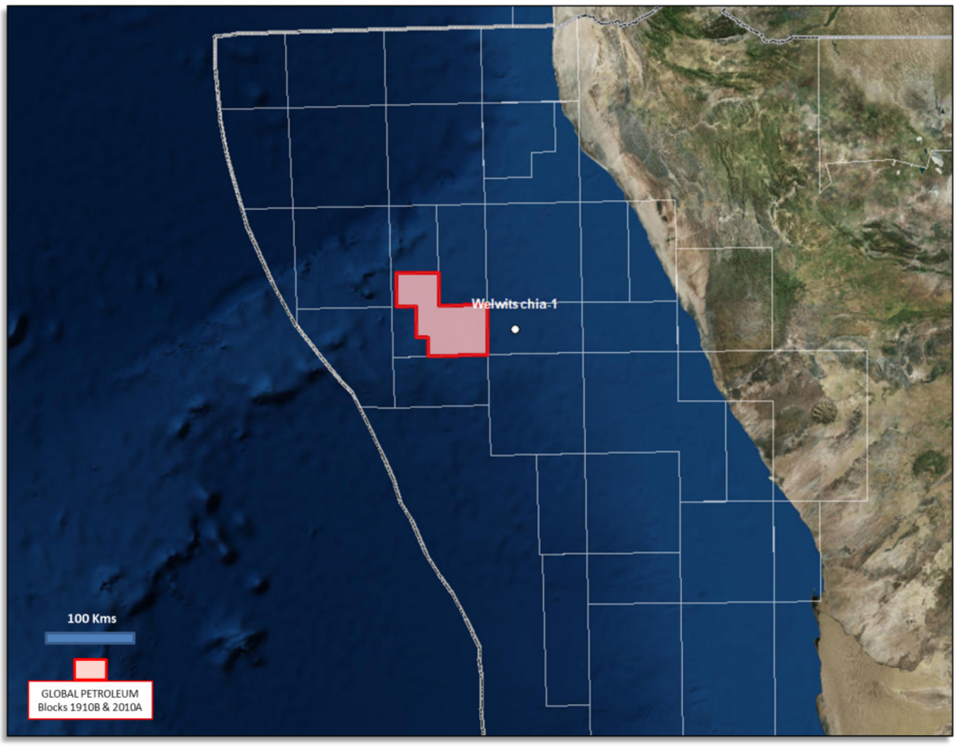
The Namibian Project consists of a participating interest in Petroleum Exploration Licence Number 29 ("Licence") covering Offshore Blocks 1910B and 2010A in the Republic of Namibia. The Licence, issued on 3 December 2010, originally covered 11,730 square kilometres and is located offshore Namibia in water depths ranging from 1,300 metres to 3,000 metres (Refer Figure 1). The Company's wholly owned subsidiary, Jupiter Petroleum (Namibia) Limited, is operator of the Licence with an 85% interest in the two blocks. Partners NAMCOR (the Namibian state oil company) and Bronze Investments Pty Ltd hold 10% and 5% respectively, both as carried interests.

In December 2015, the Company entered into the First Renewal Exploration Period (Phase 2) of the Licence, making a mandatory relinquishment of 50% of the Licence Area. Phase 2 is for a duration of 24 months with a reduced Minimum Work Programme. In place of the previous well commitment in Phase 2, the Company undertook to reprocess and re-interpret previously acquired 2D seismic data, and to shoot 800 kilometres of new 2D data. To this end, in 2016 the Company's technical team evaluated reprocessed 2D seismic data from the 1990s which it had purchased, and also reprocessed and evaluated speculative 2D seismic data shot over its Blocks in 2011/12 by seismic contractor TGS. The evaluation of this data proved to be very encouraging. Notably the work increased confidence in a syn-rift oil play in the outboard or deep water region offshore Namibia as well as the likely presence of both reservoir and source within the Company's blocks, thus significantly increasing Global's confidence in the overall prospectivity of its blocks.

Accordingly, the three leads previously identified were upgraded to prospect status as a consequence of the perceived reduction in risk. Of these, Global believes that the Gemsbok structure is currently the most significant exploration opportunity. Gemsbok is mapped as a 200 sq km structurally controlled dip closure adjacent to a deep syn-rift graben. The feature has closure at several levels from the Lower Cretaceous to the Tertiary and the proximity to the mapped graben means that it is also well placed on the hydrocarbon migration pathway. Clearly this is a very exciting development for Global - the direct analogue to Gemsbok is the multi-billion barrel, sub salt, syn-rift play of Southern Angola. Despite recent encouragement from exploration further south offshore Namibia, the syn-rift remains relatively under-explored and we believe Gemsbok is ideally located for a syn-rift test.

During the reporting period, the Company announced that it had entered into a contract with seismic contractor Seabird Exploration of Norway in order to acquire 834 km of full fold 2D seismic data over its blocks, primarily focused on Gemsbok. The seismic survey was duly carried out, and successfully completed post the end of the reporting period. The initial preliminary technical information from the vessel is of a very high quality and appear to confirm the scale and structural extent of Gemsbok. The Company remains highly encouraged as efforts now move to seismic data processing and interpretation.

Figure 1. Map of offshore Namibia showing Global blocks.

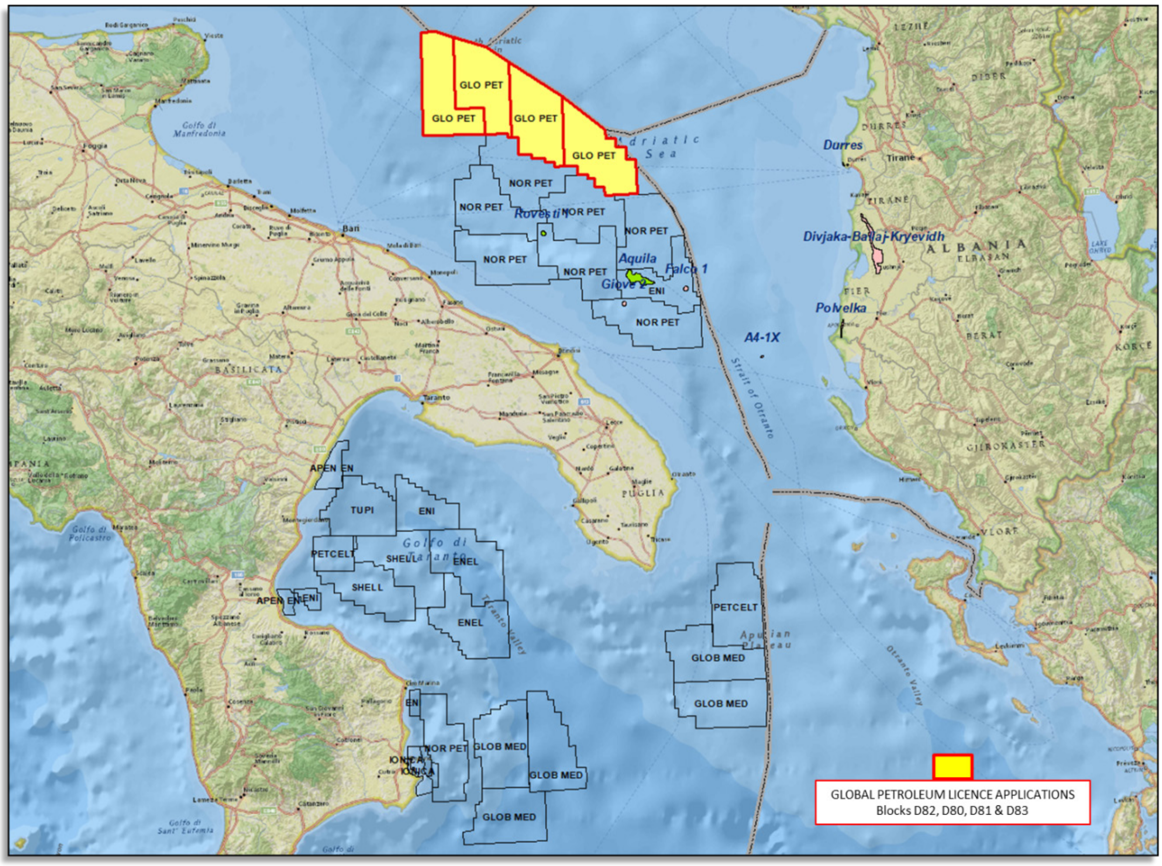


1. OPERATING AND FINANCIAL REVIEW (continued)

Permit Applications in the Southern Adriatic, Offshore Italy

In August 2013, the Company submitted an application and proposed work programme and budget to the Italian Ministry of Economic Development for four exploration areas offshore Italy (the "Permit Applications" – Figure 2). The Permit Applications were then published on 30 September 2013 in the Official Bulletin allowing other competitive bids to be made over the subsequent three months. In accordance with Italian offshore regulations, Global subsequently submitted the relevant documentation to the respective authorities in relation to environmental requirements, and in connection with the satisfaction of certain technical and financial requirements. The Company was subsequently informed that it had duly satisfied the technical/financial requirements. The Company has previously announced that environmental decrees have been published by the Italian authorities in relation to two of the Company's four applications (d 82 F.R-GP and d 83 F.R -GP), and that a number of appeals have been launched against the two environmental decrees by a mixture of local and urban authorities, and by special interest groups. The Company understands that similar appeals were recently made against environmental decrees granted to other companies in the Southern Adriatic, and that these appeals were rejected by the Regional Administrative Tribunal of Latium.

Figure 2. Map of Southern Adriatic showing Global's Permit Applications.



The southern Adriatic is currently undergoing a significant new phase of oil and gas exploration. Seismic acquisition companies have begun large, multi-client 2D acquisition programmes across the entire basin, from Italy to Croatia.

In Montenegro, offshore concessions were awarded in 2016 to Marathon, OMV and Eni, with these companies also having been awarded offshore licences in Croatia. Shell have operated with some success in Albania exploring and developing fields with similar geological characteristics to those encountered offshore in the Southern Adriatic.

The activity in terms of licensing and the size of companies involved underscores the interest in the Adriatic area and is viewed very positively by the Company as an endorsement of its Mediterranean focus.

1. OPERATING AND FINANCIAL REVIEW (continued)

Business Development

Global remains in a strong financial position from which to fund work activity on its Namibian acreage, its Italian application interests (subject to award), and to implement a change of focus through acquisition. The Company has continued to evaluate opportunities which would balance its existing portfolio, notably those more in the nature of investment in contingent resources or exploration in proven hydrocarbon provinces. Accordingly it has, over the past 12 months, been engaged in detailed discussions with certain counterparties, which ultimately proved unsuccessful. However the Company intends to continue to evaluate appropriate opportunities, both asset purchases and potential corporate combinations.

The Company retains a significant cash position compared to many of its peers, and remains confident of making a key investment in due course.

