

## Global offered rights to massive 4,858km<sup>2</sup> highly prospective oil and gas block in Peru

### Highlights

- Global has been offered the rights to a 4,858km<sup>2</sup> oil and gas block in proven hydrocarbon bearing basins offshore Peru, bordering the prolific (+1.6 Billion Barrels produced) Talara basin (TEA LXXXVI previously Z-70)
- The Company and Jaguar Exploration, Inc (US based partner) will now move to finalise formal agreements with Perupetro (the Peruvian national oil regulator) for its 100% interest in the block (80% Global and 20% Jaguar)
- Previous production of 4,000 bopd at the excised Corvina field incorporated within the block
- Located immediately south of the block is the Alto-Pena Negra oil field, one of Peru's most productive fields, currently producing around 3,000 bopd with total historical production of more than 143 million barrels of oil
- Historical corporate transactions in the region of up to US\$900 million Dollars
- Data from 7 historical 2D seismic campaigns and more than 3,800km<sup>2</sup> of historical 3D seismic has been secured
- No significant expenditure commitments for the TEA
- Global aim to generate Prospective Resources to facilitate potential third-party investment and/or farmin

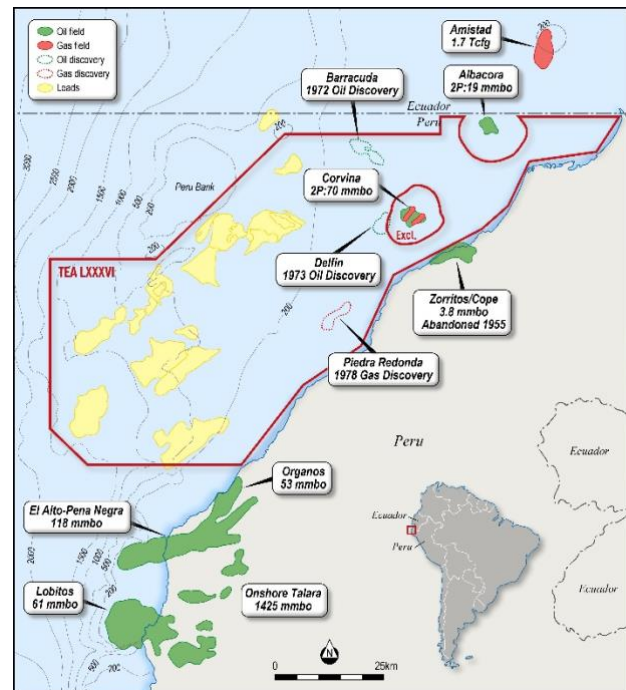


Fig 1. TEA LXXXVI location

Managing Director Patric Glovac commented:

*“Being offered this globally significant 4,858km<sup>2</sup> (over 1.1 million acres) offshore oil and gas opportunity in Peru has the potential to be transformational for the Company.*

*The nearby oil discoveries and petroleum refinery close to the offshore block make this an enviable address for global oil and gas players. Seven 2D seismic surveys and more than 3,800km<sup>2</sup> of 3D seismic has been received and is now being processed to identify leads, prospects and Certified Prospective Resources.*

For personal use only

The Company is in the process of creating a comprehensive data room to facilitate the process of marketing this opportunity to prospective project investors and/or joint venture partners.

This world-class asset is an incredible opportunity for the Company to comprehensively collate all existing information, generate certified Prospective Resources and generate compelling drill targets

We look forward to finalising the formal agreements over the coming weeks with both Jaguar & Perupetro”.

Global Oil & Gas Limited (ASX: GLV) (**Company**) is pleased to announce that it has been offered a Technical Evaluation Agreement (**TEA**) for a 4,858km<sup>2</sup> oil and gas exploration block offshore Peru. The Company will hold 80% of the TEA with project partner, US based oil and gas exploration company Jaguar Exploration, Inc. (**Jaguar**), holding the remaining 20%.

The Company and Jaguar have been considered as a “Qualified Subjects” by Perupetro (the Peruvian national oil regulator) and can now assume obligations for one hundred percent (100%) participation in a Technical Evaluation Agreement (CET) on area LXXXVI, subject to formal contracts being entered into between the parties and Perupetro which is expected to occur over the coming weeks.

The oil and gas block is located in the gulf of Guayaquil in water depths that range from 100m to 1,500m, straddling the Tumbes-Progreso and Talara basins. Both basins host historical producing oil and gas fields, with the latter incorporating one of Peru’s most productive hydrocarbon plays.

