GLOBAL PETROLEUM LIMITED AND CONTROLLED ENTITIES

ABN: 68 064 120 896

Financial Report For The Year Ended 30 June 2023

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Dear Shareholders,

We are pleased to present to you the Global Petroleum Limited ("Global" or the "Company") Annual Financial Report for the year ended 30 June 2023.

The Company's focus during the reporting period, and subsequently, has been on ongoing exploration work and its farm-out process in respect of its Namibian licence PEL0094 ("Licence"), the extension/renewal of the Licence period, and the strengthening of its finances in order to maintain its options for the Licence. The Company has also continued to engage with the Italian authorities regarding the Company's exploration permit applications.

On 11 August 2023 the Company announced that the Namibian authorities had given approval for the Company and its partners to proceed to the First Renewal Period of the Licence, with a duration of two years from September 2023 to September 2025. Importantly, the usual requirement at the end of the Initial Exploration Period to relinquish 50 per cent of the Licence area was waived.

In the broader Namibian context, Global is in agreement with the widely held industry view that the drilling in the Orange Basin by Shell and TotalEnergies to date strongly suggests that Namibia has become a world class petroleum province, in terms of scale of likely resources.

The relevance of the Orange Basin discoveries for Global and its partners lies in the fact that the oil in the Orange Basin is interpreted both by the operators of the discoveries and the Company to be sourced from the Barremian-Aptian Kudu Shale. Work by the Company has demonstrated that this source rock is likely generating oil in and around the Company's PEL0094 Licence. In addition, there are further similarities between some of the reservoirs and trapping styles in the Orange Basin and those mapped by the Company in its Licence. Accordingly, the Company believes that the Walvis Basin, where PEL0094 is situated, also has the potential to be extremely successful, and has the advantage of much shallower water depths generally than the discoveries in the south.

Global has continued its efforts to farm-out an interest in the Licence. As the Company anticipated, following the discoveries potential farminees have first looked for possible opportunities in the Orange Basin.

Regarding Italy, in September 2023 the Company announced that it had been informed that appeals against the environmental decrees granted in its favour by the Italian authorities had recently been dismissed by the Council of State (having previously been dismissed by the Tribunal in Rome). The actions were brought by the Municipality of Margherita di Savoia in Puglia against the relevant Italian Ministries and entities - with Global joined as an "interested party" - and related to all four of the Company's exploration permit applications in the Southern Adriatic ("Applications").

The Company submitted further documentation in connection with the Applications some months ago to the Italian Ministry of Ecological Transition and has been awaiting further dialogue with the Ministry regarding the process going forward.

Once this process is complete, the Company will assess its options in relation to the Applications and make a further announcement accordingly.

Financial Position and Corporate

As noted above, rather than an extension of the Initial Exploration Period of the Licence for a further 12 months as originally contemplated, the Company was invited by the Namibian authorities to apply for an extension into the First Renewal Period.

Due to factors outside the Company's control, this process took longer than anticipated, and than had previously been the case. Having received confirmation of the Licence extension in August rather than June 2023 as originally expected, the Company was then in a position to proceed with an equity raise, and on 31 August 2023 Global announced that it had raised £250,000 in aggregate before costs through the placing of 250,000,000 Ordinary Shares (the "Placing") at a placing price of 0.1 pence per share. The Company regarded the amount raised as disappointing in relation to the sum targeted.

The Company has taken steps to cut costs where practicable to preserve its cash resources. However this alone will not ensure the Company's ability to continue as a going concern for the next 12 months. As announced on 13 September 2023, three of the Company's Directors have been deferring Directors' salary/fees since July 2023, as part of an overall effort to reduce costs generally, and in particular to minimise outgoings until such time as the financial position of the Company has been strengthened. As of the date of this report, all of the Directors are now deferring salary/fees.

The Company requires significant additional funding in order to meet its Licence and other payments due in the near future, for which the Company does not currently have sufficient cash resources. Accordingly, the Company will very likely need to raise funds via a share placing in the near future.

Further information regarding the Company's Licence position specifically, and on its going concern status generally, is provided in note 1 to the financial statements.

Financial Results

During the year ended 30 June 2023, the Group recorded a loss after tax of US$1,283,634 (2022: US$1,167,094). Cash balances at 30 June 2023 amounted to US$356,389 (30 June 2022: US$1,139,775). On 23 October 2023 Global had cash balances of US$376,000 following the equity raise completed after the end of the reporting period. The Group has no debt outside of suppliers who are settled on normal commercial terms.

Strategy and Outlook

Global is in full agreement with the widely held industry view that the drilling in the Orange Basin by Shell and TotalEnergies to date strongly suggests that Namibia has become a world class petroleum province, in terms of scale of likely resources and that the Walvis Basin will benefit accordingly, a development from which Global would be well positioned to benefit.

The Company continues to explore all strategic alternatives in order to preserve and maximise shareholder value. However, in order to facilitate this the urgent priority for the Company is to strengthen its finances in the very near term.

John van der Welle Chairman	Peter Hill Chief Executive Officer

1. OPERATING AND FINANCIAL REVIEW

Namibian Project

The Namibian Project consists of an operated 78 per cent participating interest in Petroleum Exploration Licence ("PEL") 0094 (acquired in 2018) which covers Block 2011A (see Figure 1). The Company also previously held an operated 85 per cent participating interest in PEL0029 covering Blocks 1910B and 2010A. PEL0029 expired on 3 December 2020, enabling the Company to focus its technical efforts on PEL0094.

Over the course of 2020 the Company purchased historic 2D seismic data, and commissioned an AVO study. Interpretation of this data plus the studies enabled the source rock to be mapped with even further confidence into Global's acreage. This work also helped improve interpretation of the Marula prospect (increasing the geological chance of success of Marula), as well as our understanding of the relatively under-explored eastern part of the block, vindicating the Company's view that the overall acreage is highly prospective.

Consequently, in January 2021 the Company announced an updated estimate of Prospective Resources for PEL0094. The additional Prospective Resources in the east of PEL0094 consisted of 7 new leads with a total unrisked gross Prospective Resources (Best Estimate) of 2,048 million barrels of oil ("barrels"). As previously reported, the pre-existing prospects - Marula and Welwitschia Deep - contain a total of 881 million barrels, making a new total on the Licence of 2,929 million barrels unrisked gross Prospective Resources (Best Estimate).

Regarding the Prospective Resources attributable to Global, the total unrisked net Prospective Resources (Best Estimate) total 2,284 million barrels, compared with the previous number of 687 million barrels net to Global – which related to Marula and Welwitschia Deep alone.

In April 2022 the Company announced that the Namibian authorities had granted a one-year extension to the Initial Exploration Period, from September 2022 to September 2023, and during the reporting period Global has continued with its technical work.

After successfully mapping, with the latest technology, the Barremian-Aptian Kudu Shale source rock from previous drilling in the Walvis Basin into its Licence area, in late 2021 the Company worked with the well-regarded geochemical consultancy IGI to build a number of petroleum systems models for the Walvis Basin. This study was further updated in mid-2022 and predicts that in all cases the source rock is mature in the northern Walvis Basin and that sufficient volumes of hydrocarbons have migrated into the prospects in PEL0094. In June 2022 the Company licensed a satellite radar oil seep study over the Walvis, in which a number of oil seeps have been identified within PEL0094. This further supports the Company's interpretation of a working petroleum system in the area.

The Company purchased additional 2D seismic data in 2022 and carried out further technical interpretation both on the principal prospects, Marula and Welwitschia Deep and, in particular, on the leads in the eastern part of the Licence, with the objective of proving up further resources and better defining those already reported.

On 14 August 2023 the Company announced that the Namibian authorities had given approval for the Company and its partners to proceed to the First Renewal Period ("FRP") of the Licence, with a duration of two years from September 2023 to September 2025. Importantly, the usual requirement at the end of the Initial Exploration Period ("IEP") to relinquish 50 per cent of the Licence area was waived. The work commitment for the FRP is to acquire, process and interpret 2,000 kms of 3D seismic data (the "3D Seismic") – carried over from the IEP and to drill a well contingent upon the results of the 3D Seismic. The original well commitment for the FRP – as specified in the Petroleum Agreement for PEL0094 – was firm, rather than contingent.

The oil and gas exploration sector in Namibia has been transformed since early 2022 by significant oil discoveries (with associated gas) in the Orange Basin, to the south of Global's position. Shell and its partners Qatar Energy and NAMCOR made the first discovery at Graff, followed by a discovery at nearby La Rona and more recently further discoveries at Jonker and Lesedi. Shell has a rig on contract until at least June 2024 to drill both appraisal and exploration wells and perform tests on the discoveries. Shell also performed a flow test at Graff.