Presentation currency

The financial information in this annual report is presented in United States dollars (US$).

Results of operations

	2017 US$	2016 US$
Loss from continuing operations before tax	(1,856,463)	(2,336,513)
Income tax benefit (expense)	-	-
Net profit (loss)	**(1,856,463)**	**(2,336,513)**

The results of the Group include revenue from interest income of US$48,814 (2016: US$43,942).

Review of financial condition

As at 30 June 2017, the Group had cash of US$7,807,605 (2016: US$10,172,598) and had no debt.

2. DIRECTORS

The names of Directors in office at any time during the financial year or since the end of the financial year are as follows:

Unless otherwise disclosed, Directors held their office from 1 July 2016 until the date of this report.

Mr John van der Welle B.Sc. ACA Chairman	Mr van der Welle is a chartered accountant with over 30 years' experience in the oil and gas industry and is currently a Non-Executive Director of AIM listed exploration companies Hurricane Energy Plc and Lekoil Limited, both of which had IPO's on AIM in 2013-2014. Mr van der Welle has previously been a senior executive with, or Director of, a number of UK listed upstream oil and gas companies – Enterprise Oil, Hardy Oil and Gas, Premier Oil, First Calgary Petroleums and Stratic Energy Corp. Mr van der Welle was appointed as Non-Executive Chairman on 10 February 2014.

2. DIRECTORS (continued)

Mr Peter Hill MA Law (Oxon) Managing Director Chief Executive Officer	Mr Hill has extensive experience in the energy sector as a senior executive with a significant track record worldwide in high-level M&A and business development roles, primarily in the oil industry. Most recently Mr Hill was the global head of Corporate M&A for Statoil ASA, where he was responsible for several large transactions, being a key member of the team responsible for Statoil's merger with Norsk Hydro Oil & Gas in December 2006, and leading the acquisition of EnCana's Gulf of Mexico deepwater assets in 2005. Prior to agreeing to join Global, Mr Hill was responsible for supervising execution of the IPO of Statoil's Energy & Retail division in the latter part of 2010. Previously Mr Hill set up the international business of Waterous & Co as Managing Director in the UK, and before that worked for Enterprise Oil for many years, latterly as Head of International New Ventures. Mr Hill started in the energy industry with Total Oil Marine and is a UK qualified solicitor, having commenced his career with Clifford Chance. He holds an MA in Law from Oxford University. Mr Hill was appointed as Managing Director and Chief Executive Officer of the Company on 1 September 2011. Mr Hill has not held any other directorships of publicly listed companies in the last three years.
Mr Peter Blakey B.Sc CEng **Non-Executive Director**	Peter Blakey has worked in the oil and gas industry for over 50 years including positions with ICI, Shell and BP/Union Carbide. After a spell with PA Management Consultancy he and Peter Taylor formed T M Services, an international oil and gas consultancy which was awarded the Queens Award for Export Achievement in 1985. He cofounded and was a Director of TM Oil Production which later became Dana Petroleum. Dana grew to become one of the leading UK oil and gas exploration companies and was taken over by KNOC for £1.8bn in 2010. He also cofounded Consort Resources, a significant North Sea gas transportation and production company, and Planet Oil International which acquired various interests in Mauritania, Guyana (formally French Guiana) and Uganda, and subsequently reversed into Hardman Resources in 1998. Peter Blakey was also a founding member with Peter Taylor of Star Petroleum, Jupiter Petroleum and Neptune Petroleum. Star Petroleum was incorporated into Global Petroleum in 2002. Jupiter Petroleum, with assets in offshore Namibia, was acquired by Global Petroleum in 2011. Neptune Petroleum, with interests in Namibia and Uganda, was reversed into AIM listed Tower Resources Plc in 2005.
Mr Damien Cronin MAICD MQLS Independent Non-Executive Director and Company Secretary	Mr Cronin is a solicitor who has over 30 years' experience in the oil and gas and resources sectors and has held senior legal and commercial roles with Rio Tinto, Shell, Duke Energy and Incitec Pivot. He has previously served as Company Secretary to a number of listed public companies in the oil and gas sector including Sunshine Gas and Blue Energy and as secretary to the operating committee of a number of mining joint ventures, including that for the Sonoma Coal Mine. Mr Cronin was appointed Director and Company Secretary on 31 December 2011. Mr Cronin has not held any other directorships of publicly listed companies in the last three years.

2. DIRECTORS (continued)

Mr Andrew Draffin (CA) Independent Non-Executive Director	Mr Draffin is a chartered accountant with over 17 years' experience in financial reporting, treasury management and corporate advisory services. He currently provides services as a Director, Company Secretary and CFO to ASX listed, OTCQX listed and private companies operating in renewable energy, exploration and mining and the investment sectors. Mr Draffin is a Director of EnviroMission and Gladiator Resources.
Mr Peter Taylor B.Sc CEng Non-Executive Director	Peter Taylor has over 40 years' experience in the oil and gas industry. He cofounded T M Services, an international oil and gas consulting company, in 1980 and became involved in the upstream exploration and production sectors in 1990. He cofounded and was a Director of TM Oil Production which later became Dana Petroleum. Dana grew to become one of the leading UK oil and gas exploration companies and was taken over by KNOC for £1.8bn in 2010. He also cofounded Consort Resources, a significant North Sea gas transportation and production company, and Planet Oil International which acquired various interests in Mauritania, Guyana (formally French Guiana) and Uganda, and subsequently reversed into Hardman Resources in 1998. Peter Taylor was also a founding member with Peter Blakey of Star Petroleum, Jupiter Petroleum and Neptune Petroleum. Star Petroleum was incorporated into Global Petroleum in 2002. Jupiter Petroleum, with assets in offshore Namibia, was acquired by Global Petroleum in 2011. Neptune Petroleum, with interests in Namibia and Uganda, was reversed into AIM listed Tower Resources Plc in 2005.

3. COMPANY SECRETARY

Mr Damien Cronin was appointed to the position of Company Secretary on 31 December 2011. Mr Cronin has been Company Secretary to a number of publicly listed companies in the mining and oil and gas sectors as well as secretary to the operating committee of a number of unincorporated mining joint ventures.

4. DIRECTORS' MEETINGS

The number of Directors' meetings and the number of meetings attended by each of the Directors of the Company during the financial year are:

	Board Meetings Number Eligible to Attend	Board Meetings Number Attended
Mr J van der Welle	7	7
Mr P Hill	7	7
Mr P Blakey	7	4
Mr D Cronin	7	6
Mr A Draffin	7	7
Mr P Taylor	7	7

The Company does not currently have separate committees of the Board, given the current size of the Board. Matters that would otherwise be within the charter of such committees are considered by the Board at its meetings.

5. DIRECTORS' INTERESTS

The following table sets out each Director's relevant interest, including related parties, in shares and options of the Company as at the 30 June 2017:

	Interest in Securities at the Date of this Report	
Directors	**Ordinary Shares[1]**	**Incentive Options [2]**
Mr J van der Welle	291,151	1,000,000
Mr P Hill	2,744,472	6,000,000
Mr P Blakey	39,840,133	-
Mr D Cronin	478,015	300,000
Mr A Draffin	-	-
Mr P Taylor	41,629,071	-

Notes

(1) Ordinary Shares means fully paid ordinary shares in the capital of the Company.

(2) Incentive Options means an option over ordinary share exercisable at various amounts and dates – see below.

6. DISCRETIONARY GRANTS OF SHARES AND SHARE OPTIONS

During the year the Company made the final discretionary grant of shares to Directors approved at the AGM on 17 November 2015. 838,842 ordinary shares were issued for no consideration as part of the Directors' remuneration (US$22,347) - refer 12.3 and 12.4.

Since 30 June 2017, no shares have been issued as a result of the exercise of options and no further options or shares have been granted.

7. PRINCIPAL ACTIVITIES, LIKELY DEVELOPMENTS AND DIVIDENDS

The principal activities of the Group during the year consisted of oil and gas exploration, and there has been no change in the nature of those activities.

The Company expects to continue as an oil and gas explorer with a specific focus of enhancing of shareholder value by the identification and commercialisation of oil and gas assets.

No dividends were paid during the financial year ended 30 June 2017 (2016: Nil).

8. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Company and Group during the financial year.

9. EVENTS SUBSEQUENT TO REPORTING DATE

No material events have occurred from the balance sheet date up to the release date of this report.

10. INDEMNIFICATION INSURANCE OF OFFICERS

The Constitution of the Company requires the Company, to the extent permitted by law, to indemnify any person who is or has been a Director or officer of the Company or Group for any liability caused as such a Director or officer and any legal costs incurred by a Director or officer in defending an action for any liability caused as such a Director or officer. During or since the end of the financial year, no amounts have been paid by the Company or Group in relation to these indemnities. During the financial year, an indemnity insurance premium of US$26,944 (2016: US$34,054) was paid by the Company.

11. NON-AUDIT SERVICES

During the year KPMG, the Group's auditor, has performed certain other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the year by the auditor and in accordance with written resolution of the Directors of the Company, and is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001, for the following reasons:

> The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Group, acting as an advocate for the Group of jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the group, KPMG, and its related practices for audit and non-audit services provided during the reporting year are set out below.

	2017 US$	2016 US$
Audit services:		
Auditors of the Group, KPMG Australia		
– audit and review of financial reports	39,925	53,088
	39,925	**53,088**
Other services:		
Auditors of the Group, KPMG Australia		
- taxation services	6,700	10,052
	6,700	**10,052**
Total audit and other services	**46,625**	**63,140**

12. REMUNERATION REPORT - AUDITED

12.1 Principles of compensation – audited

The Group's remuneration policy for its key management personnel (KMP) has been developed by the Board taking into account the size of the Group, the size of the management team for the Group, the nature and stage of development of the Group's current operations, and market conditions and comparable remuneration levels for companies of a similar size and operating in similar sectors.

In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for KMP:

(i) the Group is currently focused on undertaking exploration, appraisal and development activities;

(ii) risks associated with developing oil and gas companies while exploring and developing projects; and

(iii) measures other than profit which may be generated from asset sales, as the Group is currently undertaking new project acquisition, exploration and development activities with the result it does not expect to be undertaking profitable operations until sometime after the commencement of commercial production on any of its projects.

These principles were reflected in the discretionary grant of shares in financial years 2016 and 2017, approved by shareholders on 17 November 2015, and the grant of options approved by shareholders, in 2013 and 2014.

12.2 Directors' and executive officers' remuneration – audited

Executive Director remuneration

The Group's remuneration policy is to provide a fixed remuneration component and a performance based component (short term incentive and long-term incentive) – see details below. The Board believes that this remuneration policy is appropriate given the considerations discussed in the Section above and aims to align executives' objectives with shareholder and business objectives.

12. REMUNERATION REPORT – AUDITED (continued)

Currently given the size and nature of the Group's operations, there is only one executive, Mr Peter Hill, who is also a Director.

