

## ASX Release

28 April 2011

The Manager  
ASX Limited  
Company Announcements Office

## GB Energy Limited (ASX: GBX) Quarterly Activities Report for Quarter Ended 31 March 2011

### Highlights

- **Announcement of proposed acquisition of onshore oil & gas assets and interests in South Australia**

### Review of Operations

The company announced on 8 March that it has conditionally agreed to acquire a package of assets and interests in a number of petroleum licences (PELs) in onshore South Australia from Cooper Energy Limited (ASX:COE).

The package of interests is as follows:

1. By acquisition:
  - 30% interest in the producing Worrior oilfield
  - 25% interest in PEL 90
  - 30% interest in PEL 93

(all in the Cooper Basin)

2. By earning through farmin:
  - 9.165% in PEL 100 – Cooper Basin
  - 10% in PEL 110 – Cooper Basin
  - 20% in PEL 495 – Otway basin.

The upfront acquisition consideration is \$16 million in cash and \$500,000 in GBX shares. In future, a production fee to COE is also payable based on output from the Worrior oilfield and a success fee based on future reserves calculation on PEL 90.

The transaction is subject to GB Energy's shareholder approval, a capital raising and normal regulatory approvals.

### **The Assets:**

These assets will provide the foundation for future growth of GB Energy in the oil and gas sector.

The Worrior oilfield is currently producing approximately 500 barrels of oil per day of which GB Energy's share will be approximately 150 barrels per day. The present resource within the Worrior oilfield is estimated by independent consultants as being between 1.8 and 2.0 million barrels, and on current trends the field has a life expectancy of at least another 10 years.

The other Licences (PELs 90, 93, 100 and 110) in the Cooper Basin are each considered highly prospective for the discovery of oil having a number of leads and prospects. Exploration drilling is expected to take place over the coming 1-2 years.

PEL495 (Otway Basin) has 12 prospects and leads containing 52 million barrels (P50) of Prospective Resources across the Permit. One of the prospects is ready to drill and it is expected to be drilled towards the end of calendar 2011.

### **Capital Raising and Shareholder Approval**

GB Energy proposes to raise up to \$21 million through the issue of shares to pay for the acquisition and to provide working capital.

Patersons Securities Limited has been appointed as Lead Manager for the capital raising.

The Notice of Meeting for a General Meeting of shareholders was lodged with the ASX and despatched to shareholders on 14 April. At the General Meeting a number of resolutions, with respect to this acquisition, will be voted upon. This meeting is scheduled to be held on 13 May 2011 in Perth. (Further details are available on the GB Energy website)

The Prospectus for the capital raising has been lodged with the ASX and is also available on the GB Energy website. Printed copies will be despatched to shareholders late in April. There is a priority offer to existing shareholders.

### **Slovak uranium exploration licences.**

The company is seeking to attract companies interested to joint venture in one or more of these licences. At the end of the quarter discussions had been initiated but no progress can be reported at this time.

### **For further information please contact:**

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