Meanwhile in the licence immediately to the west, TotalEnergies and its partners Qatar Energy, Impact Oil and Gas and NAMCOR made the Venus discovery. Announced shortly after Graff, Venus has now also been appraised by the Venus-1X well, which flowed oil with positive results. TotalEnergies moved on to drill an unsuccessful exploration well, Nara-1X, and followed this by moving to drill a further exploration well - Mangetti-1X.

The scale of the exploration and appraisal effort strongly suggests that a significant new petroleum producing province will be established in Namibia within a decade. This has encouraged others nearby to accelerate exploration. Chevron farmed into the licence north of Venus and Woodside into a licence north of there. On both licences large 3D seismic data surveys have been acquired, prior to any decisions on drilling. To the north of Shell's licence, GALP has announced that it will drill at least one exploration well this coming drilling season.

The relevance of the Orange Basin discoveries for Global and its partners lies in the fact that the oil in the Orange Basin is interpreted both by the operators of the discoveries, and the Company, to be sourced from the Barremian-Aptian Kudu Shale. Work by the Company has demonstrated that this source rock is likely generating oil in and around the Company's PEL0094 Licence. In addition, there are further similarities between some of the reservoirs and trapping styles in the Orange Basin and those mapped by the Company in its Licence. Accordingly, the Company believes that the Walvis Basin, where PEL0094 is situated, also has the potential to be extremely successful, and has the advantage of much shallower water depths generally than the discoveries in the south.

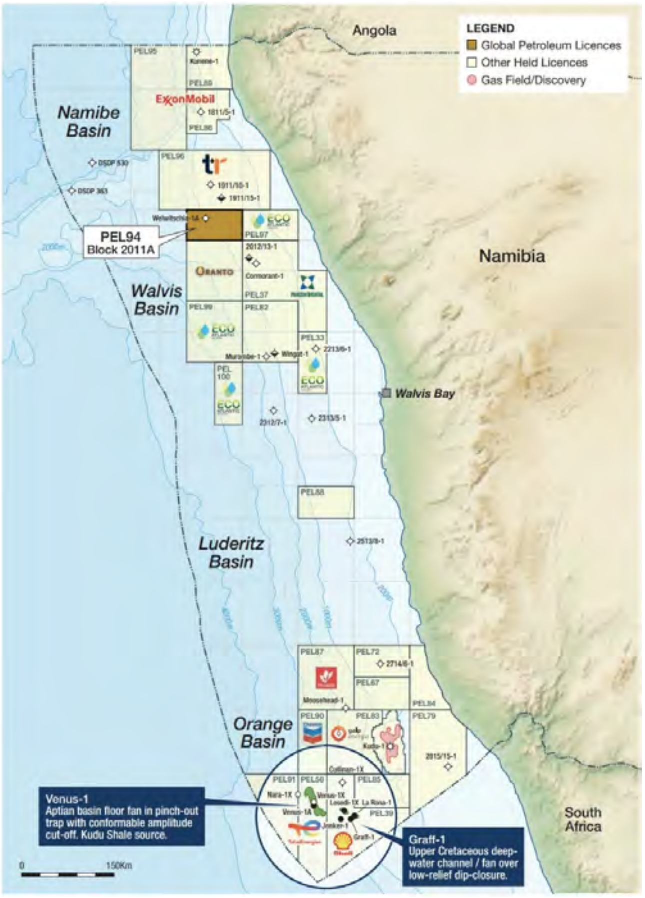

FIGURE 1 - Map of Namibia showing PEL0094

Italian Applications

In August 2013, the Company submitted applications, proposed work programmes and budgets to the Italian Ministry of Economic Development for four exploration areas offshore Italy in the Southern Adriatic: d 80 F.R- GP, d 81 F.R- GP, d 82 F.R-GP and d 83 F.R-GP (the "Applications"). The Applications are contiguous with the Italian median lines abutting Croatia, Montenegro and Albania respectively (see Figure 2 below).

As previously reported, various local authorities and interest groups appealed to either the Rome Tribunal or the President of the Republic against the Environmental Decrees in relation to the applications of the four areas. Publication of Environmental Decrees is the final administrative stage before grant of the permits. All first instance appeals made to the Rome Tribunal and to the President of the Republic were subsequently adjudicated in Global's favour.

However, Puglia, as the Italian region principally interested, made additional appeals to the Council of State (the highest level of appeal in Italy) against the judgements of the Rome Tribunal. The subsequent appeals were heard by the Council of State in January 2020, and in February 2020 the Council of State issued a judgement. Essentially, the Council of State suspended the proceedings before it and referred the matter to the European Court, requesting the Court to rule whether the four Applications contravene a relevant EU Directive relating to the maximum permissible size of individual permits, in particular having regard to the fact that the four permit applications are contiguous.

The judgement of the European Court was announced by the Company in January 2022. The Court found, in effect, that the Company's Applications do not contravene EU law.

Separately from the appeals process above, in February 2019 the Italian Parliament passed a Bill suspending all hydrocarbon exploration activities – including permit applications – for a period of 18 months. Under the proposed legislation, a Government-appointed Commission was to review all onshore and offshore areas for the stated purpose of evaluating their suitability for hydrocarbon exploration and development in the future. In doing so, the suitability of such activities in the context of social, industrial, urban, water source and environmental factors were to be evaluated. In offshore areas, suitability would additionally be assessed having regard to the impact of such activity on the littoral environment, marine ecosystems and shipping routes. Following the 18-month evaluation period, the intention was that a Hydrocarbon Plan would be activated, setting out a strategy for future exploration and development. Following the expiry of its initial 18-month term, the moratorium was extended twice.

In February 2022, the Plan for Sustainable Energy Transition of Appropriate Areas ("Plan") was published and came into legal effect. A key structural component of the Plan is the provision that in future only exploration for gas (as opposed to oil) will be permitted in Italy, both onshore and offshore. With specific regard to the Applications, the Plan also provides that certain sections of the application areas as previously constituted are deemed to be excluded, a process referred to by the relevant authorities as "re-perimeterisation".

Notwithstanding the Company's reservations as to the practicality of gas-only exploration – a reservation which Global believes is widely shared within the Energy Industry and beyond - the Company provided the Italian authorities technical evidence of the gas prospectivity within the reduced application areas, also thereby accepting the re-perimeterisation of those areas.

The Italian Ministry of Ecological Transition ("Ministry") subsequently informed Global that the Company's exploration objectives in the amended Applications are in compliance with the provisions of the Plan. The Company accordingly submitted further documentation several months ago, since when the Company has been awaiting further dialogue with the Italian Ministry.

In the meantime, in September 2023, the Company announced that it had been informed that appeals against the environmental decrees granted in its favour by the Italian authorities had recently been dismissed by the Council of State (having previously been dismissed by the Tribunal in Rome). The actions were brought by the Municipality of Margherita di Savoia in Puglia against the relevant Italian Ministries and entities - with Global joined as an "interested party" - and related to all four of the Company's exploration permit applications in the Southern Adriatic:

Once this process is complete, the Company will assess its options in relation to the Applications and make a further announcement accordingly.

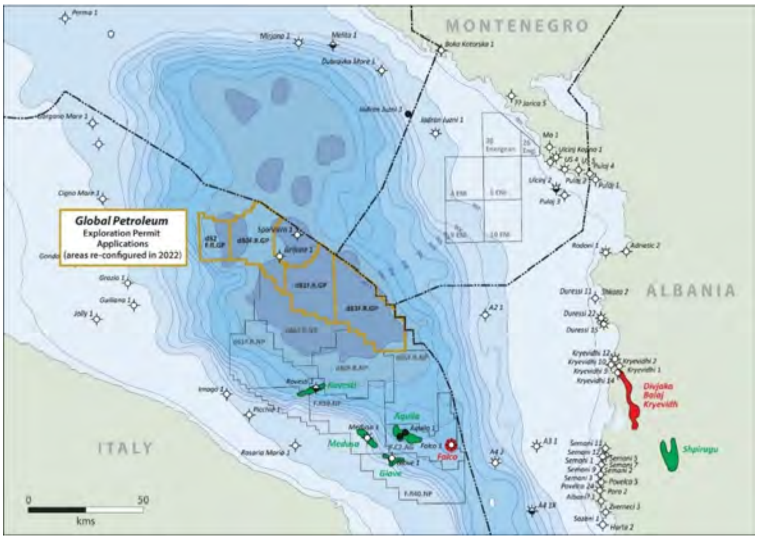

FIGURE 2 - Map of Permit Applications - Italy offshore.