Mr P Hill, Managing Director and Chief Executive Officer, has a Contract of Employment with Global Petroleum Limited dated 1 August 2011 (amended, with effect, 1 August 2014). The contract specifies the duties and obligations to be fulfilled by the Managing Director and Chief Executive Officer. The contract has a rolling annual term and provides for termination by either party on twelve months' notice. Upon notice, Mr Hill will be entitled to his remuneration and related benefits up to the end of the notice period. The Contract of Employment does not provide for any additional termination payout. His base remuneration under the terms of the contract is set at GBP 250,000 (US$325,175) plus health insurance.

In July 2015, the Board resolved to reduce the remuneration of Board members in response to the low oil price and the other difficult economic conditions then being experienced. From 1 August 2015 Mr Hill's remuneration was therefore reduced by 25% so that his gross remuneration for the prior reporting period was GBP192,708 (US$283,801) plus health insurance of GBP7,966 (US$12,413). The Board reviewed this resolution in July 2016 and resolved to re-instate all remuneration to pre July 2015 levels from 1 August 2016. Mr Hill received GBP 244,792 (US$311,136) for the current financial year plus health insurance GBP 9,275 (US$12,226).

(i) Fixed remuneration

Fixed remuneration consists of a base remuneration, as well as an employer contribution to a superannuation fund and other non-cash benefits. Non-cash benefits may include provision of motor vehicles and healthcare benefits.

The fixed remuneration is reviewed annually by the Board in the absence of a Remuneration and Nomination Committee. The process consists of a review of Company and individual performance, relevant comparative remuneration externally and internally and, where appropriate, external advice on policies and practices. However external advice has not been sought in 2017 (2016: none) although independent external advice was obtained subsequent to the reporting period – refer 12.5.

(ii) Performance based remuneration – short term incentive

The executive is entitled to an annual cash bonus upon achieving various key performance indicators ("KPI's"), as set by the Board. Having regard to the current size, nature and opportunities of the Company, the Board has determined that these KPI's will include measures such as successful completion of exploration activities (e.g. completion of exploration programmes within budgeted timeframes and costs), development activities (e.g. completion of feasibility studies), corporate activities (e.g. recruitment of key personnel) and business development activities (e.g. project acquisitions and capital raisings). The Board is continuously in the process of determining specific KPI's.

During the 2017 financial year, no cash bonuses were paid or are payable (2016: Nil).

(iii) Performance based remuneration – long term incentive

The Board may issue incentive options to the executive as a key component of the incentive portion of their remuneration, in order to attract and retain the services of the executive and to provide an incentive linked to the performance of the Group. The Board has a policy of granting incentive options to the executive with exercise prices at or above market share price (at the time of agreement). As such, incentive options granted to the executive will generally only be of benefit if the executive performs to the level whereby the value of the Group increases sufficiently to warrant exercising the incentive options granted. No options were granted as remuneration during the 2017 financial year (2016: Nil).

Other than service-based vesting conditions, there are not any additional performance criteria on the incentive options granted to executives, as given the speculative nature of the Group's activities and the small management team responsible for its running, it is considered the performance of the executive and the performance and value of the Group are closely related.

In July 2015, the Board resolved that the reduction in Directors' remuneration may, if the Board decides at the relevant time, be replaced by periodically issuing Shares to those Directors up to a maximum value of the reduction in each Director's cash remuneration. Any such share award made to a Director will be subject to that Director being a Director of the Company on the date of award, and in making an award, the Board will take account of the Director's performance. This was approved at the AGM on 17 November 2015. The shareholders approved the issue of shares to the Directors to be given in four instalments with the final one being on 26 August 2016.

12. REMUNERATION REPORT – AUDITED (continued)

Share awards to UK Directors are subject to UK Income Tax and National Insurance deduction under the Pay As You Earn scheme (PAYE). UK Directors were allocated part of their share based payment as cash in order to pay these PAYE obligations. The value of the shares issued to Mr Hill was US$13,788 (2016 US$34,117) and corresponding PAYE was US$9,754 (2016 US$26,038) - refer 12.3.

Non-Executive Director remuneration

The Board's policy is for fees to Non-Executive Directors to be no greater than market rates for comparable companies for time, commitment and responsibilities. Given the current size, nature and risks of the Group, incentive options have been used to attract and retain certain Non-Executive Directors. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required, however no external advice has been sourced in 2017 (2016: none), although independent external advice was obtained subsequent to the reporting period – refer 12.5. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at a General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and Non-Executive Directors may in limited circumstances receive unlisted incentive options in order to secure their initial or ongoing services.

In July 2015, the Board resolved to reduce the remuneration of the Non-Executive Directors by 25% in response to the low oil price and the other difficult economic conditions then being experienced. This change was effective from 1 August 2015. In July 2016, the Board reviewed this resolution and resolved to re-instate all remuneration/Director's fees to pre July 2015 levels from 1 August 2016.

In addition, the Board also resolved in July 2015 that the reduction in Directors' remuneration may, if the Board decides at the relevant time, be replaced by periodically issuing shares to those Directors up to a maximum value of the reduction in each Director's cash remuneration. Any such share award made to a Director will be subject to that Director being a Director of the Company on the date of award, and in making an award, the Board will take account of the Director's performance. This resolution was approved by shareholders at the AGM on 17 November 2015.

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Share awards to UK Directors are subject to UK Income Tax and National Insurance deduction under the Pay As You Earn scheme (PAYE). UK Directors were allocated part of their share based payment as cash in order to pay these PAYE obligations. The value of the shares issued to Mr J van der Welle was US$2,495 (2016: US$4,373) and corresponding PAYE tax was US$709 (2016: US$3,327), for Messrs Blakey and Taylor the value of the shares issued was US$1,299 and corresponding PAYE tax was US$848 (2016: US$2,197). Refer Section 12.3. Australian based Directors' shares were valued as follows: Mr Cronin US$3,466 (2016: US$7,806), Mr Dighton US$Nil (2016: US$1,035) and Mr Draffin US$Nil (2016: $Nil). There was no cash element paid to Australian Directors.

Non-Executive Director fees for the reporting period for Messrs Blakey and Taylor were set at GBP34,269 (US$43,506) each (2016: GBP29,382 (US$34,882) each). Mr van der Welle's fees were set at GBP31,823(US$40,386) (2016: GBP25,051 (US$36,988)). Messrs Cronin and Draffin fees were set at AU$29,375 and AU$30,000 respectively (US$22,158 and US$22,795 respectively) - (2016: AU$23,125 (US$18,376) and AU$30,000 (US$24,643) respectively). These fees relate to responsibilities as a Director only. Non-Executive Directors can rescind their position at any time by submitting their resignation in writing. A Non-Executive Director's appointment can be terminated by a shareholder vote. The Non-Executive Directors are not entitled to any pay-outs on termination.

The Board has no retirement scheme in place. Directors who retire from the Board of Directors are not entitled to any retirement payment. The Group will make contributions to superannuation funds where required - in 2017 contributions to Messrs Cronin and Draffin were US$2,136 and US$2,163 respectively (2016: US$1,517 and US$116 respectively).

Relationship between remuneration of KMP, shareholder wealth and earnings

During the Group's project identification, acquisition, exploration and development phases of its business, the Board anticipates that the Group will retain earnings (if any) and other cash resources for the exploration and development of its resource projects. Accordingly, the Group does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore, there was no relationship between the Board's policy for determining the nature and amount of remuneration of KMP and dividends paid and returns of capital by the Group during the current and previous four financial years.

The Board did not determine the nature and amount of remuneration of the KMP by reference to changes in the price at which shares in the Company traded between the beginning and end of the current and the previous four financial years. However, as noted above, a number of KMP have received or are entitled to receive incentive options which generally will only be of value to the individual should the value of the Company's shares increase sufficiently to warrant exercising the incentive options.

12. REMUNERATION REPORT – AUDITED (continued)

Relationship between remuneration of KMP and earnings

As discussed above, the Group is currently undertaking new project acquisition, exploration and development activities, and does not expect to be undertaking profitable operations (other than by way of material asset sales), until sometime after the successful commercialisation, production and sales of commodities from one or more of its projects. Accordingly, the Board does not consider earnings during the current and previous four financial years when determining the nature and amount of remuneration of KMP.

12. REMUNERATION REPORT – AUDITED (continued)

Currently the Company only employs one KMP, Mr P Hill. Details of his contract are shown above.

Details of the nature and amount of each element of the remuneration of the Directors and key management personnel of the Group for the financial year are as follows:

			Short-Term[(1)]	Post-Employment	Share- Based Payments	Total	Proportion of Remuneration Performance Related
		Remuneration [(7)]	Directors' Fees[(7)]	Superannuation and other benefits	Shares[(2)]/ Options [(3)]		
Director		**US$**	**US$**	**US$**	**US$**	**US$**	**%**
Executive officers							
Mr P Hill	**2017**	**320,890[7]**		**12,226**	**13,788[2]**	**346,904**	**-**
	2016	309,839[7]	-	12,413	34,117[2]	356,369	-
Sub-total executive officers remuneration	**2017**	**320,890[7]**		**12,226**	**13,788[2]**	**346,904**	**-**
	2016	309,839[7]	-	12,413	34,117[2]	356,369	-
Non-Executive Directors							
Mr van der Welle	**2017**	**-**	**41,095[7]**	**-**	**2,495[2]**	**43,590**	**-**
	2016	-	40,315[7]	-	4,373[2]	44,688	-
Mr P Blakey	**2017**	**-**	**44,354[7]**	**-**	**1,299[2]**	**45,653**	**-**
	2016	-	37,079[7]	-	2,926[2]	40,005	-
Mr D Cronin [(4)]	**2017**	**-**	**22,158**	**2,136**	**3,466[2]**	**27,760**	**-**
	2016	-	18,376	1,517	7,806[2]	27,699	-
Mr P Dighton[(5)]	**2017**	**-**	**-**	**-**	-	**-**	**-**
	2016	-	32,343[5]	1,413	1,035[2]	34,791	-
Mr A Draffin[(6)]	**2017**	**-**	**22,795**	**2,163**	**-**	**24,958**	**-**
	2016	-	1,342	116	-	1,458	-
Mr P Taylor	**2017**	**-**	**44,354[7]**	**-**	**1,299[2]**	**45,653**	**-**
	2016	-	37,181[7]	-	2,926[2]	40,107	-
Sub-total Non-Executive Directors' remuneration	**2017**	**-**	**174,756**	**4,299**	**8,558**	**187,614**	**-**
	2016	-	166,636	3,046	19,066[2]	188,748	-
Total directors' and executive officers' remuneration	**2017**	**320,890**	**174,756**	**16,525**	**22,347[2]**	**534,518**	-
	2016	309,839	166,636	15,459	53,183[2]	545,117	-

Notes on following page

12. REMUNERATION REPORT - AUDITED (continued)

Notes in relation to the table of Directors' and executive officers' remuneration:

(1) There was no short-term cash bonus paid during the year.