The block is surrounded by, and incorporates, multiple historic and currently producing oil and gas fields. The southeast of the block borders the Alto-Pena Negra oil field which is one of Peru’s most productive fields, currently producing around 3,000 barrels of oil per day (bopd) and with total historical production of more than 143 million barrels of oil.

In the northeast, the block incorporates the excised Corvina oil field which generated past production rates of up to 4,000 barrels of light oil per day (28.45° API).

The southern border of the TEA is also only 70km from the Talara crude oil refinery which received production from the Corvina field.

### Exploration Opportunity

Historical exploration over the TEA has been intermittent with a clear misalignment between seismic and the drilling of the exploration wells. Three early 1970s wildcat wells, drilled before the running of any seismic, encountered oil and gas followed by only one more exploratory well three decades later after the running of seven 2D and four 3D (3,800km<sup>2</sup>) seismic campaigns.



Fig 2. Tumbes-Progreso and Talara Basins

For personal use only

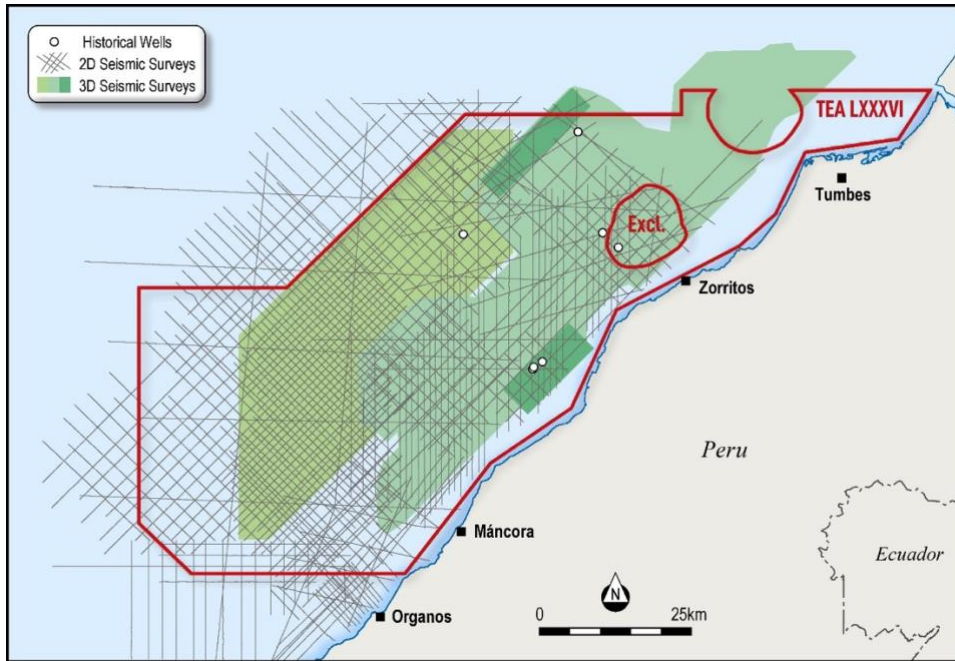


Fig 3. Historical seismic data

The historical discoveries are located in shallow waters offering an opportunity to tap into relatively inexpensive targets, however, the most western part of the TEA also hosts other prospects in deeper waters (400m to 800m).

Global's partner in the block, Jaguar Exploration, has recognised the value of utilising the historical seismic data and has already identified various prospects and leads within the TEA that can potentially be classified as Prospective Resources.

Of particular interest, are the Bonito prospect, delineated by a 82km<sup>2</sup> late fold anticline (~500m of closure), and the Tiburon prospect, a broad buttress and fold ~140km<sup>2</sup> (~150m of closure).