2. STRATEGY

Global Petroleum's strategy is to maximize its gearing to exploration success in order to enhance shareholder value. This will be achieved through the acquisition of early licence positions in frontier exploration areas in Africa and the Mediterranean either directly through licence rounds, joint venture arrangements or acquisition.

Whilst the geographic focus is Africa and the Mediterranean, the Company will also consider other frontier areas that it considers to be highly prospective.

3. DIRECTORS

Mr John van der Welle
B.Sc., ACA
Non-Executive Chairman

Mr van der Welle is a Chartered Accountant with over 30 years' experience in the oil and gas industry. Mr van der Welle has previously been a senior executive with, or Director of, a number of UK listed upstream oil and gas companies - including Enterprise Oil, Hardy Oil and Gas, Premier Oil, First Calgary Petroleums and Stratic Energy Corp, as well as a Non-Executive Director of several AIM listed E&P companies.

Mr van der Welle was appointed as Non-Executive Chairman on 10 February 2014.

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 joining Global, Mr Hill was responsible for supervising the 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 Andrew Draffin CA **Independent Non-Executive Director**	Mr Draffin is a Chartered Accountant with over 20 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, AIM listed and private companies. Mr Draffin is a Director of EnviroMission. Mr Draffin was appointed Company Secretary on 1 January 2018.
Mr Garrick Higgins **Independent Non-Executive Director**	Mr Higgins is a Melbourne based lawyer and a principal of Grillo Higgins, a firm that practices in energy and resources law and in corporate and securities law, including mergers and acquisitions, takeovers, capital raisings, project finance, corporate governance and joint ventures. Mr Higgins was appointed a Director on 9 October 2017.

4. COMPANY SECRETARY

Mr Draffin acts as Company Secretary to Global Petroleum and a number of publicly listed companies in the mining, oil and gas sectors, investment and childcare sectors.

5. 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	5	5
Mr P Hill	5	5
Mr A Draffin	5	5
Mr G Higgins	5	5

6. DIRECTORS' INTERESTS

The following table sets out each Director's relevant interest, including related parties, in shares, warrants and options of the Company as at the date of this report:

	Interest in Securities at the Date of this Report		
	Ordinary Shares (1)	Incentive Options (2)	Warrants (3)
Mr J van der Welle	1,291,151	2,000,000	1,000,000
Mr P Hill	4,744,472	12,000,000	2,000,000
Mr A Draffin	666,667	1,000,000	666,667
Mr G Higgins	-	1,000,000	-

Notes

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

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

(3) Warrants means an option over ordinary shares exercisable at various amounts and dates - see below.

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 or declared during the financial year ended 30 June 2023 (2022: 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

In August 2023 the Namibian Ministry of Mines and Energy gave approval for the Company and its partners to proceed to the First Renewal Period ("FRP") of Walvis Basin licence PEL0094, with a duration of two years from September 2023 to September 2025.

On 31 August 2023 the Company announced that had successfully raised £250,000 in aggregate before costs through the Placing of 250,000,000 Ordinary Shares at a Placing Price of 0.1 pence per share. As a further component of the Placing, 250,000,000 Warrants were also issued at an exercise price of 0.1 pence per share for a period of 3 years (1 Warrant for every 1 new Ordinary Shares issued under the Placing).

10. INDEMNIFICATION AND INSURANCE OF DIRECTORS AND 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 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$111,241 (2022: US$135,998) was paid by the Company.

11. NON-AUDIT SERVICES

The Company's auditor, Hall Chadwick WA Audit Pty Ltd did not perform any non-audit related services.

	2023 US$	2022 US$
Audit services:		
Auditors of the Group, Hall Chadwick WA		
- audit and review of financial reports	23,655	23,288
	23,655	**23,288**

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, the Group may undertake new project acquisitions, exploration and development activities. Therefore, the Company does not expect to undertake profitable operations until sometime after the commencement of commercial production on any of its projects.

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.

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 GBP250,000 (US$296,723) plus health insurance, GBP14,675 (US$17,831).

(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 where appropriate and external advice on policies and practices.

(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).

During the 2023 financial year, no cash bonuses were paid or payable (2022: 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 to Directors as remuneration during the 2023 financial year. (2022: nil)

There are no vesting or 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.

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 sought in relation to remuneration paid during the reporting period. 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.

Mr van der Welle's fees were GBP65,000 (US$77,175) (2022: GBP65,000 (US$86,313)). Messrs Draffin and Higgins fees were AU$36,000 (US$23,960 and US$23,365 respectively) - (2022: AU$36,000 (US$25,969) and AU$36,000 (US$25,445) 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 2023 contributions to Messrs Draffin and Higgins were US$2,516 (AU$3,780) and US$2,456 (AU$3,780) respectively (2022: US$2,597 (AU$3,600) and US$2,544 (AU$3,600) 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 five 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.

Relationship between remuneration of KMP and earnings

As discussed above, the Group is currently undertaking 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.

Currently, the Company only employs one executive 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	**Short-Term**	**Post-Employment**	**Share-Based Payments**	**Total**	**Proportion of Remuneration Share Based Related**
Year ended 30 June 2023	**Remuneration**	**Directors' Fees**	**Superannuation and other benefits**	**Shares / Options**		
Director	**US$**	**US$**	**US$**	**US$**	**US$**	**%**
Executive Directors						
Mr P Hill	340,605	-	17,831	21,216	379,652	6%
Sub-total Executive Directors' remuneration	**340,605**	**-**	**17,831**	**21,216**	**379,652**	**-**
Non-Executive Directors						
Mr J van der Welle	-	86,739	-	-	86,739	0%
Mr A Draffin(1)	-	23,960	2,516	-	26,476	0%
Mr G Higgins	-	23,365	2,456	-	25,821	0%
Sub-total Non-Executive Directors' remuneration	**-**	**134,064**	**4,972**	**-**	**139,036**	**-**
Total Directors' remuneration	**340,605**	**134,064**	**22,803**	**21,216**	**518,688**	**-**

	Short-Term	**Short-Term**	**Post-Employment**	**Share-Based Payments**	**Total**	**Proportion of Remuneration Share Based Related**
Year ended 30 June 2022	**Remuneration**	**Directors' Fees**	**Superannuation and other benefits**	**Shares / Options**		
Director	**US$**	**US$**	**US$**	**US$**	**US$**	**%**
Executive Directors						
Mr P Hill	331,971	-	18,994	-	350,965	0%
Sub-total Executive Directors' remuneration	**331,971**	**-**	**18,994**	**-**	**350,965**	**-**
Non-Executive Directors						
Mr J van der Welle	-	86,313	-	-	86,313	0%
Mr A Draffin(1)	-	25,969	2,597	-	28,566	0%
Mr G Higgins	-	25,445	2,544	-	27,989	0%
Mr P Taylor (resigned 31 August 2021)	-	8,313	-	-	8,313	0%
Sub-total Non-Executive Directors' remuneration	**-**	**146,040**	**5,141**	**-**	**151,181**	**-**
Total Directors' remuneration	**331,971**	**146,040**	**24,135**	**-**	**502,146**	**-**

Notes in relation to the table of Directors' remuneration:

(1) Mr A Draffin was remunerated US$23,961 (2022: US$25,969) as Company Secretary, separate to this role as Director and thus not included in this table.

12.3 Equity Instruments - audited

Shares or Options granted to Directors and Key Management Personnel

10,000,000 options were granted during the 2023 financial year.(2022: nil)

12.4 Directors and Key Management Personnel transactions

Loan to Directors

There have been no loans to any Director or key management personnel or their related parties during the period.

Movement in Shareholdings

2023 Directors	Held at 1 July 2022	Shares purchased	Held at 30 June 2023[(1)]
Mr J van der Welle	1,291,151	-	1,291,151
Mr P Hill	4,744,472	-	4,744,472
Mr A Draffin	666,667	-	666,667
Mr G Higgins	-	-	-

Movement in Options

2023 Directors	Held at 1 July 2022	Granted as compensation	Exercised	Other changes	Held at 30 June 2023
Mr J van der Welle	3,000,000	-	-	(1,000,000)	2,000,000
Mr P Hill	12,000,000	6,000,000	-	(6,000,000)	12,000,000
Mr A Draffin	1,500,000	-	-	(500,000)	1,000,000
Mr G Higgins	1,500,000	-	-	(500,000)	1,000,000

Movement in Warrants

2023 Directors	Held at 1 July 2022	Granted as compensation	Exercised	Other changes	Held at 30 June 2023
Mr J van der Welle	1,000,000	-	-	-	1,000,000
Mr P Hill	2,000,000	-	-	-	2,000,000
Mr A Draffin	666,667	-	-	-	666,667
Mr G Higgins	-	-	-	-	-

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 DW Accounting and Advisory Pty Ltd, a company controlled by Mr A Draffin US$23,961 (2022: US$25,969) for company secretarial services.