(2) Shares, refer to 12.3 and 12.4 below. Amounts paid in cash to UK Directors relating to PAYE deductions have been included in remuneration and Directors' fees.

(3) Options, refer to 12.3 and 12.4 below.

(4) Mr D Cronin was remunerated US$26,671 (2016: US$19,950) as Company Secretary, separate to his role as Director and thus not included in the table above.

(5) Mr P Dighton resigned on 25 January 2016. Included in Mr Dighton's fees is an ex gratia cash payment of AU$25,000 (US$17,851).

(6) Mr A Draffin was appointed on 10 June 2016.

(7) The UK Directors received part of their share based payments in cash in order to meet their UK Income Tax and National Insurance obligations on the issue of discretionary shares This amount is included in the remuneration/Directors' fee figures above.

12.3 Equity instruments – audited

Shares or Options granted to Directors and Key Management Personnel – audited

During years ended 30 June 2017 and 2016 the Company made several discretionary grants of shares, following shareholder approval at the AGM on 17 November 2015, to Directors. (Refer 12.2 *Non-Executive Director remuneration* and *Employment contracts with key management personnel*). 838,842 (2016: 2,369,298) ordinary shares were issued and fully paid with a fair value of US$22,347 (2016: US$53,183). The fair values of the shares were determined as the ASX market value on the days of issue.

Refer to 12.4 for the details of shares issued to individual Directors.

Details of options granted to each Key Management Personnel of the Group during the financial year are as follows:

No options were issued during the financial year ended 30 June 2017 (2016 Nil)

12.4 Directors and Key Management Personnel transactions-audited

Loans to Directors

There have been no loans to any Director or Key Management Personnel or their related parties during the period.

Movement in Shareholdings

2017 Directors	Held at 1 July 2016	Shares granted[2]	Held at 30 June 2017
Mr J van der Welle	197,522	93,629	291,151
Mr P Hill	2,226,927	517,545	2,744,472
Mr P Blakey	39,791,362	48,771	39,840,133
Mr D Cronin	347,889	130,126	478,015
Mr P Taylor[1]	41,580,300	48,771	41,629,071

Notes
(1) Includes shares held by related parties.
(2) Shares granted represents the number of shares granted to Directors as part of the discretionary share scheme approved by shareholders at the AGM on 17 November 2015.

12. REMUNERATION REPORT - AUDITED (continued)

Movement in options

2017 Directors	Held at 1 July 2016	Granted as compensation	Exercised	Other changes	Held at 30 June 2017
Mr J van der Welle	1,000,000	-	-	-	1,000,000
Mr P Hill	6,000,000	-	-	-	6,000,000
Mr P Blakey	-	-	-	-	-
Mr D Cronin	300,000	-	-	-	300,000
Mr A Draffin	-	-	-	-	-
Mr P Taylor	-	-	-	-	-

All options held by Directors are vested and exercisable at AU$0.065 each on or before 23 December 2019.

Other transactions

A number of Directors, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. A number of these entities transacted with the Company or its controlled entities in the reporting period.

During the year the Company paid US$Nil (2016: US$58,780) to TM Services Limited, a company controlled by Mr P Taylor and Mr P Blakey, for administrative and technical assistance, Damien Cronin Pty Ltd trading as Law Projects, a company controlled by Mr D Cronin, US$26,671 (2016: US$19,950) for company secretarial services and Northlands Advisory Services Limited, a company controlled by Mr J van der Welle, US$40,838 (2016: US$36,817) for consulting services.

Included in the above are the following amounts payable to related parties at 30 June 2017. All payable in full within 30 days of invoice, have standard industry terms and conditions and none of the amounts are secured on any assets. Amount owed to Law Projects US$2,303 and Northlands Advisory Services US$10,568.

12.5 Voting at the 2016 AGM held on 8 November 2016 – First Strike

At the 2016 AGM, held on 8 November 2016 the Company failed to secure 75% of the votes cast in favour of the audited remuneration report for the year ended 30 June 2016.

The Company received votes against its Remuneration Report representing percentage slightly greater than 25% of the votes cast by persons entitled to vote, as such a "first strike" was recorded against the Remuneration Report.

The Board considered the impact of the first strike and noted that remuneration for the reported period was significantly less than the previous corresponding period, in particular executive Director remuneration was down 33% whist Non-Executive Director remuneration was on average down approximately 7%. Notwithstanding this the Board has acknowledged shareholders' concerns about Board remuneration, however it remains of the opinion that the level of remuneration paid is reasonable for the Company, its stage of development and its level of activities. In September 2017 the Board received remuneration benchmarking advice from independent remuneration consultants Godfrey Remuneration Group Pty Limited which reinforces this view.

The Board has also considered the consequences in the event that a "second strike" is recorded at the 2017 AGM. A recorded second strike would trigger a "spill motion" of the current Board of the Company. However it is the Board's belief that the resulting spill motion would be unlikely to succeed given that the first and second strike resolutions, and the spill resolution, will have different thresholds, noting the latter requires favourable votes in excess of 50% cast by persons entitled to vote to pass the spill resolution.

13. CORPORATE GOVERNANCE STATEMENTS

In accordance with changes to the ASX Listing Rules, the Company's Corporate Governance Statement is available on the Company's website at www.globalpetroleum.com.au.

14. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is on Page 16, and forms part of the Directors' Report for the financial year ended 30 June 2017.

GLOBAL PETROLEUM LIMITED

15. DIRECTORS' RESOLUTION

This report is made in accordance with a resolution of the Directors made pursuant to Section 298(2) of the Corporations Act 2001.

DAMIEN CRONIN
DIRECTOR and COMPANY SECRETARY

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Global Petroleum Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2017 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Jason Adams
Partner

Brisbane
19 September 2017

Independent Auditor's Report

To the shareholders of Global Petroleum Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Global Petroleum Limited (the ***Company***).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group's*** financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2017;
- Consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with 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* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

The ***Key Audit Matter*** we identified was the capitalisation of exploration and evaluation expenditure as exploration assets.

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Exploration assets ($1,109,115)	
Refer to Note 3.1 'Exploration assets'	
The key audit matter	**How the matter was addressed in our audit**
Exploration and evaluation expenditure capitalised as exploration assets (E&E) is a key audit matter due to: • the significance of the activity to the Group's business and the balance (being 12% of total assets); and • the greater level of audit effort to evaluate the Group's application of the requirements of the industry specific accounting standard AASB 6 *Exploration for and Evaluation of Mineral Resources*, in particular the conditions allowing capitalisation of relevant expenditure and presence of impairment indicators. The presence of impairment indicators would necessitate a detailed analysis by the Group of the value of E&E. In assessing the conditions allowing capitalisation of relevant expenditure, we focused on: • the determination of the areas of interest (areas); • documentation available regarding rights to tenure, via licensing, and compliance with relevant conditions, to maintain current rights to an area of interest and the Group's intention to continue the relevant E&E activities; and • the Group's determination of whether the E&E are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale. In assessing the presence of impairment indicators, we focused on considering the existence of any matters that may draw into question the commercial continuation of E&E activities for the Group's Namibian area of interest where significant capitalised E&E exists.	Our audit procedures included: • Evaluating the Group's accounting policy to recognise exploration and evaluation assets using the criteria in the accounting standard; • We assessed the Group's determination of its areas of interest for consistency with the definition in the accounting standard; • We assessed the Group's current rights to tenure by corroborating the ownership of the relevant license. We also tested for compliance with conditions such as minimum expenditure requirements. • We tested the Group's additions to E&E for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Group's accounting policy and the requirements of the accounting standard; • We evaluated Group documents, such as minutes of Board meetings, for consistency with their stated intentions for continuing E&E in certain areas. We corroborated this through interviews with key personnel.

Other Information

Other Information is financial and non-financial information in Global Petroleum Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001;*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing the Company's and Group's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company and Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the Audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar2.pdf. This description forms part of our Auditor's Report.

KPMG

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Global Petroleum Limited for the year ended 30 June 2017 complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in Section 12 of the Directors' Report for the year ended 30 June 2017.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Jason Adams
Partner

Brisbane
19 September 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 US$	2016 US$
Continuing operations			
Salaries and employee benefits expense		(421,502)	(366,325)
Administrative expenses		(1,039,363)	(1,280,992)
Other expenses		(410,274)	(540,856)
Foreign exchange gain (loss)		(11,791)	(139,099)
Equity based remuneration		(22,347)	(53,183)
Results from operating activities before income tax		**(1,905,277)**	**(2,380,455)**
Finance income		48,814	43,942
Net finance income		**48,814**	**43,942**
Profit (loss) from continuing operations before tax		**(1,856,463)**	**(2,336,513)**
Income tax benefit (expense)	6.2	-	-
Profit (loss) from continuing operations after tax		**(1,856,463)**	**(2,336,513)**
Profit (loss) for the year		**(1,856,463)**	**(2,336,513)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Transfer from foreign exchange reserve on dissolution of a controlled entity		(16,417)	-
Other comprehensive income (loss) for the year, net of tax		**(16,417)**	**-**
Total comprehensive income (loss) for the year		**(1,872,880)**	**(2,336,513)**
Earnings per share			
Basic earnings (loss) per share (cents)	6.3	(0.917)	(1.167)
Diluted earnings (loss) per share (cents)	6.3	(0.917)	(1.167)

The Notes on pages 25 to 45 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

GLOBAL PETROLEUM LIMITED

	Notes	2017 US$	2016 US$
Assets			
Cash and cash equivalents	4.1	7,807,605	10,172,598
Trade and other receivables		131,972	128,710
Prepayments		50,352	58,925
Total current assets		**7,989,929**	**10,360,233**
Plant and equipment		5,943	12,341
Exploration assets	3.1	1,109,115	286,667
Total non-current assets		**1,115,058**	**299,008**
Total assets		**9,104,987**	**10,659,241**
Liabilities			
Trade and other payables	4.3.9	444,555	193,543
Current tax payable	6.2	-	-
Provisions	7.1	143,819	98,553
Total current liabilities		**588,374**	**292,096**
Total non-current liabilities		-	-
Total liabilities		**588,374**	**292,096**
Net assets		**8,516,613**	**10,367,145**
Equity			
Share capital	5.1	39,221,112	39,198,764
Reserves	5.2	1,407,138	1,423,555
Accumulated losses	5.2.3	(32,111,637)	(30,255,174)
Total equity		**8,516,613**	**10,367,145**

The Notes on pages 25 to 45 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