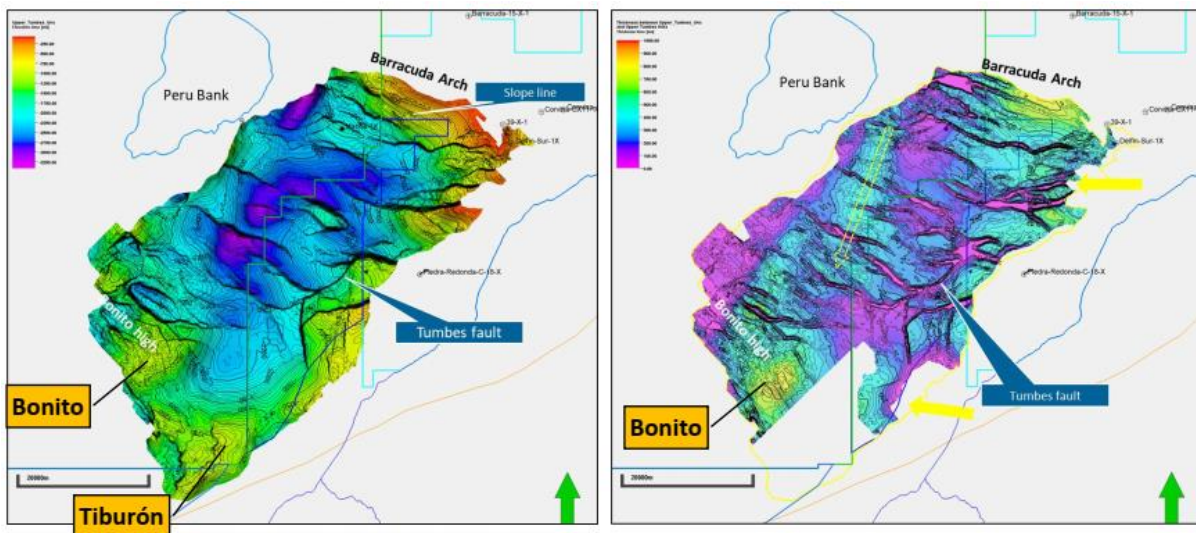


Fig 4. Tiburon and Bonito prospects

For personal use only

## **Geology - Talara and Tumbes-Progreso basins**

The Talara and Tumbes-Progreso Basins include thick sedimentary stratigraphic sequences of sediments of Paleozoic to Tertiary age, superimposed on a larger, Mesozoic and pre-Mesozoic basin that extend offshore and onshore along the Coastal region. Both basins constitute two fore-arc basins, each with very thick sedimentary sections of Tertiary age. Presence of good siliciclastic reservoirs, excellent quality source rocks, trapping mechanism and abnormal high temperature gradient created particular conditions to form productive oil systems.

Sediment source to the east deposited up to 9,700m of sediments of Paleocene, Eocene and early Oligocene ages overlying the Cretaceous in the Talara Basin. Thickness of the late Oligocene to Pliocene age in the Tumbes-Progreso Basin reaches 7,100m. Trap types are mainly structural or a combination of structure and stratigraphy. Primary reservoir seals are interbedded overlying marine shales.

There is a high hydrocarbon potential in the unexplored shallow and deep water for Eocene as well as for the pre-Eocene objectives in the Talara Basin and in various undrilled prospects and leads that target the Oligocene and Miocene objectives in the largely unexplored Tumbes-Progreso Basin. However, the 2005 San Pedro oil discovery in Paleozoic metamorphic rocks in the Bayovar Bay identifies exploration potential for new hydrocarbon plays.

### **Previous Transactions in the TEA Area**

In 2012, Pacific Rubiales Energy agreed to a 49% farm-in to an area that is now partly covered by the TEA, with a total value of US\$335 million dollars (US\$150 million cash).<sup>1</sup>

In addition, 2009 KNOC (South Korean National Oil Corporation) and Ecopetrol (Colombian National Oil Company) acquired the licence immediately to the south of the TEA for US\$900 million dollars.<sup>2</sup>

### **Technical Evaluation Agreement (TEA)**

A Technical Evaluation Agreement (TEA) is an oil and gas contract that provides the holder with the exclusive right to negotiate a Licence Contract with PeruPetro (the Peruvian national oil regulator) over the TEA area, in return for the carrying out of greenfield exploration activities. There are no significant expenditure commitments over the two-year TEA period, however, it is anticipated that the Company will spend approximately \$US250,000 during this period towards completing desktop studies and compiling available data in respect to the Block to identify potential prospects, consulting fees and costs associates with any farm-out process.

In essence the TEA provides Global the opportunity to develop and market the TEA with an inexpensive 2-year exclusive option to convert all or part of the expansive TEA area into one or more Licence Contracts.

Global Oil and Gas is participating in joint venture with Jaguar Exploration Inc on TEA LXXXVI.

---

<sup>1</sup> <https://www.offshore-energy.biz/pacific-rubiales-buys-into-block-z-1-offshore-peru/>

<sup>2</sup> <https://www.hartenergy.com/news/knoc-ecopetrol-acquire-peru-focused-offshore-international-group-us900mm-60788>

## About Jaguar

Jaguar is a leading independent geoscience company and was founded in 2000. Jaguar has been responsible for the compilation of all historic 2D and 3D data across the Tumbes and Talara Basins as well as the compilation of all historic well data (petrophysical logs and well/production data). From this information Jaguar has identified several oil and gas prospects and delineated an area of interest that now defines the TEA area. Given this is the core business of Jaguar GLV has relied heavily on their expertise to work up the prospect.

