

Press Release

Release of Consolidated 2011 Results: Significant Increase of EBITDA, Adler Acquisition finalized, Extraordinary Write-Offs due to Low Natural Gas Prices

In the financial year 2011, the Global Oil & Gas AG Group (GOG) increased Group Revenues by 23% to TEUR (Thousand Euros) 1,289, after TEUR 1,046 in the prior year. This increase is mainly the result of the partial consolidation of Adler Energy, LC (Adler). Without this effect, GOG would have recorded an increase of group revenues of 8% to 2010 on a like-for-like basis. Revenues from natural gas sales dropped 7% year-on-year due to lower realized natural gas prices, while revenues from oil sales (excluding Adler) rose by 18% which again was mainly due to higher average oil prices throughout the year.

The most important event for the GOG Group in 2011 was the 100% acquisition of Adler. This acquisition was almost entirely financed by the issue of 8,104,591 new GOG shares to the ex-Adler membership holders. The takeover will significantly increase GOG's business and scope of operations. A first new successful well was drilled and completed in Adler's existing Thomas-Field in the current year. Adler holds leases of more than 40,000 acres in this part of the Illinois Basin, which attracts growing interest by other oil & gas companies.

Due to the persistently high over-supply of natural gas in North America, the price for thousand cubic feet (MCF) of gas continued its slide in 2011 and also fell to new lows in the first months of 2012. Industry forecasts do not expect a recovery of the natural price in the foreseeable future. In order to also reflect this development in GOG's financial statements, management has decided to write off most of GOG's natural gas projects. As a consequence the goodwill of Global Oklahoma Production LLC had to be adjusted, so that total write-offs in 2011 reached TEUR 8,105 (2010: TEUR 447).

Group EBITDA improved by 43% to TEUR 349 in 2011 after TEUR 244 in 2010. Excluding the extraordinary effects of the write-offs and the Adler acquisition GOG achieved a positive Operating Result of TEUR 12 in 2011 after a negative Operating Result of TEUR 16 in 2010. Taking into account the financial result and the write-offs the Net Result of 2011 was negative TEUR 8,304 after a minus of TEUR 452 in 2010.

The GOG Group had a very solid equity (equity ratio 91%) and liquidity position as of year-end 2011. Liquid funds as of year-end 2011 were TEUR 2,301 (2010: TEUR 2,795). Apart from usual maintenance capital expenditure, the main investment in 2011 was the acquisition of 100% of membership interests of Adler.

In the current year management expects a significant increase of revenues and operating results, particularly due to the first-time full-year consolidation of Adler. Moreover, it is planned to drill and complete new wells on the leased acreage. Also, management will continue pursue cost-cuttings and efficiency measures.

Contact: Jan M. Herbst, Tel. +49 231-700 82 08

Cautionary Note Regarding Forward-Looking Statements

This press release may include statements of future expectations and other forward-looking statements that may involve known and unknown risks and uncertainties. Actual results and developments or events may differ materially from those expressed or implied in such statements due to, without limitation, general economic conditions and the competitive situation, especially in the core business areas and markets of Global Oil & Gas AG, the impact of acquisitions, including the subsequent integration of those companies and re-organisation measures. Furthermore the development of financial markets and currency exchanges rates as well as national and international changes in laws and regulation, especially in tax issues, could have a significant impact. The company assumes no obligation to update any forward-looking statement.