GLOBAL PETROLEUM LIMITED

	Attributable to owners of the Company				
	Share Capital US$	Option Reserve US$	Foreign Currency Translation Reserve US$	Accumulated Losses US$	Total Equity US$
2017					
Balance at 1 July 2016	**39,198,764**	**836,728**	**586,827**	**(30,255,174)**	**10,367,145**
Issue of options	-	-	-	-	-
Issue of shares	22,348	-	-	-	22,348
Total comprehensive (loss) for the year:					
Profit (loss) for the year	-	-	-	(1,856,463)	(1,856,462)
Other comprehensive profit (loss) for the year:					
Transfer of foreign exchange reserve on dissolution of a controlled entity	-	-	(16,417)	-	(16,417)
Total comprehensive income (loss) for the year	**-**	**-**	**(16,417)**	**(1,856,463)**	**(1,872,880)**
Balance at 30 June 2017	**39,221,112**	**836,728**	**570,410**	**(32,111,637)**	**8,516,613**
2016					
Balance at 1 July 2015	**39,145,581**	**836,728**	**586,827**	**(27,918,661)**	**12,650,475**
Issue of options					
Issue of shares	53,183	-	-	-	53,183
Total comprehensive profit (loss) for the year:					
Profit (loss) for the year	-	-	-	(2,336,513)	(2,336,513)
Other comprehensive profit (loss) for the year:					
Transfer of foreign exchange reserve on dissolution of a controlled entity	-	-	-	-	-
Total comprehensive income (loss) for the year	-	-	-	**(2,336,513)**	**(2,336,513)**
Balance at 30 June 2016	**39,198,764**	**836,728**	**586,827**	**(30,255,174)**	**10,367,145**

Amounts are stated net of tax

The Notes on pages 25 to 45 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 US$	2016 US$
Cash flows from operating activities			
Cash paid to suppliers and employees		(1,572,858)	(2,290,121)
Interest received		48,814	43,942
GST/VAT refunds received		178,230	252,410
Tax (paid)/refund		-	-
Net cash from (used in) operating activities	4.2	**(1,345,814)**	**(1,993,769)**
Cash flows from investing activities			
Exploration and business development expenditure		(1,020,692)	(596,704)
Net cash from (used in) investing activities		**(1,020,692)**	**(596,704)**
Net decrease in cash and cash equivalents		**(2,366,506)**	**(2,590,473)**
Cash and cash equivalents at 1 July		10,172,598	12,707,727
Effects of exchange rate fluctuations on cash and cash equivalents		1,513	55,344
Cash and cash equivalents at 30 June	4.1	**7,807,605**	**10,172,598**

The Notes on pages 25 to 45 are an integral part of these consolidated financial statements.

1. CORPORATE AND GROUP INFORMATION

Global Petroleum Limited ("Global", the "Company") is a company domiciled in Australia. Global is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange ("ASX") and the AIM market of the London Stock Exchange ("AIM"). The consolidated financial statements of the Company as at, and for the twelve months ended, 30 June 2017 comprises the Company and its controlled entities (together referred to as the "Group"). The Group is a for-profit entity and is primarily involved in oil and gas exploration and development.

The consolidated annual financial statements of the Group as at, and for the year ended, 30 June 2017 are available upon request from the Company's registered office at Level 5, Toowong Tower, 9 Sherwood Road Brisbane, QLD 4066, Australia or at www.globalpetroleum.com.au.

All controlled entities are included in the consolidated financial statements. The financial year-end of the controlled entities is the same as that of the parent entity.

	Country of incorporation	Ownership interest 2017 %	Ownership interest 2016 %
Parent entity			
Global Petroleum Limited	Australia		
Subsidiaries			
Global Petroleum UK Limited	United Kingdom	100	100
Jupiter Petroleum Limited	United Kingdom	100	100
Jupiter Petroleum (Namibia) Limited	British Virgin Islands	100	100
Jupiter Petroleum Juan De Nova Limited[1]	British Virgin Islands	-	100

[1] Jupiter Petroleum Juan De Nova Limited was dissolved during the year - effective 30 April 2017.

STATEMENT OF COMPLIANCE

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001. The consolidated statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

The consolidated financial statements were authorised for issue by the Board of Directors on 19 September 2017.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

2.1.1 Overview

The consolidated financial statements have been prepared on an accrual and historical cost basis.

The financial information in this report has been presented in United States dollars ("US$") which is also the Company's functional currency.

Revenues, expenses and assets are recognised net of the amount of GST/VAT except:

(i) where the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) receivables and payables are stated with the amount of GST/VAT included.

The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST/VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2017 and the results of all subsidiaries for the year then ended.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.2.1 Interest in joint operations

A joint operation exists when the Group has rights to the assets and obligations for the liabilities relating to the arrangement. The Group recognises the assets, liabilities, expenses and income in respect of its interest in the joint operation.

2.2.2 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

2.2.3 Loss of control

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

2.2.4 Transactions eliminated on consolidation

Intra-group transactions and balances, and any unrealised income or expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

2.3 SIGNIFICANT ACCOUNTING POLICIES

2.3.1 Impairment

Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated cash flows discounted at the original effective interest rate.

Financial assets are tested for impairment on an individual basis.

All impairment losses are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-Financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell.

An impairment loss is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income if the carrying amount of an asset exceeds its recoverable amount.

2.3.2 Assets held for sale

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. The assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held for sale or distribution, intangible assets and property, plant and equipment and oil and gas assets are no longer amortised or depreciated.

2.3.3 Foreign Currency

Foreign currency transactions

Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Foreign operations

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

(i) assets and liabilities are translated into US$ at year-end exchange rates prevailing at that reporting date;

(ii) income and expenses are translated into US$ at the date of transaction. For practical reasons, a rate that approximates the US$ exchange rate at the date of the transaction is used, for example average US$ exchange rate for the period.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the Consolidated Statement of Financial Position. These differences are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the period in which the operation is disposed.

2.4 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following Notes:

- Note 3.1 – Exploration assets
- Note 6.2 – Taxes
- Note 7.1 – Provisions

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4.1 Fair value estimation

The fair value of financial instruments in the Group approximates their carrying amounts at the year-end. The Group's financial instruments consist mainly of trade and other receivables, trade and other payables, cash and term deposits.

2.4.2 Determination of fair value

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

Short-term receivables and payables
These are recorded at their carrying amount which is a reasonable approximation of fair value. The Group does not hold any financial instruments which are measured using level 2 or 3 in the fair value hierarchy.

Share-based payment transactions
The fair value of options granted is measured using the Black-Scholes or the Binomial option pricing formula. Measurement inputs include the share price on the grant date, the exercise price of the instrument, expected volatility (based on an evaluation of the Company's historic volatility), expected term of the instruments (based on historical experience and general option holder behaviour), expected dividends, and risk free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value. The fair value is measured at grant date and recognised over the period during which option holders become unconditionally entitled to the options.

When applicable, further information about the assumptions made in determining fair values is disclosed in the Notes specific to that asset or liability.

2.5 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

The following standards, amendments to standards and interpretations are relevant to current operations. They are available for early adoption but have not been applied by the Group in this financial report:

- AASB 9 *Financial Instruments* (December 2014), AASB 2014-7 *Amendments to AAS arising from AASB 9 (December 2014),* AASB 2014-8 *Amendments to AAS arising from AASB 9 (December 2014)* (effective 1 January 2018). The new AASB 9 *Financial Instruments* includes revised guidance on the classification and measurement of the financial instruments, a new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carried forward the guidance on recognition and derecognition of financial instruments from AASB 139.

  Certain aspects of the standard may be early adopted but have not been as the changes therein are not expected to materially impact Global, apart from some minor classification and disclosure changes in the financial statements as such.

- AASB 15 *Revenue from Contracts with Customers* - AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 *Revenue*, AASB 111 *Construction Contracts* and IFRIC *13 Customer Loyalty Programmes*. AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018. Currently AASB15 does not have any impact given the Group has no revenue.

- AASB 16 *Leases* - AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee - effectively treating all leases as finance leases. AASB 16 is effective for annual reporting periods beginning on or after 1 January 2019 with early adoption permitted for entities that also adopt AASB 15 *Revenue from Contracts with Customers*. The Group currently plans to apply AASB 16 initially on 1 July 2019 and the extent of the impact has not been determined.

3. INVESTED CAPITAL

3.1 EXPLORATION ASSETS

	2017 US$	2016 US$
Balance at beginning of year	286,667	-
Expenditure capitalised during the period	822,448	286,667
Balance at end of year	**1,109,115**	**286,667**

At 30 June 2017, the balance of the Group's exploration assets relates solely to its interests in Namibia.

During the year, the Group also incurred exploration and evaluation expenditure of US$Nil (2016: US$91,749) which has been expensed as business development as it did not meet the criteria for recognition as exploration assets under the Group's accounting policy - refer below.

In addition, an amount of US$198,243 (2016: US$218,288) was spent on business development, which relates to the Group's activities in assessing opportunities in the oil and gas sector.

Namibia

During the year ended 30 June 2016, the Group recommenced capitalising exploration costs relating to its Namibian Exploration Licence 29. This followed the approval of the Deed of Amendment to Exploration Licence 29 on 16 October 2015, which extended the term of the licence from December 2015 until December 2017, and reduced the Group's minimum expenditure commitments during the renewal period - refer 3.2.2.

Juan De Nova

On 30 April 2017, the Group's subsidiary Jupiter Petroleum Juan de Nova Ltd was dissolved and deregistered. All capitalised exploration expenditure relating to this entity's activities was written off in prior years.

Exploration and evaluation expenditure - accounting policy

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method and with AASB 6 Exploration for and Evaluation of Mineral Resources, which is the Australian equivalent of IFRS 6 Exploration for and Evaluation of Mineral Resources.

Exploration and evaluation costs are capitalised as intangible assets and assessed for impairment where facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed the recoverable amount. Exploration and evaluation costs are capitalised if the rights to tenure of the area of interest are current and either:

(i) the expenditure relates to an exploration discovery that, at balance date, activities have not yet reached a stage which permits an assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing; or

(ii) it is expected that the expenditure will be recouped through successful exploitation of the area of interest, or alternatively, by its sale.

Costs incurred before the Group has obtained the legal rights to explore an area are expensed.

Each potential or recognised area of interest is reviewed every six months to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support the continued carry forward of capitalised costs.

Where a determination is made that there is no further value to be extracted from the data licenses then any unamortised balance is written off.

Once management has determined the existence of economically recoverable reserves for an area of interest, deferred costs are tested for impairment and then reclassified from exploration assets to oil and gas assets on the Consolidated Statement of Financial Position.

The recoverability of the carrying amount of the exploration assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3. INVESTED CAPITAL (continued)

3.2 COMMITMENTS

3.2.1 Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various foreign governments where exploration tenements are held. These obligations are subject to renegotiation when application for a tenement is made and at other times. These obligations are not provided for in the financial statements. Financial commitments for subsequent periods can only be determined at future dates, as the success or otherwise of exploration programmes determines courses of action allowed under options available in tenements. The Group's only exploration expenditure commitments relate to its interest in joint ventures – refer 3.2.2.