The consideration being paid is to remunerate Jaguar for the technical work undertaken to date at the project. This technical data is now available to the Company.

Jaguar (and its controller) is not a related party or substantial holder of the Company.

## Transaction Terms

Given the successful grant of the TEA, the Company and Jaguar will proceed to enter into a binding term sheet setting out the terms of the joint venture in respect of the TEA, the material terms of which are set out below:

- (a) The consideration payable by the Company to Jaguar for the TEA being awarded is as follows:
  - (i) US\$40,000 as cost reimbursement for preparing and submitting the TEA application (Paid);
  - (ii) US\$225,000 in cash; and
  - (iii) subject to shareholder approval, 25,371,695 fully paid ordinary shares in the capital of the Company.
- (b) The initial workings interest of the Company and Jaguar will be 80% and 20% respectively. Jaguar's interest will be free-carried from the date of grant of the TEA up until completion of the first exploration well. It is intended that a third-party farm-in partner (**Third Party**) will ultimately be introduced to fund the drilling of any exploration well in the event suitable targets are identified within the Block.
- (c) If the Company and Jaguar exercise their option negotiate a sign a Licence Contract with Perupetro, the Company and Jaguar agree to negotiate in good faith a formal joint operating agreement.
- (d) If the TEA is upgraded to a Licence Contract and the participating interests of the Company and Jaguar in the joint venture are acquired, or diluted below 5% through a Third Party, the parties will seek to enter into a royalty deed with the Third Party pursuant to which the Company and Jaguar will be granted a right to receive a gross revenue royalty in respect of any petroleum produced from the area of the Licence Contract.
- (e) Either party may withdraw from the joint venture if it does not wish to proceed to a Licence Contract, in which case it must transfer its right, title and interest in the TEA to the other party for nominal consideration.

## Placement

Global has received firm commitments for a placement to raise \$1,000,000 (before costs) through the issue of 90,909,091 fully paid ordinary shares in the capital of the Company (**Placement Shares**) at an issue price of \$0.011 each, together with one (1) free attaching listed GLVOA options (exercisable at

\$0.04 and expiring 31 December 2025) (**Placement Options**) for every two (2) Placement Shares subscribed for and issued (**Placement**).

Funds raised from the Placement will be used to establish a Prospective Resource for the offshore Peruvian oil and gas block and generate a comprehensive data room to facilitate potential third-party investment and/or farmin, as well as towards transaction costs and exploration activities on the Company's existing project EP127.

The Company will issue 51,431,949 Placement Shares without shareholder approval under its Listing Rule 7.1 placement capacity and 34,287,966 Placement Shares under its Listing Rule 7.1A placement capacity. The remaining 5,189,176 Placement Shares and 45,454,545 Placement Options will issued subject to shareholder approval.

The Company also intends to issue, subject to shareholder approval, 7,839,900 facilitator shares in consideration for introduction and facilitation services, and 30,000,000 listed GLVOA options (on the same terms as the Placement Options) to unrelated AFSL holders who assisted with procuring applications under the Placement.

Authorised by the Board of Global Oil & Gas Limited.

**For further information please contact:**

Patric Glovac – Director  
[info@globaloilandgas.com.au](mailto:info@globaloilandgas.com.au)

**Competent Persons Statement**

*The information in this report is based on information compiled or reviewed by Mr Keith Martens, consulting geologist/geophysicist to Global Oil and Gas Limited. Mr Martens is a qualified petroleum geologist/geophysicist with over 45 years of Australian, North American and other international executive petroleum experience in both onshore and offshore environments. He has extensive experience of petroleum exploration, appraisal, strategy development and reserve/resource estimation. Mr Martens has a BSc. (Dual Major) in geology and geophysics from The University of British Columbia, Vancouver, Canada*

**References**

Higley, D. 2004, The Talara Basin Province of Northwestern Peru: Cretaceous-Tertiary Total Petroleum System, USGS Bulletin 2206-A

Fernández, J, et al, 2005, Tumbes and Talara Basins Hydrocarbon Evaluation, PeruPetro S.A.

Rios, A. 2019, PeruPetro, Petróleo y Desinformación en Tumbes, Article published online at <https://albertorios.eu/?p=3011> and accessed on 5/04/2023

Yesquén S. 2020, Peru's Oil & Gas Overview, PeruPetro S.A.