

2 August 2019

ASX Release

Company Update and Capital Raising

- **Company to focus on the acquisition and development of advanced oil and gas projects, given ASX's determination that oil and gas remains the Company's main undertaking**
- **Company has already begun reviewing potential opportunities in the oil and gas sector and is currently in discussions regarding strategic interests in prospective oil blocks**
- **Capital raising entered into with Swiss and UK based group to provide additional funding for the Company's due diligence and working capital**
- **Financial settlement of the proposed A\$1.5m cash and share based sale of the 100% owned Exploration Permit 127, Southern Georgina Oil and Gas Project in the Northern Territory remains on track and scheduled to occur in October 2019**
- **Proposed name change to "Global Oil & Gas Limited"**

Global Vanadium Limited ("Global" or The Company") is pleased to provide shareholders with an update regarding its corporate strategy and current activities.

As previously announced on the 29th April 2019, ASX had determined that the Southern Georgina Oil and Gas Project was the Company's main undertaking and, as such, the Company had to temporarily suspend its negotiations with parties on the previously announced acquisition of an African based vanadium projects (given that the proposed acquisitions would likely trigger full re-compliance with Chapters 1 and 2 of the ASX listing rules in its current form).

Since that time, the Company has continued to consult with the ASX with numerous submissions on the matter. However after providing final submissions, the ASX National Committee determined that the Company's main undertaking is currently in the oil and gas sector and the proposed transaction in the Vanadium sector is outside the Company's main undertaking. In light of that determination and after reviewing a number of potential opportunities and strategic partners within the oil and gas sector, the Board has now unanimously agreed that the best course of action would be for the Company to avoid the risk, costs and time constraints of a potential full re-compliance (which would result from pursuing a hard rock asset acquisition) and focus its activities on acquiring advanced and highly attractive oil and gas projects that demonstrate strong technical fundamentals and benefit from strong joint venture partnerships.

Oil and Gas Acquisitions and Ongoing Review and Negotiations

The Company is pleased to inform shareholders that it has already begun reviewing a number of highly attractive oil and gas opportunities and believes the projects and joint venture partners under consideration may have the potential to provide significant upside for shareholders.

Although discussions are incomplete, the Company is currently in negotiations on a potential transaction involving a strategic interest in highly prospective oil block concessions. The Company will continue with its negotiations and will update shareholders if and when negotiations become binding and formal.

Divestment of 100% Interest in Exploration Permit 127 - Southern Georgina Project

As approved by Shareholders on 12 June 2019, the Company has entered into a Sale and Purchase agreement with Westmarket Oil & Gas Pty Ltd (“Buyer”) for the sale of its 100% in Exploration Permit 127, The Southern Georgina Project. The total consideration payable on successful completion of the transaction is AUD\$1,500,000, being AUD\$500,000 in cash (less the deposit paid of \$35,000) and the issue to the Company of the equivalent of AUD\$1,000,000 of shares, at a deemed issue price equivalent to the IPO price on the London Stock Exchange. In addition, the Company will be entitled to a production royalty amount of 1% for a period of five years. The Buyer has recently informed the Company that the proposed listing is progressing well and settlement is estimated for October 2019. The Company will continue to keep shareholders updated in respect of this matter.

Capital Raising with Swiss and UK Based Group

To ensure the Company is adequately funded and well placed to proceed with a potential near-term acquisition, the Company has entered into a capital raising mandate with Zark Capital Ltd (“Zark”), a corporate advisory firm based in Switzerland and the United Kingdom, to undertake a placement of fully paid ordinary shares to exempt offerees under section 708 of the Corporations Act (2001) to raise \$250,000 by the issue of 125 million shares at an issue price of \$0.002 per share (“Placement”).

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

Zark will manage the Placement and will be entitled to a 2% management fee (on total monies raised under the Placement) and a 4% capital raising fee on shares placed by Zark. The Placement funds are expected to be received by the end of next week (9 August 2019).

Shares issued under the Placement are to be issued under the Company’s current 15% placement capacity (under ASX listing Rule 7.1) without prior shareholder approval. The Placement is not underwritten.



Proposed Name Change

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

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

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