3.2.2 Joint venture commitments

Jupiter Petroleum (Namibia) Limited, a 100% owned subsidiary of the Group, holds prospective oil and gas exploration interests offshore Namibia. In order to maintain current rights of tenure to the exploration licences, Global is required to perform minimum exploration work to meet the minimum expenditure requirements specified in the Namibian Petroleum Exploration Licence. The obligations include:

Namibian Petroleum Exploration Licence

(a) **First Renewal Exploration Period** (Two years from 4 December 2015 to 3 December 2017):

The Ministry of Mines and Energy agreed a 2 year renewal period to run until 3 December 2017. They also agreed a 50% relinquishment of the licence area. Minimum exploration expenditure for the First Renewal Exploration Period:

- The reprocessing of existing 2D seismic lines across that portion of the Licence Area which is retained following the mandatory 50% relinquishment. This was completed during the second and third quarter of 2016.
- Acquisition of 800km of long offset 2D over the retained acreage. The reprocessed existing 2D data to be used to assist with the design and location of the new survey.

The 2D acquisition commenced on 24th June 2017, and completed on 3 July 2017. Processing of the acquired data will follow and is expected to be completed during the 2018 financial year. Following processing and interpretation of the data the Company will determine its plans for the next phase of exploration.

(b) **Second Renewal Period** (Two years from 4 December 2017):

Acquisition, processing and interpretation of additional seismic data (if necessary) and the drilling of one exploration well. Minimum exploration expenditure for the Second Renewal Exploration Period: US$20 million, or US$21 million if new seismic is required.

Jupiter has an 85% interest in the Petroleum Exploration Licence, however, it is responsible for 100% of the expenditure requirements with its joint venture partners holding a total of 15% free carried interest.

4. WORKING CAPITAL AND FINANCIAL RISK MANAGEMENT

4.1 CASH AND CASH EQUIVALENTS

	2017 US$	2016 US$
Cash at bank and on hand	7,807,605	9,986,973
Term deposits	-	185,625
Cash and cash equivalents	**7,807,605**	**10,172,598**

4. WORKING CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

4.2 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2017 US$	2016 US$
Cash flows from operating activities		
Profit (loss) for the year	(1,856,463)	(2,336,513)
Adjustments for items classified as investing/financing activities:	198,243	310,037
Adjustments for non-cash items:		
Depreciation of fixtures and fittings	6,399	2,906
Unrealised net foreign exchange (gain) loss	(17,929)	(55,237)
Equity based remuneration	22,347	53,183
Changes in operating assets and liabilities, net of effects of purchase of controlled entities during the financial year:		
Decrease (increase) in receivables and prepayments	5,311	80,462
(Decrease) increase in payables	251,012	(52,999)
(Decrease) increase in provisions	45,266	4,392
Net cash from (used in) operating activities	**(1,345,814)**	**(1,993,769)**

Credit standby arrangements with banks

At the balance sheet date, the Company had no used or unused financing facilities.

Non-cash financing and investing activities

There were no significant non-cash financing or investing activities in the current or prior year.

4.3 FINANCIAL INSTRUMENTS

4.3.1 Overview

The Group's principal financial instruments comprise trade and other receivables, trade and other payables, cash and term deposits. The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk.

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Other than as disclosed, there have been no significant changes since the previous financial year to the exposure or management of these risks.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Given the nature and size of the business, no formal risk management committees have been established, however responsibility for control and risk management is delegated to the appropriate level of management with the Chairman, CEO and Company Secretary (or their equivalent) having ultimate responsibility to the Board for the risk management and control framework.

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities.

Arrangements put in place by the Board to monitor risk management include regular reporting to the Board in respect of the operations and financial position of the Group. The Board also reviews risks that relate to operations and financial instruments as required, at least every six months.

Given the uncertainty as to the timing and amount of cash inflows and outflows, the Group has not implemented any additional strategies to mitigate the financial risks and no hedging has been put in place. As the Group's operations change, the Directors will review this policy periodically going forward.

4. WORKING CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

4.3.2 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from cash and cash equivalents and trade and other receivables.

There are no significant concentrations of credit risk within the Group with exception of cash on deposit as described below. The carrying amount of the Group's financial assets represents the maximum credit risk exposure, as represented below:

	2017 US$	2016 US$
Cash and cash equivalents	7,807,605	10,172,598
Trade and other receivables	131,972	128,710
	7,939,577	**10,301,308**

Trade and other receivables comprise accrued interest, GST, VAT and other tax refunds due. Where possible the Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. At 30 June 2017, none (2016: none) of the Group's receivables are past due. No impairment losses have been recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

With respect to credit risk from cash and cash equivalents the Group’s exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

4.3.3 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when due. At 30 June 2017, the Group has sufficient liquid assets to meet its financial obligations.

The contractual maturities of financial liabilities are provided below. There are no netting arrangements in respect of financial liabilities.

	≤6 months US$	6-12 months US$	1-5 years US$	≥5 years US$	Total US$
2017 Financial liabilities					
Trade and other payables	444,555	-	-	-	444,555
	444,555	**-**	**-**	**-**	**444,555**
2016 Financial liabilities					
Trade and other payables	193,543	-	-	-	193,543
	194,543	**-**	**-**	**-**	**194,543**

4.3.4 Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the cash at bank and term deposits with a floating interest rate.

These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities, in the form of receivables and payables, are non-interest bearing.

4. WORKING CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

	2017 US$	2016 US$
Interest bearing financial instruments		
Cash at bank and on hand	7,807,605	9,986,973
Term deposits	-	185,625
	7,807,605	**10,172,598**

The Group's cash at bank and on hand and short term deposits had a weighted average floating interest rate at year end of 0.56% (2016: 0.39%).

The Group currently does not engage in any hedging or derivative transactions to manage interest rate risk.

4.3.5 *Interest rate sensitivity*

A sensitivity of 50 basis points ("bp") increase or decrease to the existing floating rate has been selected as this is considered reasonable given the current level of both short term and long term interest rates.

A change of 50 basis points in interest rate at the reporting date would have increased (decreased) profit or loss and equity by the amount shown below. The analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or Loss	
	50bp Increase	50bp Decrease
2017		
Cash and cash equivalents	44,510	44,510
2016		
Cash and cash equivalents	56,464	43,942

4.3.6 Foreign currency risk

The Company and its subsidiaries in the Group have a functional currency of US$. The Group is exposed to foreign currency risk from transactional currency exposure. Such exposure arises from transactions denominated in currencies other than the functional currency of the entities in the Group.

As at 30 June 2017, the Group had foreign denominated deposits of AU$131,466 (US$100,934) and GBP171,635 (US$223,245). The Group had current liabilities of AU$65,008 (US$49,911), GBP66,362 (US$86,318) and Euro 27,100 (USD30,924) and prepayments and other debtors of AU$14,093 (US$10,821) and GBP119,581 (US$155,539) and provisions of GBP110,570 (US$143,819).

As at 30 June 2016, the Group had foreign denominated deposits of AU$343,356 (US$254,944) and GBP131,898 (US$177,215). The Group had current liabilities of AU$103,547 (US$76,884) and GBP73,538 (US$98,804) and prepayments and other debtors of AU$14,206 (US$10,548) and GBP131,803 (US$177,087) and provisions of GBP73,350 (US$95,553).

The Group currently does not engage in any hedging or derivative transactions to manage foreign currency risk.

4.3.7 Sensitivity analysis for currency risk

A sensitivity of 10% has been selected as this is considered reasonable given historic and potential future changes in foreign currency rates. This sensitivity analysis is prepared as at the balance sheet date.

4. WORKING CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

30 June 2017
A 10% strengthening of the US$ against the AUD and GBP at 30 June 2017 would have decreased equity for the year for the Group by US$80,462. This analysis assumes that all other variables, in particular interest rates and equity prices, remain constant. No material effect on profit or loss.

A 10% weakening of the US$ against the AUD and GBP at 30 June 2017 would have increased equity for the year for the Group by US$79,842 on the basis that all other variables remain constant. No material effect on profit or loss.

30 June 2016
A 10% strengthening of the US$ against the AUD and GBP at 30 June 2016 would have decreased equity for the year for the Group by US$43,700. This analysis assumes that all other variables, in particular interest rates and equity prices, remain constant. No material effect on profit or loss.

A 10% weakening of the US$ against the AUD and GBP at 30 June 2016 would have increased equity for the year for the Group by US$44,168 on the basis that all other variables remain constant. No material effect on profit or loss.

4.3.8 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Given the stage of development of the Group, the Board's objective is to minimise debt and to raise funds as required through the issue of new shares.

There were no changes in the Group's approach to capital management during the year.

The Group is not subject to externally imposed capital requirements.

4.3.9 Trade and other payables

	2017 US$	2016 US$
Current		
Trade payables	49,339	71,825
Accrued expenses	395,216	121,718
Balance at 30 June	**444,555**	**193,543**

Financial instruments - accounting policy

The Group classifies its financial assets in the following category: loans and receivables. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at each reporting date. The classification depends on the purpose for which the financial assets were acquired.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognised at fair value and subsequently at amortised cost less impairment losses. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than twelve months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables and other financial assets in the Consolidated Statement of Financial Position.

Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Consolidated Statement of Financial Position.

Trade and other receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less an allowance for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition. An estimate of doubtful debts is made and taken to a provision account when collection of the full amount is no longer probable. Bad debts are written off as incurred.

4. WORKING CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Trade and other payables

Liabilities for trade creditors and other amounts are carried at amortised cost. The amounts are unsecured and are usually paid within 30 days.

5. CAPITAL AND RELATED PARTIES DISCLOSURE

5.1 SHARE CAPITAL

	2017	2016	2017	2016
		Number of shares	US$	US$
Issued and paid up capital				
In issue at 1 July	201,814,085	199,444,787	39,198,764	39,145,581
Issued during the year	838,842	2,369,298	22,348	53,183
In issue at 30 June	**202,652,927**	**201,814,085**	**39,221,112**	**39,198,764**

Terms and conditions of ordinary shares

The rights attaching to fully paid ordinary shares ("ordinary shares") arise from a combination of the Company's Constitution, statute and general law. The shares have no par value and are fully paid ordinary shares.

Copies of the Company's Constitution are available for inspection during business hours at the Company's registered office. They should be read in conjunction with the Corporations Act 2001 and the ASX and AIM Listing Rules.

Shares

The issue of shares in the capital of the Company and options over unissued shares by the Company is under the control of the Directors, subject to the Corporations Act 2001, ASX Listing Rules and any rights attached to any special class of shares.