13. CORPORATE GOVERNANCE STATEMENT

The London Stock Exchange (LSE) has a requirement in AIM Rule 26 for AIM companies to comply with a recognised corporate governance code. Following delisting from ASX in July 2020, the Company adopted the UK's QCA Corporate Governance Code for Small and Mid-Size Quoted Companies (the "QCA Code"), in replacement of the ASX's Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition, as the basis for its corporate governance. The Company's Corporate Governance Statement can be found on Global's website www.globalpetroleum.com.au.

14. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is on Page 11, and forms part of the Directors' Report for the financial year ended 30 June 2023.

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.

ANDREW DRAFFIN
DIRECTOR AND COMPANY SECRETARY

Dated: 27 October 2023

To The Board of Directors

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

As lead audit Director for the audit of the financial statements of Global Petroleum Limited for the financial year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated in Perth, Western Australia this 27th day of October 2023

GLOBAL PETROLEUM LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 US$	2022 US$
Continuing operations			
Employee benefits expense		(397,456)	(450,400)
Administrative expense		(727,225)	(830,592)
Exploration and business development expenses	11	(27,667)	(21,767)
Depreciation and amortisation expense		(3,439)	(3,439)
Share based payments	19	(47,027)	-
Other expenses		(113,653)	(162,970)
Foreign exchange gain (loss)		24,557	(178,445)
Results from operating activities		**(1,291,910)**	**(1,647,613)**
Finance income		8,276	519
Net finance income		**8,276**	**519**
(Loss) from continuing operations before tax		**(1,283,634)**	**(1,647,094)**
Tax expense	3	-	-
(Loss) from continuing operations after tax		**(1,283,634)**	**(1,647,094)**
(Loss) for the year		**(1,283,634)**	**(1,647,094)**
Earnings per share			
From continuing and discontinued operations			
Basic earnings per share (cents)	6	(0.12)	(0.21)
Diluted earnings per share (cents)	6	(0.12)	(0.21)

The accompanying notes form part of these financial statements.

GLOBAL PETROLEUM LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 US$	2022 US$
Assets			
Current assets			
Cash and cash equivalents	7	356,389	1,139,775
Trade and other receivables	8	35,301	37,020
Other assets	12	190,083	185,159
Total current assets		**581,773**	**1,361,954**
Non-current assets			
Property, plant and equipment	10	9,719	13,158
Exploration and evaluation assets	11	1,724,039	1,291,599
Total non-current assets		**1,733,758**	**1,304,757**
Total assets		**2,315,531**	**2,666,711**
Liabilities			
Current liabilities			
Trade and other payables	13	89,894	112,048
Provisions	14	259,751	220,730
Total current liabilities		**349,645**	**332,778**
Total liabilities		**349,645**	**332,778**
Net assets		**1,965,886**	**2,333,933**
Equity			
Issued capital	15	44,343,531	43,474,971
Reserves	23	854,227	1,249,042
Accumulated losses		(43,231,872)	(42,390,080)
Total equity		**1,965,886**	**2,333,933**

The accompanying notes form part of these financial statements.

GLOBAL PETROLEUM LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Issued Capital US$	Option Reserve US$	Foreign Currency Translation Reserve US$	Accumulated Losses US$	Total US$
Consolidated Group					
Balance at 1 July 2021	**42,189,991**	**678,632**	**570,410**	**(40,742,986)**	**2,696,047**
Comprehensive income					
Loss for the year	-	-	-	(1,647,094)	(1,647,094)
Total comprehensive income for the year	**-**	**-**	**-**	**(1,647,094)**	**(1,647,094)**
Transactions with owners, in their capacity as owners, and other transfers					
Issue of shares	1,367,000	-	-	-	1,367,000
Transaction costs	(82,020)	-	-	-	(82,020)
Total transactions with owners and other transfers	**1,284,980**	**-**	**-**	**-**	**1,284,980**
Balance at 30 June 2022	**43,474,971**	**678,632**	**570,410**	**(42,390,080)**	**2,333,933**
Balance at 1 July 2022	**43,474,971**	**678,632**	**570,410**	**(42,390,080)**	**2,333,933**
Comprehensive income					
Loss for the year	-	-	-	(1,283,634)	(1,283,634)
Total comprehensive income for the year	**-**	**-**	**-**	**(1,283,634)**	**(1,283,634)**
Transactions with owners, in their capacity as owners, and other transfers					
Issue of shares	924,000	-	-	-	924,000
Transaction costs	(55,440)	-	-	-	(55,440)
Issue of options	-	47,027	-	-	47,027
Expiry of options	-	(441,842)	-	441,842	-
Total transactions with owners and other transfers	**868,560**	**(394,815)**	**-**	**441,842**	**915,587**
Balance at 30 June 2023	**44,343,531**	**283,817**	**570,410**	**(43,231,872)**	**1,965,886**

The accompanying notes form part of these financial statements.

GLOBAL PETROLEUM LIMITED
CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 US$	2022 US$
Cash flows from operating activities			
Interest received		8,276	519
Payments to suppliers and employees		(1,202,684)	(1,551,823)
GST/VAT refunds received		3,632	43,602
Net cash (used in) operating activities	18a	**(1,190,776)**	**(1,507,702)**
Cash flows from investment activities			
Payments for exploration and business development expenditure		(460,107)	(340,900)
Reclassification of bank guarantee		-	(130,050)
Net cash (used in) investing activities		**(460,107)**	**(470,950)**
Cash flows from financing activities			
Proceeds from issue of shares		924,000	1,367,000
Payments for capital raising costs		(55,440)	(82,020)
Net cash provided by financing activities		**868,560**	**1,284,980**
Net decrease in cash held		(782,323)	(693,672)
Cash and cash equivalents at beginning of financial year		1,139,775	1,834,434
Effect of exchange rates on cash holdings in foreign currencies		(1,063)	(987)
Cash and cash equivalents at end of financial year	7	**356,389**	**1,139,775**

The accompanying notes form part of these financial statements.

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 AIM market of the London Stock Exchange ("AIM"). The consolidated annual financial statements of the Company as at, and for the 12 months ended, 30 June 2023 comprise 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 2023 are available upon request from the Company's registered office at C/- DW Accounting & Advisory, Level 4, 91 William Street, Melbourne, Victoria, 3000, Australia or at www.globalpetroleum.com.au.

The separate financial statements of the parent entity, Global Petroleum Limited ("Parent"), have not been presented within this annual financial report as permitted by the Corporations Act 2001.

The financial statements were authorised for issue on 27 October 2023 by the Board of Directors of the Company.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These general purpose consolidated financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Going Concern

The financial statements have been prepared on the going concern basis of accounting, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group has no source of operating revenue and settles its expenditure obligations from existing cash resources. It generated a loss of US$1,283,634 (2022: loss of US$1,647,094) and had net cash outflows from the operating activities of US$1,190,776 (2022: net cash outflows of US$1,507,702) for the year ended 30 June 2023. As of that date, the Group had net assets of US$1,965,886 (2022: US$2,333,933) and cash assets of US$356,389 (2022: US$1,139,775). The Group has no debt.

The Directors have prepared a cash flow forecast for the next 12 months based on best estimates of future inflows and outflows of cash, to support the Group's ability to continue as a going concern. The ability of the Company to continue as a going concern is principally dependent upon a combination of one or more of the following factors – management of existing funds; securing further funds via raising capital from equity markets; concluding a farm-out arrangement whereby a farm-in party would assume the costs of meeting certain future exploration and other commitments on the Company's Namibian licence PEL0094; and the deferral of licence commitments. As each of these are not within the Company's control, these conditions constitute a material uncertainty that may cast significant doubt on the use of the going concern basis of accounting.

The raising of additional equity capital is subject to market conditions and investor demand – in August 2023 the Company raised gross proceeds of GBP250,000 in a share placing which the Company regarded as very disappointing in relation to the amount targeted; securing a farm-out requires agreement with a suitable third party which the Group has not achieved to date; and any deferral of licence commitments would require the consent of the Namibian Ministry of Mines and Energy (MME). At the Company's request the MME has extended the deadline for Global to provide the work programme guarantee required under the licence renewal until the end of November 2023.

The Company requires significant additional funding in order to cash-collateralise the guarantee and meet its licence and other payments due in the near future for which the Company currently does not have sufficient cash resources. In the event that the guarantee and other licence payments are not paid, or further deferred, the Company would then be in breach of its obligations under the licence and associated Petroleum Agreement which could result in the forfeiture of its licence interest. Accordingly, the Company will very likely need to raise funds via a share placing in the near future.

The Company has taken steps to cut costs where practicable to preserve its cash resources, however this alone will not ensure the Company's ability to continue as a going concern for the next 12 months.

Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts, including Exploration & Evaluation Assets or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

(b) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of Global Petroleum Limited and all of the subsidiaries (including any structured entities). Subsidiaries are entities the Parent controls. The Parent 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. A list of the subsidiaries is provided in Note 9.

Note 1: Summary of Significant Accounting Policies (continued)

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Inter-company transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling Interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income. No non-controlling interests were recognised for the reporting period.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is obtained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Goodwill

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:
(i) the consideration transferred at fair value;
(ii) any non-controlling interest (determined under either fair value or proportionate interest method); and
(iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of any identifiable assets acquired and liabilities assumed.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable AASB Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 9: Financial Instruments, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

The amount of goodwill recognised on acquisition of each subsidiary in which the Group holds less than 100% interest will depend on the method adopted in measuring the non-controlling interest. The Group can elect in most circumstances to measure the non-controlling interest in the acquiree either at fair value (full goodwill method) or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets (proportionate interest method). In such circumstances, the Group determines which method to adopt for each acquisition and this is stated in the respective note to the financial statements disclosing the business combination.

Under the full goodwill method, the fair value of the non-controlling interest is determined using valuation techniques which make the maximum use of market information where available.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Note 1: Summary of Significant Accounting Policies (continued)

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored and not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

(c) Corporation Tax

The corporation tax expense (income) for the year comprises current corporation tax expense (income) and deferred corporation tax

Current corporation tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred corporation tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from: (a) the initial recognition of goodwill; or (b) the initial recognition of an asset or liability in a transaction which: (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised, unless the deferred tax asset relating to temporary differences arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination; and
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to corporation taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(d) Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable accounting standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

Note 1: Summary of Significant Accounting Policies (continued)

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(e) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(h) for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired term of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. Gains shall not be classified as revenue. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(f) Exploration and Evaluation Expenditure

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 where, at balance sheet 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.

Note 1: Summary of Significant Accounting Policies (continued)

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 classified from exploration and evaluation assets to oil and gas assets on the Consolidated Statement of Financial Position.

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

(g) Financial Instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and Subsequent Measurement

Financial liabilities

Financial instruments are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The *effective interest method* is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- it is incurred for the purpose of repurchasing or repaying in the near term; or
- part of a portfolio where there is an actual pattern of short-term profit taking.

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship are recognised in profit or loss.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, the change in credit risk is transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Note 1: Summary of Significant Accounting Policies (continued)

Financial assets

Financial assets are subsequently measured at:

— amortised cost;
— fair value through other comprehensive income; or
— fair value through profit or loss.

Measurement is on the basis of two primary criteria:

— the contractual cash flow characteristics of the financial asset; and
— the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

— the financial asset is managed solely to collect contractual cash flows; and
— the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

— the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
— the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Company initially designates a financial instrument as measured at fair value through profit or loss if:

— it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
— it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

— the right to receive cash flows from the asset has expired or been transferred;
— all risk and rewards of ownership of the asset have been substantially transferred; and
— the Company no longer controls the asset (i.e. the Company has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Note 1: Summary of Significant Accounting Policies (continued)

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Group recognises a loss allowance for expected credit losses on:

— financial assets that are measured at amortised cost or fair value through other comprehensive income;

Loss allowance is not recognised for:

— financial assets measured at fair value through profit or loss.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Group uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

— the general approach

General approach

Under the general approach, at each reporting period, the Group assesses whether the financial instruments are credit-impaired, and if:

— the credit risk of the financial instrument has increased significantly since initial recognition, the Group measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
— there is no significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

(h) Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(i) Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Company's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

Note 1: Summary of Significant Accounting Policies (continued)

Gains and losses resulting from sales to a joint operation are recognised to the extent of the other parties' interests. When the Company makes purchases from a joint operation, it does not recognise its share of the gains and losses from the joint arrangement until it resells those goods/assets to a third party.

(j) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of the Company is the currency of the primary economic environment in which that entity operates. The financial statements are presented in United States dollars, which is the Company's functional currency.

Transaction and balances

Foreign currency transactions are translated into the 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 profit or loss, except exchange differences that arise from net investment hedges.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

The Company

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

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at exchange rates on the date of transaction; and
- all resulting exchange differences are recognised in other comprehensive income.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position and allocated to non-controlling interest where relevant. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

(k) Employee Benefits

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Note 1: Summary of Significant Accounting Policies (continued)

(l) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(m) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less.

(n) Revenue and Other Income

Revenue recognition

Interest income is recognised using the effective interest method.

(o) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

(p) Goods and Services Tax (GST)/ Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of GST/VAT, except where the amount of GST/VAT incurred is not recoverable from the relevant taxation authority.

Receivables and payables are stated inclusive of the amount of GST/VAT receivable or payable. The net amount of GST/VAT recoverable from, or payable to, the relevant taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST/VAT components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the relevant taxation authority are presented as operating cash flows included in receipts from customers or payments to suppliers.

(q) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(r) Critical Accounting Estimates and Judgements

The preparation of the consolidated financial statements in conformity with IFRS 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 11 - Exploration and Evaluation Assets
- Note 3 - Tax Expense

(s) New and Amended Accounting Policies Not Yet Adopted by the Group

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024 along with the adoption of AASB 2022-6. The amendment is not expected to have a material impact on the financial statements once adopted.

Note 1: Summary of Significant Accounting Policies (continued)

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

The amendment amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. These amendments arise from the issuance by the IASB of the following International Financial Reporting Standards: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) and Definition of Accounting Estimates (Amendments to IAS 8).

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

AASB 2021-5: Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendment amends the initial recognition exemption in AASB 112: Income Taxes such that it is not applicable to leases and decommissioning obligations – transactions for which companies recognise both an asset and liability and that give rise to equal taxable and deductible temporary differences.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

AASB 2022-7 makes editorial corrections to the following standards: AASB 7, AASB 116, AASB 124, AASB 128, AASB 134 and AASB as well as to AASB Practice Statement 2. It also formally repeals superseded and redundant Australian Account Standards as set out in Schedules 1 and 2 to the Standard.

The Group plans on adopting the amendments for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

Note 2 Parent Information

The following information has been extracted from the books and records of the financial information of the parent entity set out below and has been prepared in accordance with Australian Accounting Standards.	**2023 US$**	**2022 US$**
Statement of Financial Position		
Assets		
Current assets	577,690	1,361,954
Non-current assets	870,218	776,640
Total assets	**1,447,908**	**2,138,594**
Liabilities		
Current Liabilities	342,643	322,900
Non-current liabilities	-	-
Total liabilities	**342,643**	**322,900**
Net assets	**1,105,265**	**1,815,694**
Equity		
Issued capital	44,343,531	43,474,971
Accumulated losses	(43,522,084)	(42,337,909)
Option reserve	283,818	678,632
Total equity	**1,105,265**	**1,815,694**
Statement of Profit or Loss and Other Comprehensive Income		
Loss for the year	(1,184,175)	(1,509,193)
Total comprehensive income/(loss)	**(1,184,175)**	**(1,509,193)**

As at 30 June 2023, the parent entity has no capital commitments (2022: Nil).

Note 3 Tax Expense

		Consolidated Group	
		2023	**2022**
		US$	**US$**
(a)	The prima facie tax on profit from ordinary activities before corporation tax is reconciled to corporation tax as follows:		
	Prima facie tax payable on profit from ordinary activities before corporation tax at 20% (2022: 19%)		
	— Consolidated Group	(257,220)	(312,948)
	Increase (decrease) in corporation tax expenses due to:		
	Expenditure not allowable for corporation tax purposes	4,226	2,826
	Deferred tax assets not recognised	252,994	310,122
	Corporation tax attributable to entity	**-**	**-**

(b) Current tax payable

The Group has no current tax payable (2022: 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.