Issued capital - accounting policy
Ordinary shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company.
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

5.2 RESERVES

	2017 US$	2016 US$
Option reserve	836,728	836,728
Foreign currency translation reserve	570,410	586,827
Total reserves	**1,407,138**	**1,423,555**

5.2.1 Option reserve

The option reserve comprises the cumulative grant date fair value of options issued to Directors and other personnel and consultants over the vesting period.

5. CAPITAL AND RELATED PARTIES DISCLOSURE (continued)

5.2.2 Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the Parent Entity. As a result of the change in functional currency of the Company and several of its subsidiaries on 1 July 2014, no further foreign currency translation differences were recognised as all entities in the Group have a US$ functional currency.

On 30 April 2017 Jupiter Petroleum Juan De Nova Limited was dissolved and is no longer part of the Group. On consolidation any foreign exchange gains/losses relating to translation of this company's financial statements, which was previously recorded in foreign currency translation reserves, was transferred to the Consolidated Statement of Profit and Loss and Other Comprehensive Income.

	2017 US$	2016 US$
Balance at 1 July	586,827	586,827
Transfer from foreign exchange reserve on dissolution of a controlled entity	(16,417)	-
Balance at 30 June	**570,410**	**586,827**

5.2.3 Accumulated losses

	2017 US$	2016 US$
Balance at 1 July	(30,255,174)	(27,918,661)
Loss for the year	(1,856,463)	(2,336,513)
Total accumulated (losses)	**(32,111,637)**	**(30,255,174)**

5.2.4 Dividends

No dividends have been declared, provided for or paid in respect of the years ended 30 June 2017 and 30 June 2016. With respect to the payment of dividends by Global Petroleum in subsequent reporting periods (if any), no franking credits are currently available.

5.3 SHARE BASED PAYMENTS

From time to time, the Group may provide shares or incentive options to Directors, officers, employees, consultants and other key advisors as part of remuneration and incentive arrangements. The number of shares and options granted, and the terms of the options granted are determined by the Board. Shareholder approval is sought where required.

Shares granted to Directors
During years ended 30 June 2017 and 2016 the Company made several discretionary grants of shares, following shareholder approval at the AGM on 17 November 2015, to Directors - 838,842 (2016: 2,369,298) ordinary shares were issued for no consideration with a fair value of US$22,347 (2016: US$53,183). The fair values of the shares were determined as the ASX market value on the days of issue.

5. CAPITAL AND RELATED PARTIES DISCLOSURE (continued)

Directors	Shares granted in year ended 30 June 2017	Shares granted in year ended 30 June 2016
Mr J van der Welle	93,629	197,522
Mr P Hill	517,545	1,516,927
Mr P Blakey	48,771	130,389
Mr D Cronin	130,126	347,889
Mr P Dighton (resigned 25 January 2016)	-	46,182
Mr A Draffin	-	-
Mr P Taylor	48,771	130,389

Options granted to Directors

No options were issued during the financial year ended 30 June 2017 or 2016.

5.3.1 Reconciliation of outstanding share options

The number and weighted average exercise prices of the share options under the share option scheme are as follows:

	Number of options 2017	Weighted average exercise prices 2017 AU$	Number of options 2016	Weighted average exercise price 2016 AU$
Outstanding at 1 July	7,600,000	0.065	8,035,000	0.078
Cancelled during the period	-	-	-	-
Granted during the period	-	-	-	-
Options exercised during the period	-	-	-	-
Options expired during the period	-	-	(435,000)	0.3
Outstanding at 30 June	7,600,000	0.065	7,600,000	0.065
Exercisable at 30 June	7,600,000	0.065	7,600,000	0.065

Share based payments – accounting policy

The fair value of options granted (determined using the Black-Scholes option or Binomial pricing model) is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which option holders become unconditionally entitled to the options.

Share based payments vest only if non-market performance criteria are met, the value of the share based payment is recognised only when it is likely that such criteria may be met, and the expense recognised is adjusted to reflect the number of awards that ultimately vest.

5.4 RELATED PARTIES

5.4.1 Ultimate parent

Global Petroleum Limited is the ultimate parent entity of the Group.

5.4.2 Key management personnel

The key management personnel of the Group during or since the end of the financial year were as follows:

5. CAPITAL AND RELATED PARTIES DISCLOSURE (continued)

Directors

Mr John van der Welle	Non-Executive Chairman
Mr Peter Hill	Managing Director and Chief Executive Officer
Mr Peter Blakey	Non-Executive Director
Mr Damien Cronin	Non-Executive Director and Company Secretary
Mr Andrew Draffin	Non-Executive Director
Mr Peter Taylor	Non-Executive Director

Key management personnel compensation

	2017 US$	2016 US$
Short-term employee benefits **	495,646	476,475
Share based payments *	22,347	53,183
Post-employment benefits	16,525	15,459
Total compensation	**534,518**	**545,117**

*This represents the value of the shares issued.

** Includes the cash element paid to the UK based Directors to cover the cost of PAYE income tax due on share issues.

Other key management personnel transactions

A number of Directors, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. A number of these entities transacted with the Company or its controlled entities in the reporting period.

During the year the Company paid US$Nil (2016: US$58,780) to TM Services Limited, a company controlled by Mr P Taylor and Mr P Blakey, for administrative and technical assistance, Damien Cronin Pty Ltd trading as Law Projects, a company controlled by Mr D Cronin, US$26,671 (2016: US$19,950) for company secretarial services and Northlands Advisory Services Limited, a company controlled by Mr J van der Welle, US$40,838 (2016: US$36,817) for consulting services.

Included in the above are the following amounts payable to related parties at 30 June 2017. All payable in full within 30 days of invoice, have standard industry terms and conditions and none of the amounts are secured on any assets. Amount owed to Law Projects US$2,303 and Northlands Advisory Services US$10,568.

6. RESULTS FOR THE YEAR

6.1 OPERATING SEGMENTS

6.1.1 Information about reporting segments

The Group operates in the oil and gas exploration, development and production segments as described below:

The Group currently holds prospective oil and gas exploration interests offshore Namibia.

6.1.2 Segment results

The following is an analysis of the Group's results by reportable segment. The Group had no revenue during the period (2016: Nil)

6. RESULTS FOR THE YEAR (continued)

	Africa		Consolidated	
	2017	2016	2017	2016
	US$	US$	US$	US$
Segment results				
Impairment of exploration asset	-	(91,749)	-	(91,749)
	-	**(91,749)**	**-**	**(91,749)**
Interest income	-	-	48,814	43,942
Net foreign exchange gain (loss)	-	-	(11,791)	(139,099)
Corporate and administration costs	-	-	(1,871,139)	(2,096,424)
Equity based remuneration	-	-	(22,347)	(53,183)
Profit (loss) before income tax	**-**	**(91,749)**	**(1,856,463)**	**(2,336,513)**
Income tax (expense) benefit for continuing operations	-	-	-	-
Profit (loss) for the year	**-**	**(91,749)**	**(1,856,463)**	**(2,336,513)**

6.1.3 Segment assets and liabilities

	Africa		Consolidated	
	2017	2016	2017	2016
	US$	US$	US$	US$
Segment assets				
Assets	1,125,077	301,912	1,125,077	301,912
Total segment assets	1,125,077	**301,912**	1,125,077	**301,912**
Unallocated assets			7,979,910	10,357,329
Consolidated assets			**9,104,987**	**10,659,241**
Segment liabilities				
Liabilities	277,397	15,293	277,397	15,293
Total segment liabilities	277,397	**15,293**	277,397	**15,293**
Unallocated liabilities			310,976	276,803
Consolidated liabilities			**588,373**	**292,096**
Acquisition of non-current assets, including capitalised exploration assets	822,448	286,667	822,448	286,667

Segment reporting – accounting policy
Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses, and income tax assets, liabilities and tax expense.

Discontinued operations – accounting policy
Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale. When an operation is classified as a discontinued operation, the comparative Consolidated Statement of Profit or Loss and Other Comprehensive Income is re-presented as if the operation had been discontinued from the start of the comparative year.

6. RESULTS FOR THE YEAR (continued)

6.2 TAXES

	2017 US$	2016 US$
Reconciliation between profit (loss) before tax and tax expense		
Profit (loss) of continuing operations before tax expense	(1,856,463)	(2,336,513)
Prima facie tax expense (benefit) at 19.75% (2016: 20%)	(366,651)	(467,302)
Increase (decrease) in income tax expense due to:		
Expenditure not allowable for income tax purposes	10,667	32,251
Adjustment for different tax rates and consequences of changing tax domicile	50,483	43,505
Deferred tax assets not recognised	305,501	391,546
Income tax (benefit) expense on pre-tax net profit (loss)	**-**	**-**

6.2.1 Current tax payable

The Group has no current tax payable (2016: Nil)

On 1 April 2014, Global Petroleum Limited changed its tax domicile from Australia to the United Kingdom. However it must be noted that under Australian tax law, Global Petroleum Limited remains an Australian tax resident. As a result, Global Petroleum Limited is a tax resident of both Australia and the United Kingdom. Under the terms of the Australia-United Kingdom Double Tax Treaty Global Petroleum Limited will be a dual resident company deemed to be a resident in the UK for the purposes of allocating taxing rights.

6.2.2 Deferred income tax

	2017 US$	2016 US$
Deferred tax assets		
Tax losses available to offset future taxable income	1,583,604	1,341,242
Tax benefit not brought to account	(1,583,604)	(1,341,242)
	-	-

Deferred tax assets have not been recognised in respect of tax losses because there is no convincing other evidence that future taxable profit will be available against which the Group can utilise the benefits which amount to US$1,583,604 (2016: US$1,341,242).

The amount of UK tax losses carried forward is US$8.03m as at 30 June 2017 (2016: US$6.35m). A corresponding deferred tax asset, calculated using the rate of 17%, of US$1.36m (2016: US$1.14m) has not been recognised due to insufficient certainty regarding the availability of future profits against which the losses can be utilised. The reduction in the main rate of corporation tax rate to 17% from 2020 was enacted in September 2016. It is not expected that the tax losses will be utilised before 2020 therefore a potential deferred tax asset has been calculated using this rate.

In addition, the Group has a pool of pre-trading expenditure of US$0.36m (2016: US$0.21m) arising in the overseas subsidiaries for which no deferred tax asset has been recognized due to insufficient certainty regarding the availability of future profits against which the costs can be utilised.