Multilateral Instruments (MLI) came into force in January 2019 which impact the tie breaker rule previously used for dual resident entities. The MLI changes currently cover six of Australia's double tax treaties which includes the UK. The dual residents entitlement to any treaty benefits will be denied where the two competent authorities, the Australia Taxation Office and HM Revenue and Customs do not reach an agreement on a single jurisdiction of tax residency. On 13 October 2020, the Company received a decision from the Australian Taxation Office determining the Company is deemed to be a resident only in the UK.

(c) Deferred corporation tax

	2023	2022
	US$	**US$**
Deferred tax assets		
Tax losses available to offset future taxable profits	4,305,796	4,020,369
Tax benefit not brought to account	(4,305,796)	(4,020,369)
	-	-

The amount of UK tax losses carried forward is US$15.81million as at 30 June 2023 (2022: US$14.72million). A corresponding deferred tax asset, calculated using the rate of 25% (which has been enacted in the Finance Act 2021 effective from 1 April 2023), of US$3.95million (2022: US$3.68million) has not been recognised due to insufficient certainty regarding the availability of future profits against which the losses can be utilised.

In addition the Group has a pool of pre-trading revenue expenditure of US$0.2million (2022: US$0.2million) and a pool of pre-trading capital expenditure of c. US$9.2million (2022: US$8.6million) arising in the overseas subsidiaries for which no deferred tax asset has been recognised due to insufficient certainty regarding the availability of future profits against which the costs can be utilised.

Note 4 Key Management Personnel Compensation

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2023.

The totals of remuneration paid to KMP of the Company and the Group during the year are as follows:

	2023 US$	2022 US$
Short-term employee benefits	474,669	478,011
Share based payments	21,216	-
Post-employment benefits	22,803	24,135
Total KMP compensation	**518,688**	**502,146**

Short-term employee benefits

– these amounts include fees and benefits paid to the Non-Executive Chairman and Non-Executive Directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to Executive Directors and other KMP.

Post-employment benefits

– these amounts are the current year's estimated costs of providing for the Group's defined benefits scheme post-retirement, superannuation contributions made during the year and post-employment life insurance benefits.

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 DW Accounting and Advisory Pty Ltd, a company controlled by Mr A Draffin, US$50,856 (2022: US$52,901) for company secretarial services and accountancy fees.

Note 5 Auditor's Remuneration

	Consolidated Group	
	2023 US$	2022 US$
Remuneration of the auditor for:		
— auditing or reviewing the Group's financial statements	23,655	23,288
	23,655	**23,288**

Note 6 Earnings per Share

	Consolidated Group	
	2023 US$	2022 US$
(a) Reconciliation of earnings to profit or loss		
Loss used in calculating basic and diluted earnings per share	(1,283,634)	(1,647,094)
Weighted average number of ordinary shares used in calculating basic earnings per share	1,040,113,244	787,915,442
Effect of dilutive securities	-	-
Adjusted weighted average number of ordinary shares and potential ordinary shares used in calculating basic and diluted earnings per	**1,040,113,244**	**787,915,442**
Basic and diluted (loss) per share	(0.12)	(0.21)

The above data reflects the income and share data used in the calculations of basic and diluted earnings per share.

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.

Note 7 Cash and Cash Equivalents

	Consolidated Group	
	2023 US$	2022 US$
Cash at bank and on hand	356,389	1,139,775
Short-term bank deposits	-	-
	356,389	1,139,775

Reconciliation of cash

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2023 US$	2022 US$
Cash and cash equivalents	356,389	1,139,775
Bank overdrafts	-	-
	356,389	1,139,775

Note 8 Trade and Other Receivables

	Consolidated Group	
	2023 US$	2022 US$
Current		
Other receivables		
— GST & VAT receivable	35,301	37,020
Total current trade and other receivables	**35,301**	**37,020**

Credit risk

The Group has no significant concentration of credit risk with respect to any single counter party or group of counter parties other than those receivables specifically provided for and mentioned within Note 8. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Group.

On a geographic basis, the Group has credit risk exposures in United Kingdom and Australia given the substantial operations in those regions. The Group's exposure to credit risk for receivables at the end of the reporting period in those regions is as follows:

	Consolidated Group	
	2023 US$	2022 US$
Australia	4,672	5,271
United Kingdom	30,629	31,749
	35,301	37,020

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

	Consolidated Group	
	2023	2022
(a) **Financial Assets Measured at Amortised Cost**	US$	US$
Trade and other receivables		
— Total current	35,301	37,020
— Total non-current	-	-
Total financial assets measured at amortised cost	**35,301**	**37,020**

Note 9 Interests in Subsidiaries

(a) **Information about Principal Subsidiaries**

The subsidiaries listed below have share capital consisting solely of ordinary shares or ordinary units which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by Group. Each subsidiary's principal place of business is also its country of incorporation.

Name of subsidiary	Principal place of business	Ownership interest held by the Group 2023 (%)	Ownership interest held by the Group 2022 (%)
Global Petroleum Exploration Limited	United Kingdom	100%	100%
Global Petroleum Namibia Limited	British Virgin Islands	100%	100%

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

(b) **Significant Restrictions**

There are no significant restrictions over the Group's ability to access or use assets, and settle liabilities, of the Group.

Note 10 Property, Plant and Equipment

	Consolidated Group 2023 US$	Consolidated Group 2022 US$
Plant and equipment:		
Furniture and fittings		
At cost	33,535	33,535
Accumulated depreciation	(23,816)	(20,377)
Total plant and equipment	**9,719**	**13,158**

(a) **Movements in Carrying Amounts**

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Furniture and Fittings US$	Total US$
Consolidated Group:		
Balance at 1 July 2021	16,597	16,597
Depreciation expense	(3,439)	(3,439)
Balance at 30 June 2022	**13,158**	**13,158**
Depreciation expense	(3,439)	(3,439)
Balance at 30 June 2023	**9,719**	**9,719**

Note 11 Exploration and Evaluation Assets

	Consolidated Group	
	2023 **US$**	**2022** **US$**
Balance at beginning of year	1,291,599	972,467
Expenditure capitalised during the year	432,440	319,132
Expenditure written off during the year	-	-
Balance at end of year	**1,724,039**	**1,291,599**

At 30 June 2023, the balance of the Group's exploration and evaluation assets relates solely to its Namibian licence PEL0094.

During the year, the Group did not incur any exploration and evaluation expenditure that did not meet the criteria for recognition as exploration assets under the Group's accounting policy. (2022: Nil).

In addition, an amount of US$27,667 (2022: US$21,767) was spent on business development, which relates to the Group's activities in assessing opportunities in the oil and gas sector.

Namibia

In September 2018, Global Petroleum Namibia was awarded licence PEL0094 and a Petroleum Agreement was signed on 11 September 2018. The Initial Exploration Period ran for four years, and is divided into two sub periods of two years each; IEP1, and IEP2. IEP1 runs from September 2018 to September 2020. During IEP1, Global has undertaken to purchase and reprocess the existing available 3D seismic data and other 2D data, as well as some additional G & G studies. In July 2020, agreement was reached with the Ministry of Mines and Energy ("MME") for the extension of the sub-period ending in September 2020 for one year to September 2021, with a modified work commitment. The Company met all IEP1 commitments at the date of this report. In August 2021, the Company announced that the Namibian authorities had acknowledged the exercise by the Company of its option to enter into the next sub-period of PEL0094 from September 2021 to September 2022. In April 2022 the Company announced that the Namibian authorities had granted a one year extension to the Initial Exploration Period ("IEP"), from September 2022 to September 2023.

In August 2023 the MME gave approval for the Company and its partners to proceed to the First Renewal Period ("FRP") of Walvis Basin licence PEL0094, with a duration of two years from September 2023 to September 2025. The work commitment for the FRP is to acquire, process and interpret 2,000 kms of 3D seismic data (the "3D Seismic") - carried over from the IEP and to drill a well contingent upon the results of interpretation of the 3D Seismic. The original well commitment for the FRP - as specified in the Petroleum Agreement for PEL0094 - was firm, rather than contingent.

No adjustments relating to the classification of the Exploration and Evaluation Assets, or the recoverability carrying value has been made that might result should the Group be unable to continue as a going concern. Refer Note 1(a) - Going Concern for further details around going concern.

Exploration commitments on the Company's exploration tenements are detailed above and in Note 16.

Note 12 Other Assets

	Consolidated Group	
	2023 **US$**	**2022** **US$**
Current		
Prepayments	60,033	55,109
Bank guarantee in respect of PEL0094	130,050	130,050
	190,083	**185,159**

Note 13 Trade and Other Payables

	Consolidated Group	
	2023 **US$**	**2022** **US$**
Current		
Unsecured liabilities		
Trade payables	10,881	16,935
Sundry payables and accrued expenses	79,013	95,113
	89,894	**112,048**
Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables		
— Total current	89,894	112,048
— Total non-current	-	-
Financial liabilities as trade and other payables	**89,894**	**112,048**

Note 14 Provisions

	Consolidated Group	
	2023	**2022**
Current	**US$**	**US$**
Employee Benefits		
Opening balance at 1 July	220,730	163,458
Movement in provisions	39,021	57,272
Balance at 30 June	259,751	220,730

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

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.

Note 15 Issued Capital

	Consolidated Group	
	2023	**2022**
	US$	**US$**
1,040,113,244 (2022: 811,541,816) fully paid ordinary shares	44,343,531	43,474,971
	44,343,531	**43,474,971**

At 30 June 2023, the Group has authorised share capital amounting to 1,040,113,244 fully paid ordinary shares. The shares have no par value.

	2023		2022	
(a) **Ordinary Shares**	**No.**	**US$**	**No.**	**US$**
At the beginning of the reporting period	811,541,816	43,474,971	611,541,816	42,189,991
Shares issued during the year	228,571,428	924,000	200,000,000	1,367,000
Less: Transaction costs	-	(55,440)	-	(82,020)
At the end of the reporting period	**1,040,113,244**	**44,343,531**	**811,541,816**	**43,474,971**

	2023		2022	
(b) **Options**	**Number of options**	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
At the beginning of the reporting period	27,100,000	0.0214	27,100,000	0.0214
Options issued during the year	10,000,000	0.0050	-	-
Options expired during the year	(8,100,000)	0.0380	-	-
At the end of the reporting period	**29,000,000**	**0.0111**	**27,100,000**	**0.0214**

	2023		2022	
(c) **Warrants**	**Number of warrants**	**Weighted average exercise price**	**Number of warrants**	**Weighted average exercise price**
At the beginning of the reporting period	397,777,778	0.0110	297,777,778	0.0120
Warrants issued during the year	114,285,714	0.0084	100,000,000	0.0100
At the end of the reporting period	**512,063,492**	**0.0104**	**397,777,778**	**0.0110**

(d) **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. The Company conducted one equity fund-raisings during the reporting period and one after the year-end. (See Note 1(a) - Going Concern and Note 20 - Events After the Reporting Period)

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

The Group is not subject to any externally imposed capital requirements.

Note 15: Issued Capital (continued)

(e) **Dividends**

No dividends have been paid or declared during the reporting year (2022: Nil).

(f) **Capital Raise**

On 31 August 2023, the Company raised GBP 250,000 before costs, issuing 250,000,000 fully paid ordinary shares and bringing the total ordinary shares in issue to 1,290,113,244 as at the date of this report.

Note 16 Commitments

(a) **Exploration expenditure commitments**

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.

(b) **Namibia Licence PEL0094**

In August 2023 the MME gave approval for the Company and its partners to proceed to the First Renewal Period ("FRP") of Walvis Basin licence PEL0094, with a duration of two years from September 2023 to September 2025. The work commitment for the FRP is to acquire, process and interpret 2,000 kms of 3D seismic data (the "3D Seismic") - carried over from the current Initial Exploration Period and to drill a well contingent upon the results of interpretation of the 3D Seismic. The original well commitment for the FRP - as specified in the Petroleum Agreement for PEL0094 - was firm, rather than contingent.

Global Petroleum Namibia Limited has an 78 per cent interest in the PEL0094, however it is responsible for 100 per cent of the expenditure requirements with its joint venture partners holding a total of 22 per cent free carried interest.

Note 17 Operating Segments

General Information

Identification of reportable segments

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

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

Basis of accounting for purposes of reporting by operating segments

(a) **Accounting policies adopted**

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief operating decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

(b) **Intersegment transactions**

An internally determined transfer price is set for all intersegment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm’s length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated to reporting segments based on the segment's overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Intersegment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If intersegment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

(c) **Segment assets**

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of the economic value from the asset. In most instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(d) **Segment liabilities**

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Note 17: Operating Segments (continued)

(e) **Unallocated items**

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

• Derivatives
• Net gains on disposal of available-for-sale investments
• Impairment of assets and other non-recurring items of revenue or expense
• Income tax expense
• Deferred tax assets and liabilities
• Current tax liabilities
• Other financial liabilities
• Intangible assets
• Discontinued operations
• Retirement benefit obligations

(f) **Segment information**

(i) **Segment performance**

	Africa		Consolidated	
	2023	**2022**	**2023**	**2022**
	US$	**US$**	**US$**	**US$**
Interest income	-	-	8,276	519
Net foreign exchange gain/(loss)	-	-	24,557	(178,445)
Corporate and administration costs	-	-	(1,316,467)	(1,469,168)
Exploration written off	-	-	-	-
Loss before income tax	**-**	**-**	**(1,283,634)**	**(1,647,094)**
Corporation tax (expense)/benefit for continuing operations	-	-	-	-
Loss for the year	**-**	**-**	**(1,283,634)**	**(1,647,094)**

(ii) **Segment assets and liabilities**

	Africa		Consolidated	
	2023	**2022**	**2023**	**2022**
	US$	**US$**	**US$**	**US$**
Segment assets				
Assets	1,724,039	1,291,599	1,724,039	1,291,599
Total segment assets	1,724,039	1,291,599	1,724,039	1,291,599
Unallocated assets	-	-	591,492	1,375,112
Consolidated assets	**1,724,039**	**1,291,599**	**2,315,531**	**2,666,711**
Segment liabilities				
Liabilities	7,000	9,877	7,000	9,877
Total segment liabilities	7,000	9,877	7,000	9,877
Unallocated liabilities	-	-	342,645	322,901
Consolidated liabilities	**7,000**	**9,877**	**349,645**	**332,778**
Acquisition of non-current assets, including capitalised exploration assets	432,440	319,132	432,440	319,132

Note 18 Cash Flow Information

	Consolidated Group 2023 US$	Consolidated Group 2022 US$
(a) Reconciliation of cash flows from operating activities with loss after corporation tax		
Loss after corporation tax	(1,283,634)	(1,647,094)
Adjustments for non-cash items:		
Depreciation	3,439	3,439
Share based payments	47,027	-
Unrealised net foreign exchange (gain)/loss	56,054	193,397
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
Increase in receivables and prepayments	3,205	27,877
Decrease/(Increase) in payables	22,154	(28,049)
(Increase) in provisions	(39,021)	(57,272)
Net cash (used in) operating activities	**(1,190,776)**	**(1,507,702)**

Note 19 Share-based Payments

The aggregate share-based payments for the year ended 30 June 2023 are set out below:

	30 June 2023 Number	30 June 2023 Weighted average US$	30 June 2022 Number	30 June 2022 Weighted average US$
Options outstanding as at 1 July	27,100,000	0.0214	27,100,000	0.0214
Granted	10,000,000	0.0050	-	-
Expired	(8,100,000)	-	-	-
Options outstanding as at 30 June	29,000,000	0.0214	27,100,000	0.0214

The following share-based payment arrangements were in existence during the current reporting period:

	Number	Grant Date	Expiry Date	Exercise Price	Fair value at grant date	Vesting Period
(i) Options granted	19,000,000	7 January 2021	21 January 2026	US$0.0143	523,053	N/A
(ii) Options granted	10,000,000	6 December 2022	6 December 2027	US$0.005	47,027	N/A

Options were valued using the Black-Scholes model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate of the effects of non-transferability of exercise restrictions. Expected volatility is based on the historical share price volatility of the Company's ordinary shares over the reporting period.

	Number	Share price at grant date US$	Exercise Price US$	Expected volatility	Option life	Risk-free interest rate
Options granted	19,000,000	0.013	0.0143	160%	5 years	1.49%
Options granted	10,000,000	0.004	0.0050	133%	5 years	1.49%

Note 20 Events After the Reporting Period

Other than the following, the Directors are not aware of any significant events since the end of the reporting period.

In August 2023 the Namibian Ministry of Mines and Energy gave approval for the Company and its partners to proceed to the First Renewal Period ("FRP") of Walvis Basin licence PEL0094, with a duration of two years from September 2023 to September 2025.

On 31 August 2023 the Company announced that it had raised GBP250,000 in aggregate before costs through the Placing of 250,000,000 Ordinary Shares at a Placing Price of 0.1 pence per share. As a further component of the Placing, 250,000,000 Warrants were also issued at an exercise price of 0.1 pence per share for a period of 3 years (1 Warrant for every 1 new Ordinary Share issued under the Placing).