6. RESULTS FOR THE YEAR (continued)

Tax - accounting policy

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised using the balance sheet method for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised using the balance sheet method for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and the tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expenses in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority in the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets in a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

6.3 EARNINGS PER SHARE

	2017 US Cents per share	2016 US Cents per share
Basic earnings (loss) per share	(0.917)	(1.167)
Diluted earnings (loss) per share	(0.917)	(1.167)

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

6. RESULTS FOR THE YEAR (continued)

	2017 US$	2016 US$
Net profit (loss) used in calculating basic and diluted earnings per share	**(1,856,463)**	**(2,336,513)**

	Number of shares 2017	Number of shares 2016
Weighted average number of ordinary shares used in calculating basic earnings per share	202,519,632	200,221,714
Effect of dilutive securities	-	-
Adjusted weighted average number of ordinary shares and potential ordinary shares used in calculating basic and diluted earnings per share	**202,519,632**	**200,221,714**

Earnings per share - accounting policy

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

7. OTHER

7.1 PROVISIONS

	2017 US$	2016 US$
Current		
Make good provision	26,764	27,647
Employee benefits	117,055	70,906
	143,819	**98,553**

7. OTHER (continued)

Provisions - accounting policy

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Employee benefits – accounting policy

Liabilities for wages, salaries and remuneration, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable. Employee benefits payable later than one year are measured at the present value of the estimated future cash flows to be made for those benefits.

7.2 CONTINGENCIES

7.2.1 Indemnities

Indemnities have been provided to Directors and certain executive officers of the Company in respect of liabilities to third parties arising from their positions, except where the liability arises out of conduct involving a lack of good faith. No monetary limit applies to these agreements and there are no known obligations outstanding at 30 June 2017 and 30 June 2016.

7.2.1 Joint operations

In accordance with normal industry practice the Group has entered into joint ventures with other parties for the purpose of exploring for and developing petroleum interests. If a party to a joint venture defaults and does not contribute its share of joint venture obligations, then the other joint venture participants may be liable to meet those obligations. In this event the interest in the permit held by the defaulting party may be redistributed to the remaining joint venturers.

7.3 SUBSEQUENT EVENTS

As at the date of this report, there are no other matters or circumstances which have arisen since 30 June 2017 that have significantly affected or may significantly affect:

(i) the operations, in financial years subsequent to 30 June 2017, of the Group;

(ii) the results of those operations, in financial years subsequent to 30 June 2017, of the Group; or

(iii) the state of affairs, in financial years subsequent to 30 June 2017, of the Group.

7. OTHER (Continued)

7.4 AUDITOR'S REMUNERATION

	2017 US$	2016 US$
Audit services:		
Auditors of the Group, KPMG Australia – audit and review of financial reports	39,925	53,088
	39,925	**53,088**
Other services:		
Auditors of the Group, KPMG Australia		
- assurance, taxation and due diligence services	6,700	10,052
	6,700	**10,052**
	46,625	**63,140**

7.5 PARENT ENTITY DISCLOSURES

As at and throughout the financial year ended 30 June 2017, the parent entity of the Group was Global Petroleum Limited.

	2017 US$	2016 US$
(a) Financial position of parent entity		
Assets		
Current assets	7,973,968	10,344,988
Non-current assets	1,094,850	380,574
Total assets	9,068,818	10,725,562
Liabilities		
Current liabilities	310,976	274,246
Non-current liabilities	-	-
Total liabilities	310,976	274,246
Net assets	**8,757,842**	**10,451,316**
Equity		
Issued capital	39,221,112	39,198,764
Option premium reserve	836,728	836,728
Accumulated losses	(31,299,998)	(29,584,176)
Total equity	**8,757,842**	**10,451,316**
(Loss) for the year	(1,715,822)	(2,239,265)
Total comprehensive gain (loss)	**(1,715,822)**	**(2,239,265)**

At 30 June 2017, the parent entity has no capital commitments (2016: Nil).

7. OTHER (Continued)

7.6 INTERESTS IN JOINT OPERATIONS

The Group holds the following interests in various joint ventures, whose principal activities are in petroleum exploration and production.

For income and expenses attributable to joint operations refer to Note 5.

Included in the assets and liabilities of the Group are the following assets and liabilities:

	2017 US$	2016 US$
Current assets		
Trade and other receivables	15,961	15,245
Total current assets	**15,961**	15,245
Non-current assets		
Exploration asset	1,109,115	286,667
Total non-current assets	**1,109,115**	**286,667**
Total assets	**1,125,076**	**301,912**
Current liabilities		
Trade and other payables	277,397	15,293
Total current liabilities	**277,397**	**15,293**
Total liabilities	**277,397**	**15,293**
Net assets	**847,679**	**286,619**

The parent entity does not guarantee to pay the deficiency of its controlled entities in the event of a winding up of any controlled entity.

DIRECTORS' DECLARATION

(1) In the opinion of the Directors of Global Petroleum Limited:

(a) the Consolidated financial statements and Notes that are set out on pages 21 to 46 and the Remuneration Report in Section 12 in the Directors' Report, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

(2) The Directors draw attention to Note 2 to the consolidated financial statements, which include a statement of compliance with International Financial Reporting Standards.

(3) The Directors have been given a declaration required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer for the financial year ended 30 June 2017.

Signed in accordance with a resolution of the Directors of Global Petroleum Limited

DAMIEN CRONIN

DIRECTOR and COMPANY SECRETARY

19 September 2017

ADDITIONAL INFORMATION

The shareholder information set out below was applicable as at 15 September 2017.

1. TWENTY LARGEST SHAREHOLDERS

As at the date of this Report, the names of the twenty largest holders of securities listed on the Company's Australian Share Register are listed below. Certain other interests may be held in the Depository Interests Register maintained in the United Kingdom by Computershare UK Limited on behalf of the Company. Directors' total shareholdings as at 30 June 2017 are given in Section 5 and 12 of the Remuneration Report.

		Ordinary Shares	
		Number	**Percentage**
1	Computershare Clearing Pty Ltd <CCNL DI A/C>	59,047,543	29.14%
2	Mr Peter Blakey	39,099,318	19.29%
3	Mr Peter Taylor	37,543,319	18.53%
4	Mrs Sandra Anne David	6,845,660	3.38%
5	COSMOS NOMINEES PTY LTD <THE PLASTICS CENTRE S/F A/C>	3,450,000	1.70%
6	Mr Thomas Patrick Cross & Ms Linda Cross	2,776,400	1.37%
7	PIAT CORP PTY LTD	2,400,000	1.18%
8	J P MORGAN NOMINEES AUSTRALIA LIMITED	2,101,738	1.04%
9	Mr Terrence Peter Williamson & Ms Jonine Maree Jancey<The Wiljan Super Fund A/C>	1,700,000	0.84%
10	I P M PERSONAL PENSION TRUSTEES LIMITED	1,556,000	0.77%
11	TOLTEC HOLDINGS PTY LTD	1,525,000	0.75%
12	Mr Brian Crawshaw	1,500,000	0.74%
13	ARREDO PTY LTD	1,430,000	0.71%
14	MILLSY PTY LTD <BROUN SUPER FUND A/C>	1,170,000	0.58%
15	TCH HOLDINGS PTY LTD <THE TRAVIS INVESTMENT A/C>	1,100,000	0.54%
16	MANLE PTY	1,000,000	0.49%
17	Piat Corp Pty Ltd	1,000,000	0.49%
18	CITICORP NOMINEES PTY LIMITED	979,067	0.48%
19	CORPORATE PROPERTY SERVICE PTY LTD <K W SHARE A/C>	900,000	0.44%
20	Mr Robert Hastings Smythe<Super Fund A/C>	871,800	0.43%
	Total Top 20	**167,995,845**	**82.90%**
	Others	**34,657,082**	17.10%
	Total Ordinary Shares on Issue	**202,652,927**	**100.00%**

GLOBAL PETROLEUM LIMITED

2. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of shareholders by size of holding:

			Ordinary Shares	
			Number of Shareholders	Number of Shares
1	–	1,000	828	364,545
1,001	–	5,000	618	1,607,414
5,001	–	10,000	187	1,469,880
10,001	–	100,000	344	10,710,538
100,001		and over	87	188,500,550
			2,064	**202,652,927**
The number of shareholders holding less than a marketable parcel of shares are:			**1,658**	**3,706,837**

3. VOTING RIGHTS

See Note 5 of the Notes to the Financial Statements.

4. SUBSTANTIAL SHAREHOLDERS

The last Substantial Shareholder notices have been received previously from the following (current for the number of voting rights as at the date of the notices). Messrs Blakey and Taylor's' total shareholdings as at 30 June 2017 are given in Sections 5 and 12 of the Remuneration Report:

Substantial Shareholder	Number of Votes
Peter Blakey	80,590,770
Peter Taylor	80,590,770

5. UNQUOTED SECURITIES

The names of the security holders holding more than 20% of an unlisted class of security are listed below:

Options

	Incentive Options
Peter Hill - A$0.065 incentive options vesting 27 November 2014	3,000,000
Peter Hill - A$0.065 incentive options vesting 23 June 2015	3,000,000
Total Peter Hill incentive options	**6,000,000**
John van der Welle - A$0.065 incentive options vesting 27 November 2014	500,000
John van der Welle – A$0.065 incentive options vesting 23 June 2015	500,000
Total John van der Welle incentive options	**1,000,000**
Total unquoted securities in issue	**8,035,000**

6. ON-MARKET BUY BACK

There is currently no on-market buyback programme for any of Global Petroleum Limited's listed securities.

7. EXPLORATION/PROJECT INTERESTS

As at 19 September 2017 the Company has an interest in the following projects:

Project	Interest
Namibia	
Petroleum Exploration Licence No.0029	85% WI

CORPORATE DIRECTORY

Directors	Mr Peter Hill	Managing Director and Chief Executive Officer
	Mr John van der Welle	Non-Executive Chairman
	Mr Peter Blakey	Non-Executive Director
	Mr Damien Cronin	Non-Executive Director
	Mr Andrew Draffin	Non-Executive Director
	Mr Peter Taylor	Non-Executive Director
Company Secretary	Mr Damien Cronin	
Registered and Principal Office	Level 5, Toowong Tower 9 Sherwood Road Brisbane QLD 4066, Australia	
	Telephone	+61 7 3310 8732
	Facsimile	+61 7 3310 8823
UK Office	111 Buckingham Palace Rd London SW1W OSR, United Kingdom	
	Telephone	+44 20 7495 6802
	Facsimile	+44 20 7340 8501
Website	www.globalpetroleum.com.au	
Email	info@glo-pet.com	
Solicitors	McCullough Robertson	
Auditor	KPMG, Brisbane	
Bankers	Barclays Bank Limited	
Stock Exchange Listing	Australian Securities Exchange Home Exchange – Sydney Office Australia Square Level 6, 123 George Street Sydney NSW 2000, Australia	
	AIM of the London Stock Exchange 10 Paternoster Square London EC4M 7LS, United Kingdom	
ASX/AIM Code	GBP – Fully paid ordinary shares	
Share Register	Computershare Investor Services Pty Ltd 117 Victoria Street West End QLD 4101, Australia	
	Telephone	+61 7 3237 2100
	Facsimile	+61 7 3237 2152
	Computershare Investor Services PLC The Pavilions, Bridgewater Road Bristol BS99 7NH, United Kingdom	
	Telephone	+44 870 889 3105
	Facsimile	+44 870 703 6106