Note 21 Related Party Transactions

Related Parties

(a) Ultimate parent

Global Petroleum Limited is the ultimate Parent Entity of the Group.

(b) Key Management Personnel:

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

Directors

Mr John van der Welle	Non-Executive Chairman
Mr Peter Hill	Managing Director and Chief Executive Officer
Mr Andrew Draffin	Non-Executive Director and Company Secretary
Mr Garrick Higgins	Non-Executive Director

Note 22 Financial Risk Management

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.

Note 22: Financial Risk Management (continued)

The totals for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated Group 2023 US$	2022 US$
Financial Assets			
Financial assets at amortised cost			
— cash and cash equivalents	7	356,389	1,139,775
— trade and other receivables	8	35,301	37,020
— bank guarantee	12	130,050	130,050
Total Financial Assets		**521,740**	**1,306,845**
Financial Liabilities			
Financial liabilities at amortised cost			
— trade and other payables	13	89,894	112,048
Total Financial Liabilities		**89,894**	**112,048**

Financial Risk Management Policies

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and other price risk (commodity and equity price risk). There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

a. 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.

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 2023, none (2022: 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.

b. 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 have sufficient liquidity to meet its liabilities when due. As at 30 June 2023, the Group has sufficient liquid assets to meet its trade and other payables amounting to US$89,895 (2022: US$112,048) at that date.

The table below reflects an undiscounted contractual maturity analysis for financial assets and financial liabilities. Financial guarantee liabilities are treated as payable on demand since the Group has no control over the timing of any potential settlement of the liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 years		Over 5 years		Total	
Consolidated Group	**2023 US$**	**2022 US$**	**2023 US$**	**2022 US$**	**2023 US$**	**2022 US$**	**2023 US$**	**2022 US$**
Financial liabilities due for payment								
Trade and other payables	89,894	112,048	-	-	-	-	89,894	112,048
Total expected outflows	**89,894**	**112,048**	**-**	**-**	**-**	**-**	**89,894**	**112,048**

Note 22: Financial Risk Management (continued)

	Within 1 Year		1 to 5 years		Over 5 years		Total	
Consolidated Group	**2023 US$**	**2022 US$**	**2023 US$**	**2022 US$**	**2023 US$**	**2022 US$**	**2023 US$**	**2022 US$**
Financial Assets - cash flows realisable								
Cash and cash equivalents	356,389	1,139,775	-	-	-	-	356,389	1,139,775
Trade, term and loan receivables	35,301	37,020	-	-	-	-	35,301	37,020
Bank Guarantee	130,050	130,050	-	-	-	-	130,050	130,050
Total anticipated inflows	**521,740**	**1,306,845**	**-**	**-**	**-**	**-**	**521,740**	**1,306,845**
Net (outflow) / inflow on financial instruments	**431,846**	**1,194,797**	**-**	**-**	**-**	**-**	**431,846**	**1,194,797**

c. Market Risk

i. *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.

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 deporting 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.

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

	Profit or Loss	
	50bp Increase	**50bp Decrease**
2023	**US$**	**US$**
Cash and cash equivalents	1,782	1,782
2022		
Cash and cash equivalents	6,349	6,349

ii. *Foreign currency risk*

The Company and its subsidiaries in the Group have a functional currency of the US Dollar. 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.

With instruments being held by overseas operations, fluctuations in the US Dollar and UK Pound Sterling may impact on the Group's financial results unless those exposures are appropriately hedged.

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

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.

Year ended 30 June 2023	**Profit US$**	**Equity US$**
+/- 10% in AU$/US$ and GBP/US$	34,302	34,302
Year ended 30 June 2022	**Profit US$**	**Equity US$**
+/- 10% in AU$/US$ and GBP/US$	102,021	102,021

There have been no changes in any of the methods or assumptions used to prepare the above sensitivity analysis from the prior year.

Note 22: Financial Risk Management (continued)

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Group.

	Note	2023		2022	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Consolidated Group		US$	US$	US$	US$
Financial assets					
Financial assets at amortised cost:					
Cash and cash equivalents	7	356,389	356,389	1,139,775	1,139,775
Trade and other receivables:	8	35,301	35,301	37,020	37,020
Bank Guarantee	12	130,050	130,050	130,050	130,050
Total financial assets		**521,740**	**521,740**	**1,306,845**	**1,306,845**
Financial liabilities at amortised cost					
Trade and other payables	13	89,894	89,894	112,048	112,048
Total financial liabilities		**89,894**	**89,894**	**112,048**	**112,048**

(i) Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments in nature whose carrying amounts are equivalent to their fair values.

(ii) Term receivables reprice to market interest rates every three months, ensuring carrying amounts approximate fair value.

Note 23 Reserves

a. **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 Dollar functional currency.

b. **Option reserve**

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

i. **Analysis of items of other comprehensive income by each class of reserve**

	Consolidated Group	
	2023	2022
	US$	US$
Foreign currency translation reserve		
Opening balance as at 1 July	570,410	570,410
Movement in foreign currency translation reserve	-	-
Closing balance as at 30 June	**570,410**	**570,410**
Option reserve		
Opening balance as at 1 July	678,632	678,632
Movement in options reserve	(394,815)	-
Closing balance as at 30 June	**283,817**	**678,632**
Total reserves	**854,227**	**1,249,042**

Note 24 Interests in Joint Operations

The Group holds interest in various joint ventures, whose principal activities are in petroleum exploration and production. Refer to Note 11 - Exploration and Evaluation Assets.

Costs incurred attributable to joint operations have been capitalised based on accounting policies in Note 1(f) - Exploration and Evaluation Expenditure.

Included in the assets and liabilities of the Group are the following assets and liabilities relating to interests in joint ventures:

	2023 US$	2022 US$
Current assets		
Trade and other receivables	4,083	-
Total current assets	**4,083**	**-**
Non-current assets		
Exploration and evaluation assets	1,724,039	1,291,599
Total non-current assets	**1,724,039**	**1,291,599**
Total assets	**1,728,122**	**1,291,599**
Current liabilities		
Trade and other payables	7,000	9,877
Total current liabilities	**7,000**	**9,877**
Total liabilities	**7,000**	**9,877**
Net assets	**1,721,122**	**1,281,722**

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.

In accordance with normal industry practice, the Group has entered into joint ventures with other parties for the purpose of exploring 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 venture participants.

Note 25 Company Details

The registered office of the company is:

C/- DW Accounting & Advisory Pty Ltd
Level 4, 91 William Street
Melbourne Vic 3000
Australia

UK Office:

134 Buckingham Palace Road
London SW1W 0SR
United Kingdom

In accordance with a resolution of the Directors of Global Petroleum Limited, the Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 12 to 39, are in accordance with the Corporations Act 2001 and:
   (a) comply with Australian Accounting Standards applicable to the entity, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
   (b) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the consolidated group;
2. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
3. the Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Company Secretary.

Director

Andrew Draffin

Dated this 27 October 2023

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS 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") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 (a) in the financial report which indicates that the Consolidated Entity incurred a net loss of USD $1,283,634 during the year ended 30 June 2023. As stated in Note 1 (a), these events or conditions, along with other matters as set forth in Note 1 (a), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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.

Key Audit Matter	How our audit addressed the Key Audit Matter
Recoverability of Exploration Assets As disclosed in Note 11 to the financial statements, as at 30 June 2023, the Consolidated Entities capitalised exploration costs were carried at USD $1,724,039. The recoverability of the capitalised exploration costs was considered a key audit matter due to: • The carrying value of capitalised exploration costs represents a significant asset of the Group, we considered it necessary to assess whether facts and circumstances existed to suggest the carrying amount of this asset may exceed the recoverable amount; and • Determining whether impairment indicators exist involves significant judgement by management.	Our procedures included, amongst others: • Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the consolidated entities holds an interest and the exploration programs planned for those tenements. • For each area of interest, we assessed the Consolidated Entities rights to tenure by corroborating to government registries; • We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entities accounting policy and the requirements of AASB 6; • We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest.

Key Audit Matter	How our audit addressed the Key Audit Matter
	• We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: ○ the licenses for the right to explore expiring in the near future or are not expected to be renewed; ○ substantive expenditure for further exploration in the specific area is neither budgeted or planned; ○ decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and ○ data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale. • We assessed the appropriateness of the related disclosures in Note 11 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

HALL CHADWICK

Auditor's Opinion

In our opinion, the Remuneration Report of Global Petroleum Limited, for the year ended 30 June 2023, complies with section 300A of the Corporations Act 2001.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated in Perth, Western Australia this 27th day of October 2023